



The Beauty Health Company Expands International Direct Market Presence

June 24, 2021

Announces agreements to acquire four global distributors in Germany, Australia, France and Mexico; expected to be immediately accretive to earnings

LONG BEACH, Calif.--(BUSINESS WIRE)--Jun. 24, 2021-- The Beauty Health Company ("BeautyHealth" or the "Company") (NASDAQ: SKIN), parent entity of The HydraFacial® Company ("HydraFacial"), a global category-creating beauty health company, today announced the expansion of its global footprint, with the pending or completed acquisitions of four international, third-party distributors for HydraFacial. The total purchase price for the four distributors will be approximately \$35 million, consisting of approximately \$28 million in cash and \$7 million in shares of the Company's Class A Common Stock. This represents an average of 20% seller equity rollover across the four transactions. The Company will also be required to issue up to 7.5 million shares of Class A Common Stock to the former owners of HydraFacial pursuant to the earnout provision in the merger agreement related to the Company's May 2021 business combination.

The transactions, which are expected to be immediately accretive to earnings, and have closed or are expected to close in June 2021, further solidify the Company's direct presence in key international markets, including Germany, Australia, France and Mexico. Expected results from the anticipated acquisition of these distributors in the second half of the year were included in the Company's previously provided 2021 outlook. Three of the acquisitions remain subject to customary closing conditions.

"As we continue to bring BeautyHealth to the masses, we are thrilled to convert four of our valued distributors, with whom we've built great relationships, into direct management," said Clint Carnell, Chief Executive Officer of BeautyHealth. "This direct model approach brings us closer to both our providers and our consumers around the world, leading to more opportunities for direct engagement and creative experiences that drive brand awareness. We have seen the successful testing case with our earlier acquisition of a former distributor in the UK and plan to continue to build on our scaling and marketing capability globally."

The acquisitions and continued investment in scaling internationally represent HydraFacial's focus and execution on its key global expansion initiative. The Company has also experienced a continued strong trend in global consumer engagement and demand, as experienced at its recent pop-ups and expos in Dubai, London and Shanghai, which further validates its global direct marketing initiatives.

HydraFacial is currently available in 87 countries, and continues to work with over 17,000 delivery systems, treating millions of consumers worldwide each year. To learn more about The Beauty Health Company and its flagship brand, HydraFacial, please visit us online at <https://investors.beautyhealth.com/>.

About The Beauty Health Company

BeautyHealth is a category-creating beauty health company focused on bringing innovative products to market. Our flagship brand, HydraFacial, is a non-invasive, and approachable beauty health platform and ecosystem with a powerful community of estheticians, consumers and partners, bridging medical and consumer retail to democratize and personalize skin care solutions for the masses. Leading the charge in beauty health as a category-creator, HydraFacial uses a unique delivery system to cleanse, extract, and hydrate with their patented hydradermabrasion technology and super serums that are made with nourishing ingredients, providing an immediate outcome and creating an instantly gratifying glow in just three steps and 30 minutes. HydraFacial® and Perk™ products are available in over 87 countries with over 17,000 delivery systems globally and millions of treatments performed each year. For more information, visit the brand on LinkedIn, Facebook, Instagram, or at [HydraFacial.com](https://investors.beautyhealth.com/). For more information, please visit at <https://investors.beautyhealth.com/>.

Forward-Looking Statements

Certain statements made in this release are "forward looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. When used in this press release, the words "estimates," "projected," "expects," "anticipates," "forecasts," "plans," "intends," "believes," "seeks," "may," "will," "should," "future," "propose" and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements.

These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside BeautyHealth's control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements.

Important factors, among others, that may affect actual results or outcomes include the inability to close the remaining distributor acquisitions or recognize the anticipated benefits of the four acquisitions; the inability to maintain the listing of BeautyHealth's shares on Nasdaq; BeautyHealth's ability to manage growth; BeautyHealth's ability to execute its business plan and meet its projections; potential litigation involving BeautyHealth; changes in applicable laws or regulations; the possibility that BeautyHealth may be adversely affected by other economic, business, and/or competitive factors; and the impact of the continuing COVID-19 pandemic on the Company's business. BeautyHealth does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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