

BeFra



Q4 2024 Earnings Results

February 2025

Q4 2024 Highlights:

Continued Growth

Q4 Net revenue grew 11.1%, led by Jafra Mexico with a 22.2% increase. Betterware Mexico grew 1.5%, maintaining growth momentum.

Q4 gross margin improved by 116 bps, with Betterware Mexico expanding by 675 bps despite external cost challenges.

Q4 adjusted EBITDA declined 5.8%, mainly from a drop in Jafra Mexico's EBITDA due to favorable 2023 synergies.

Positive free cash flow ~67% of EBITDA, down in Q4 and for the year, due to supplier payment improvement in Jafra Mexico in 2023.

Adjusted EPS grew 10.5% in Q4 and 17.3% for the year, driven by higher revenues, better gross margin, and lower interest expense.

Next Steps

Execution of the commercial plan across businesses, leveraging strategic initiatives and innovation to capitalize on momentum achieved in 2024.

Ongoing revision of pricing strategies to strike optimal balance between volume and price across our brand portfolio and remain competitive and attractive.

Cost control and inventory reduction efforts to enhance profitability, minimize excess, and provide greater flexibility for the coming quarters through various strategies such as catalog reconfiguration.

Continued implementation of new digital tools to enhance ease of doing business for our sales force and gain traction across different profiles and give accessibility for all kinds of sale methods.

Q4 2024 Highlights:

Betterware México

Betterware Mexico returned to growth with a 4.6% sales increase after two years of decline.

Salesforce productivity improvement, associate average order size by 11.4% YoY, but this has not yet translated into an overall base expansion.

Gross margin expanded by 675 basis points in Q4, derived from better promotional performance in Q4 2024.

Q4 EBITDA grew 31.8% YoY, derived from the same effect in GM as well as better expense control.

EBITDA margin contracted mainly driven by a temporary increase in corporate and logistics expenses due to the additional inventory build during the second half.

Next Steps

Portfolio Reconfiguration: rebalance portfolio to improve price accessibility, and revising product cost structures to decrease costs.

Continued innovation impact: strong innovation pipeline for 2025, strengthening core portfolio and new category expansion.

Improve communication: strengthen social network management to complement our catalog's reach.

Enhance our incentives program: to promote our Associate Base growth. Launch of new incentives, such as OTC medicine and basic food items.

Betterware US. Strengthen recruitment programs to accelerate revenue growth.

Betterware Latin Expansion: will begin in Ecuador in June 2025 to capitalize the availability of growth opportunity.

Q4 2024 Highlights:

Jafrá México

Q4 2024 with a 22.2% year-over-year revenue increase—the strongest quarterly growth of the year—as a result of top brand innovations, sales force incentives & pricing strategy.

Improved consultant journey that boosted both associate productivity by 11.8% and the number of active associates increased 3.0%.

Gross margin for Q4 2024 decreased of 469 basis points due synergies and cost reductions that positively impacted Q4 2023.

Adjusted EBITDA growth of 15.5% for 2025, driven by a 131 basis point expansion in gross margin as volume increased, productivity improvements in manufacturing, lower raw material costs, and a favorable product mix.

Next Steps

Brand Refresh: top brands will receive a modern and vibrant design update, strengthening market presence and impact.

Product Innovation: Innovation drove 19.0% of net revenues in 2024. We have a strong pipeline of innovation in all our categories.

Pricing and Competitive Strategy: continue to refine our pricing strategy to balance competitiveness, affordability, and profitability.

Catalog reconfiguration: we'll further expand our catalog's offerings (more SKU's and more content) in Q2 2025.

Sales Force Tools: We intend to launch our new J+ app, based on the same technology as B+, enhancing our As and Ds experience

Enhance our incentive program: continue perfecting our incentive program, making it more attractive to new and existing As & Ds.

Q4 2024 Highlights:

Jafra US

Jafra US has successfully stabilized after years of decline.

Q4 net revenues in USD fell 17.6% YoY, partially mitigated by the depreciation of the Mexican peso. Momentum of the 1H was offset by a weaker 2H, primarily driven by the transition to Shopify+

Associates increased productivity, and activity levels gained momentum. The transition to Shopify+ affected recruitment, resulting in a 15.1% decline in the average Associate base for the quarter.

Quarterly EBITDA remained positive but fell short of the prior year's results.

Next Steps

Renovating the core portfolio lines, and launching a strong innovation portfolio.

Pricing Strategy: Adjust prices to become more competitive in the Skin Care and Cosmetics categories.

Incentive Program: Roll out a new and enhanced incentive program in Q2 2025 to attract new Associates and strengthen the existing base.

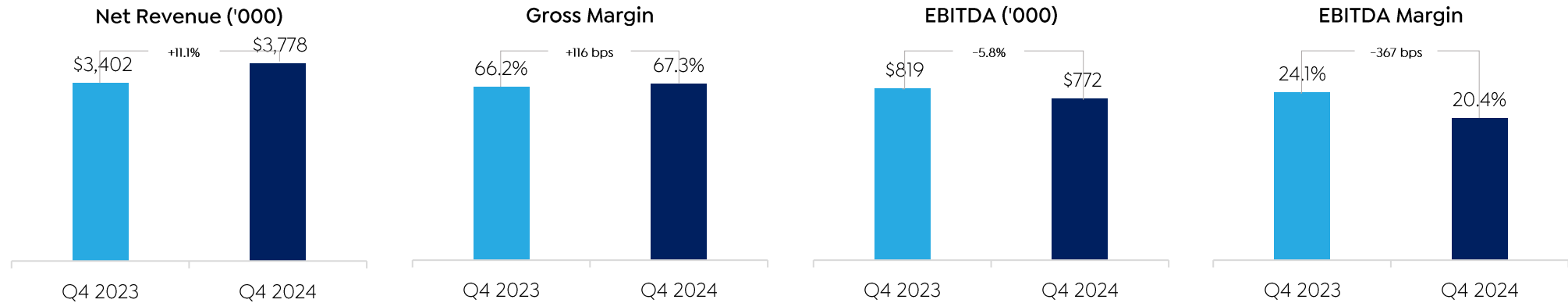
Digital Catalog on Shopify: Launch a new digital catalog through Shopify in Q1 2025 to improve user experience and align with consumer preferences.

Hispanic Market support: working on supporting our customer and sales force base so they can recover trust, and excel growth for the rest of the year.

Consolidated Financial Performance Q4 2024

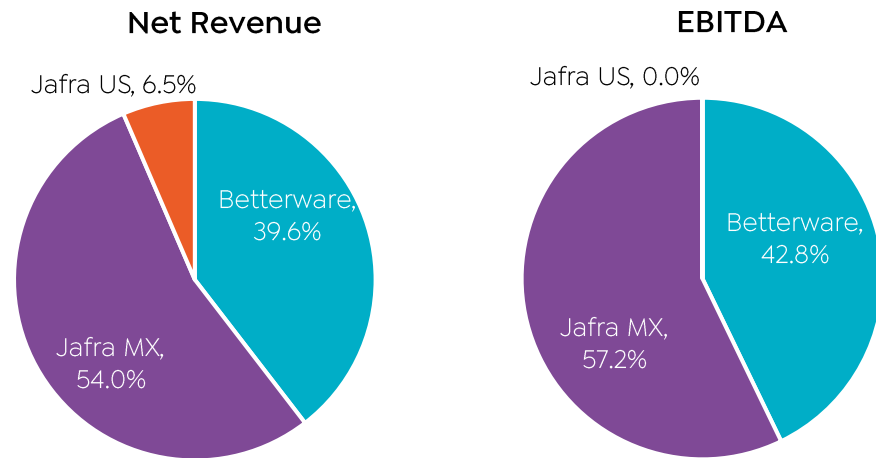


Q4 2024



Key Highlights:

- Net Revenue continues to grow, driven by all our business units. Betterware consolidates growth momentum, while Jafra Mexico continues to deliver exceptional results.
- Profitability of the group continues to improve, driven by cost efficiencies achieved throughout our business units despite challenges and a higher comparable base.

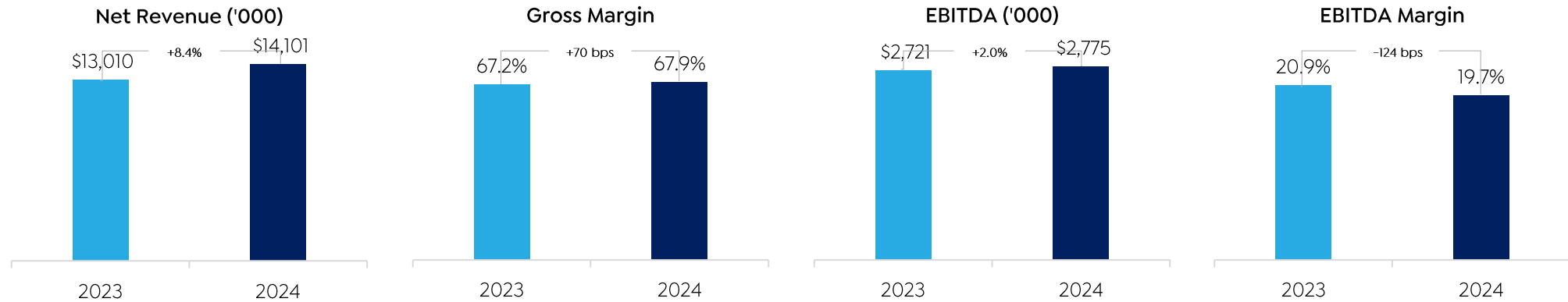


* Financial Figures in Ps. Millions.

Consolidated Financial Performance FY 2024

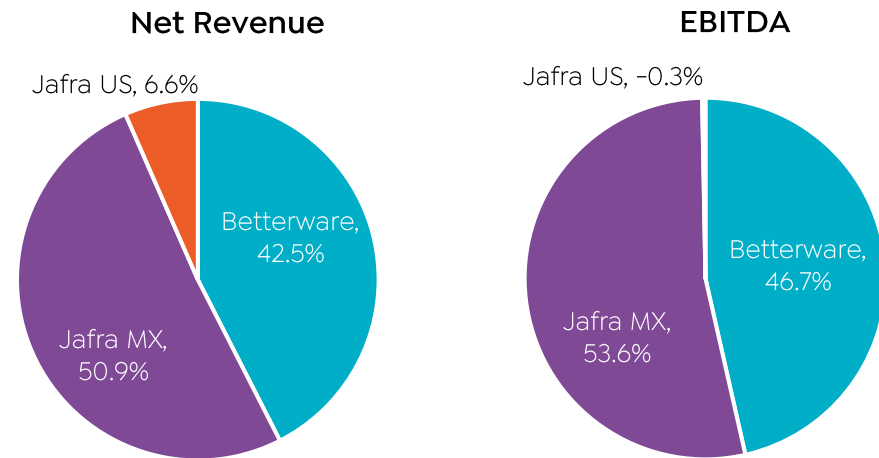


FY 2024



Key Highlights:

- Net Revenue and Adj. EBITDA continue growing, driven by Betterware and Jafra in Mexico, while Jafra US is on the right track to achieve break even point achieving stabilization, proving the successful implementation of our business model in the turnaround of the company.

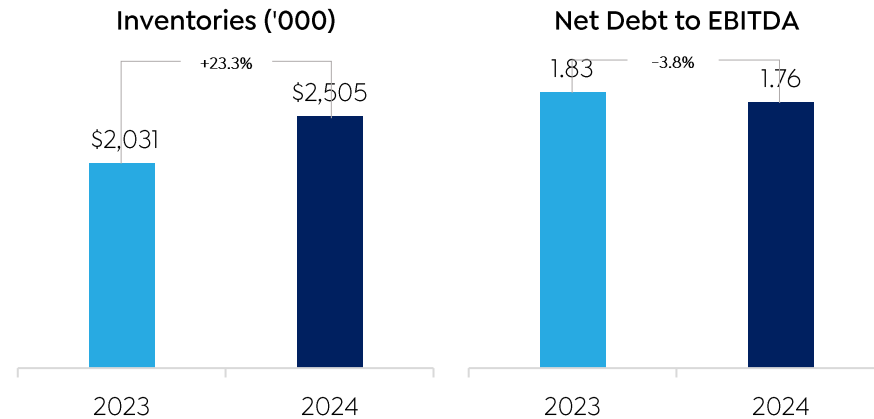


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Consolidated Financial Performance Q4 2024

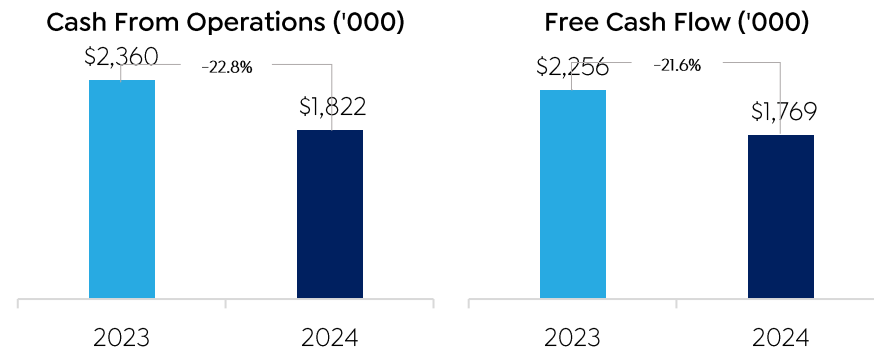


Balance Sheet



- Balance Sheet remains strong. We have deleveraged the company through the repayment of our debt.
- Our target is to lower our net debt-to-EBITDA ratio to approximately 1.5x, maintaining a balance sheet that is both prudent and strategically positioned for future growth.

Free Cash Flow



- Free Cash Flow generation. Although positive, declined by 21.6%, primarily driven by a drop in operating cash flow mainly due to inventory build up at Betterware, compensated with Jafra Mexico from improved inventory turnover and favorable supplier payment terms.
- The decrease also derives from an extraordinary cash inflow in 2023, mainly from moving supplier payment terms in Jafra Mexico.

* Financial Figures in Ps. Millions.

Consolidated Financial Performance Q4 2024



Guidance

BeFra remains confident and positive about 2025, given the Company's substantial achievements to date and further growth prospects. The current outlook assumes BeFra's Q4 2024 net revenue and EBITDA are aligned with initial forecasts for the coming year. Should the company's results remain strong, BeFra may consider raising guidance. However, guidance remains as is detailed below:

	2025	2024	D%
Net Revenue	\$ 14,900 - \$ 15,300	\$ 14,101	6.0% - 9.0%
EBITDA	\$ 2,900 - \$ 3,000	\$ 2,775	6.0% - 9.0%

Capital Allocation

BeFra intends to use operating cash flow for debt repayments, with the same objective of lowering Net debt-to-EBITDA to at least 1.5x by the end of 2025.

The Company remains committed to paying quarterly dividends as another means to increase shareholder value. The board of directors has proposed a Ps. 250 million dividend for the fourth quarter 2024, subject to approval. This would mark the 20th consecutive quarterly dividend payment since our IPO in March 2020.

** Financial Figures in Ps. Millions.*

BeFra

