



Nu Skin Q3 2022

Overview



Important Information Regarding Forward-Looking Statements: This presentation contains 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, that represent the company’s current expectations and beliefs. All statements other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws and include, but are not limited to, statements of management’s expectations regarding the company’s performance, growth, shareholder value, strategies, vision, transformation, initiatives, product pipeline and product introductions, digital and social-commerce tools and initiatives, customers, sales leaders and affiliates, and operational improvements; statements of management’s expectations regarding the future status of the COVID-19 pandemic globally and across the company’s markets, and government and public behavior in response to such status; projections regarding revenue, expenses, earnings per share, foreign currency fluctuations, dividends, uses of cash and other financial items; statements of belief; and statements of assumptions underlying any of the foregoing. In some cases, you can identify these statements by forward-looking words such as “believe,” “expect,” “continue,” “anticipate,” “project,” “outlook,” “guidance,” “plan,” “continue,” “will,” “would,” “could,” “may,” “might,” the negative of these words and other similar words.

The forward-looking statements and related assumptions involve risks and uncertainties that could cause actual results and outcomes to differ materially from any forward-looking statements or views expressed herein. These risks and uncertainties include, but are not limited to, the following:

- risk that epidemics, including the ongoing COVID-19 pandemic, and other crises could negatively impact our business;
- adverse publicity related to the company’s business, products, industry or any legal actions or complaints by the company’s sales force or others;
- risk that direct selling laws and regulations in any of the company’s markets, including the United States and Mainland China, may be modified, interpreted or enforced in a manner that results in negative changes to the company’s business model or negatively impacts its revenue, sales force or business, including through the interruption of sales activities, loss of licenses, increased scrutiny of sales force actions, imposition of fines, or any other adverse actions or events;
- any failure of current or planned initiatives or products to generate interest among the company’s sales force and customers and generate sponsoring and selling activities on a sustained basis;
- political, legal, tax and regulatory uncertainties, including trade policies, associated with operating in Mainland China and other international markets;
- uncertainty regarding meeting restrictions and other government scrutiny in Mainland China, as well as negative media and consumer sentiment in Mainland China on our business operations and results;
- risk of foreign-currency fluctuations and the currency translation impact on the company’s business associated with these fluctuations;
- uncertainties regarding the future financial performance of the businesses the company has acquired;
- risks related to accurately predicting, delivering or maintaining sufficient quantities of products to support planned initiatives or launch strategies, and increased risk of inventory write-offs if the company over-forecasts demand for a product or changes its planned initiatives or launch strategies;
- regulatory risks associated with the company’s products, which could require the company to modify its claims or inhibit its ability to import or continue selling a product in a market if the product is determined to be a medical device or if the company is unable to register the product in a timely manner under applicable regulatory requirements;
- unpredictable economic conditions and events globally;
- the company’s future tax-planning initiatives; any prospective or retrospective increases in duties or tariffs on the company’s products imported into the company’s markets outside of the United States; and any adverse results of tax audits or unfavorable changes to tax laws in the company’s various markets; and
- continued competitive pressures in the company’s markets.

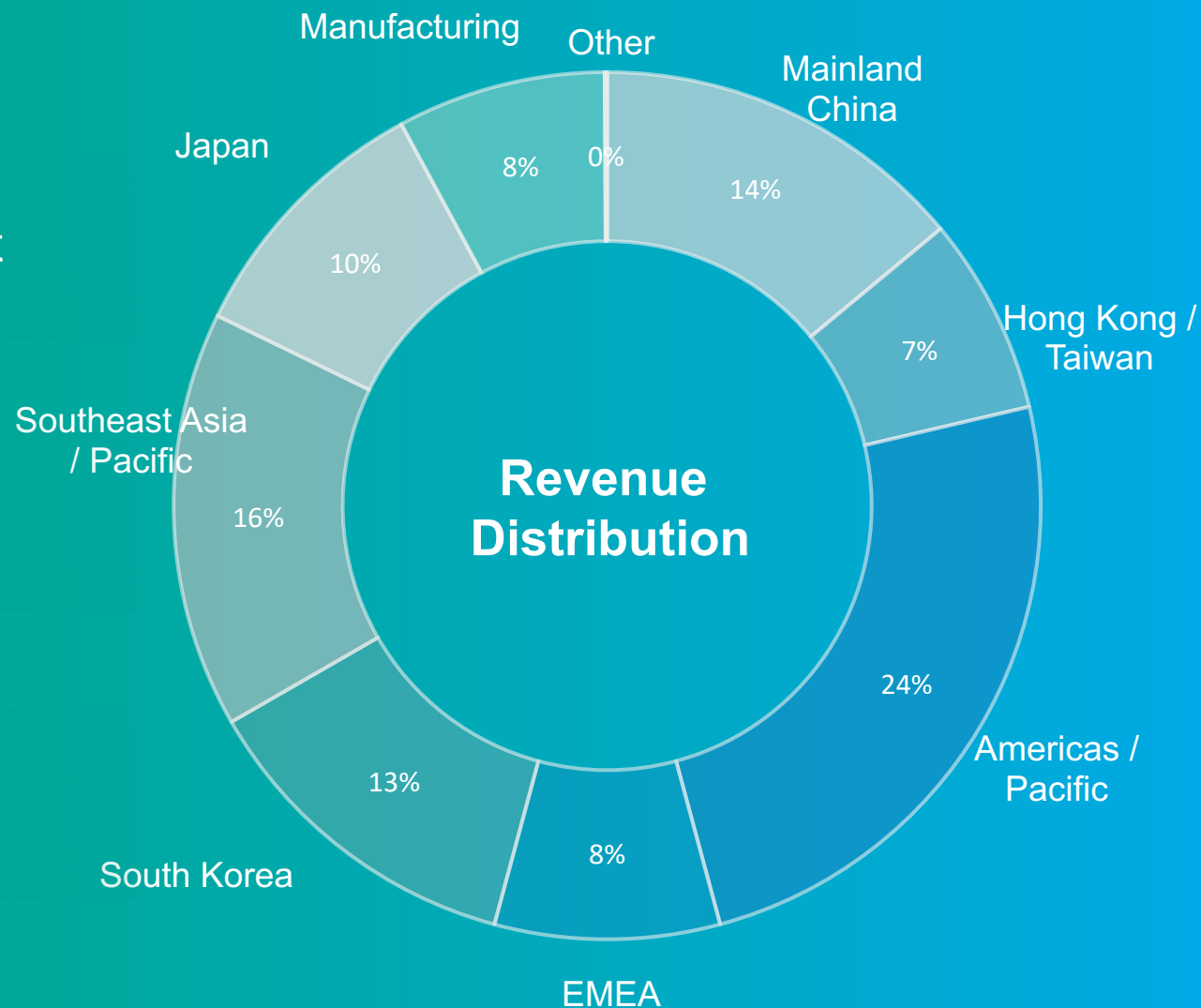
The company’s financial performance and the forward-looking statements contained herein are further qualified by a detailed discussion of associated risks set forth in the documents filed by the company with the Securities and Exchange Commission. The forward-looking statements set forth the company’s beliefs as of the date that such information was first provided, and the company assumes no duty to update the forward-looking statements contained in this presentation to reflect any change except as required by law.

Q3 Results

Revenue \$537.8 million, (16%) YOY; (7%) fx impact

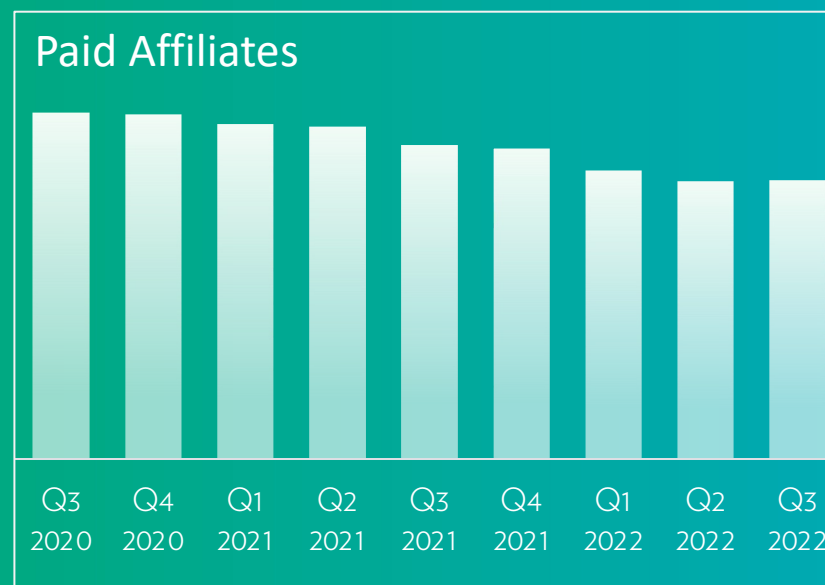
EPS \$(0.51); or \$0.47 excluding restructuring and impairment charges, compared to \$0.97 in Q3 21

Customers (11%), Paid Affiliates (11%), Sales Leaders (22%), YOY



Customer / Sales Leader / Paid Affiliate Performance

Market	Q3 2022					
	Customers	YOY % Change	Paid Affiliates	YOY % Change	Sales Leaders	YOY % Change
Mainland China	256,183	(28)%	23,088	(28)%	11,897	(39)%
Americas	316,123	(3)%	44,745	(12)%	9,545	(20)%
S.E. Asia / Pac	153,432	(5)%	40,624	(6)%	7,618	0%
South Korea	134,549	(14)%	47,852	(12)%	6,992	(22)%
Japan	121,202	(2)%	38,119	(1)%	6,063	1%
EMEA	187,906	(11)%	31,409	(13)%	4,777	(26)%
HK / Taiwan	69,989	12%	17,439	(8)%	2,932	(19)%
Total	1,239,384	(11)%	243,276	(11)%	49,824	(22)%



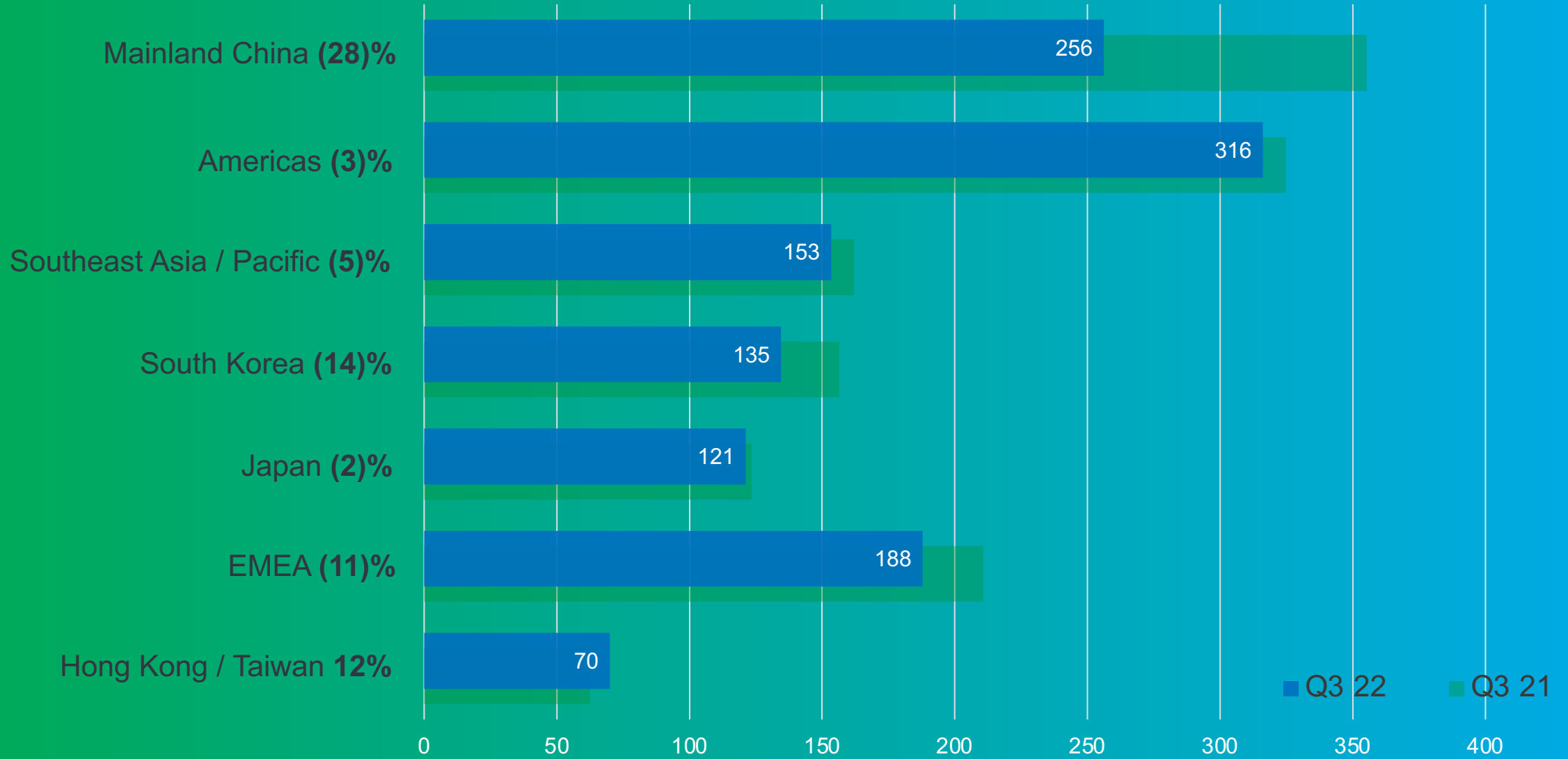
Revenue by Segment (M)



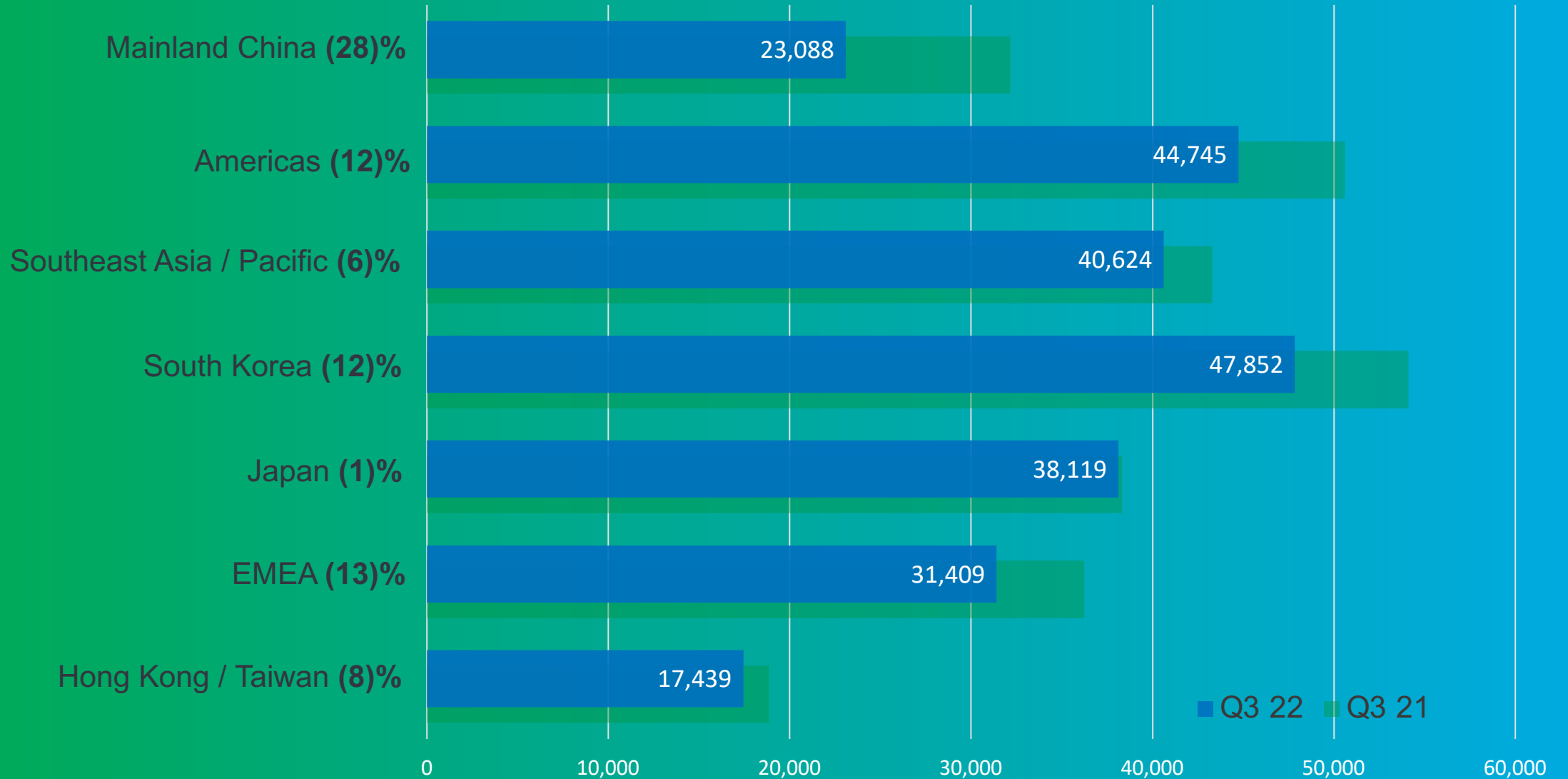
*Amounts and percentages are in reported currency



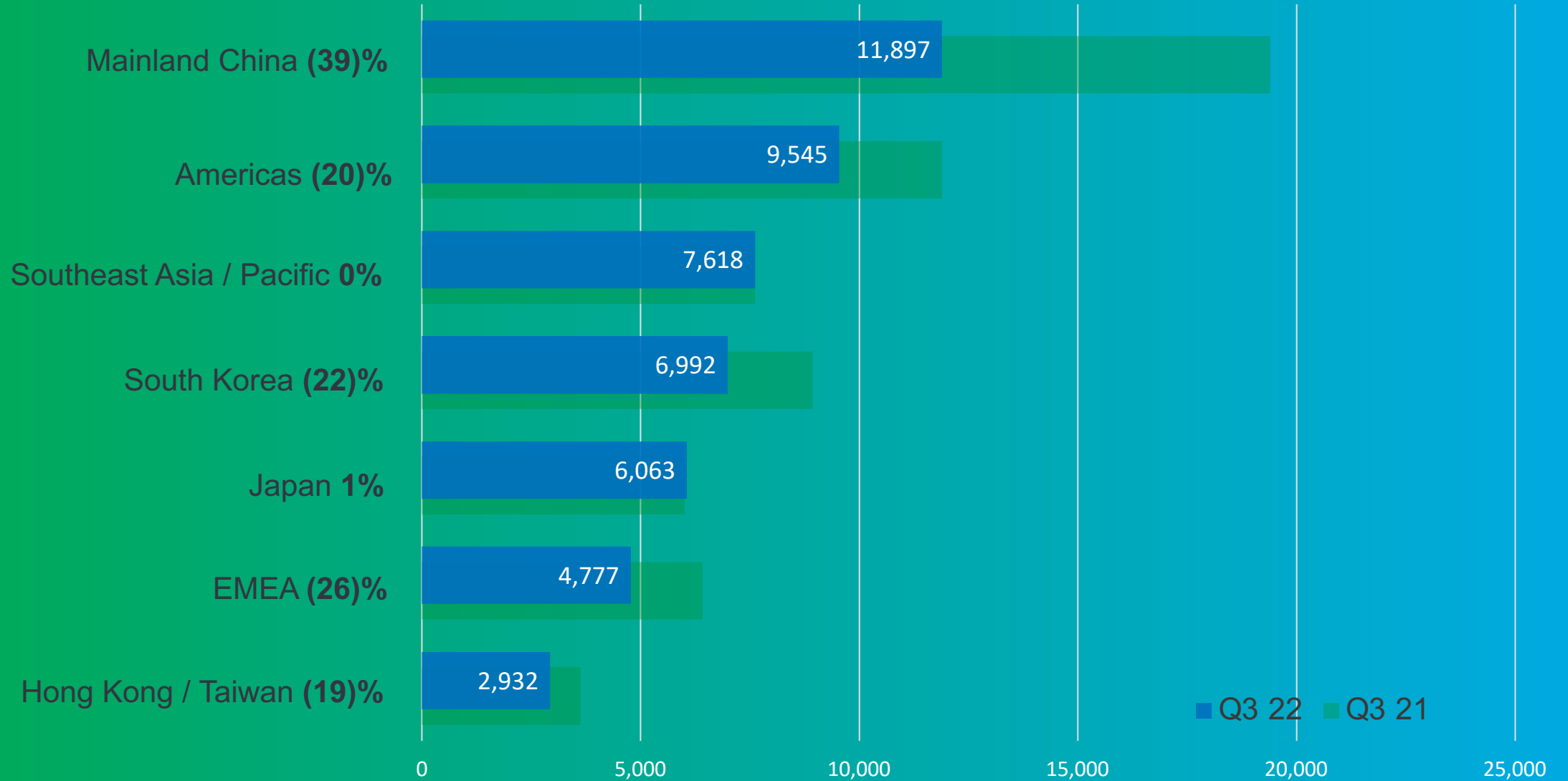
Customers by Segment (000's)



Paid Affiliates by Segment

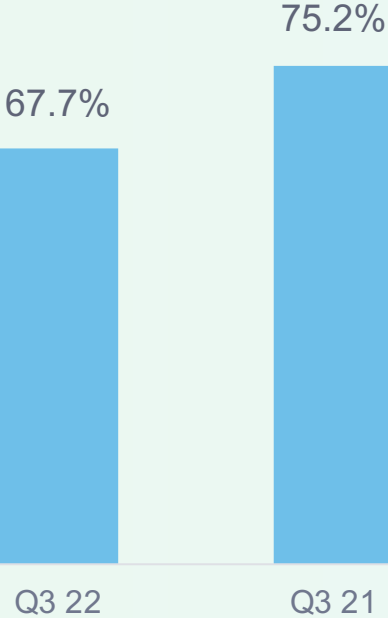


Sales Leaders by Segment

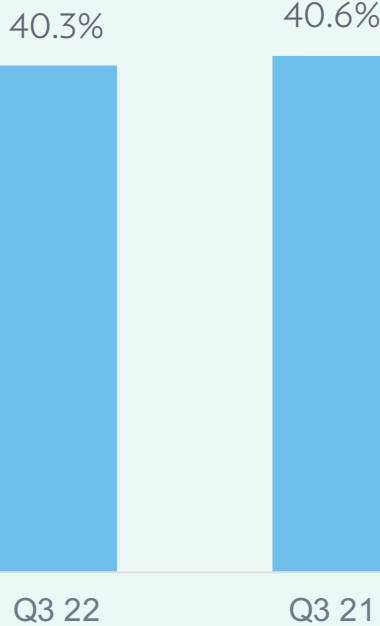


Operational Performance

*Gross Margin



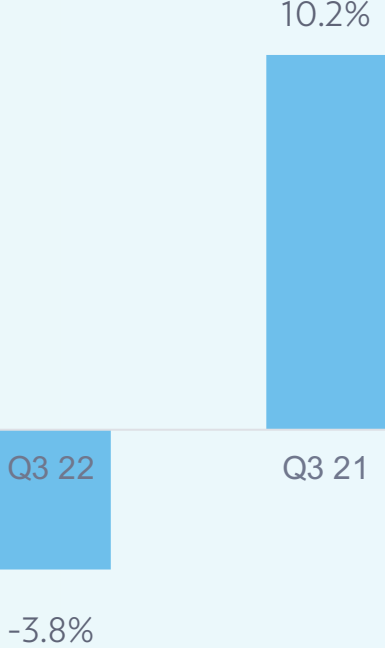
Selling Expenses



G&A Expense



*Operating Margin



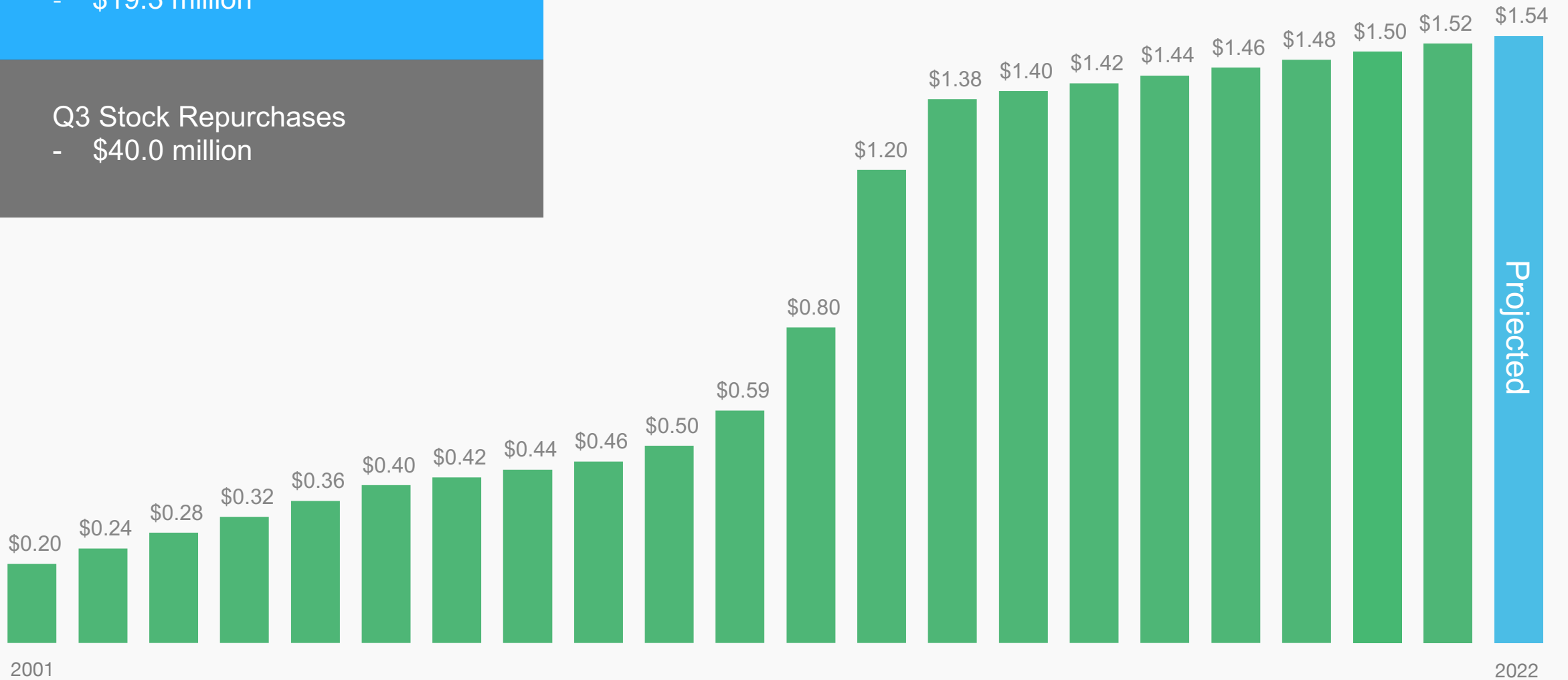
* Q3 22 reported amounts indicated, inclusive of Q3 22 restructuring and impairment charges. See Q3 earnings release for additional details.

Q3 Dividend Payment
- \$19.3 million

Q3 Stock Repurchases
- \$40.0 million

Shareholder Value

Annual Dividend

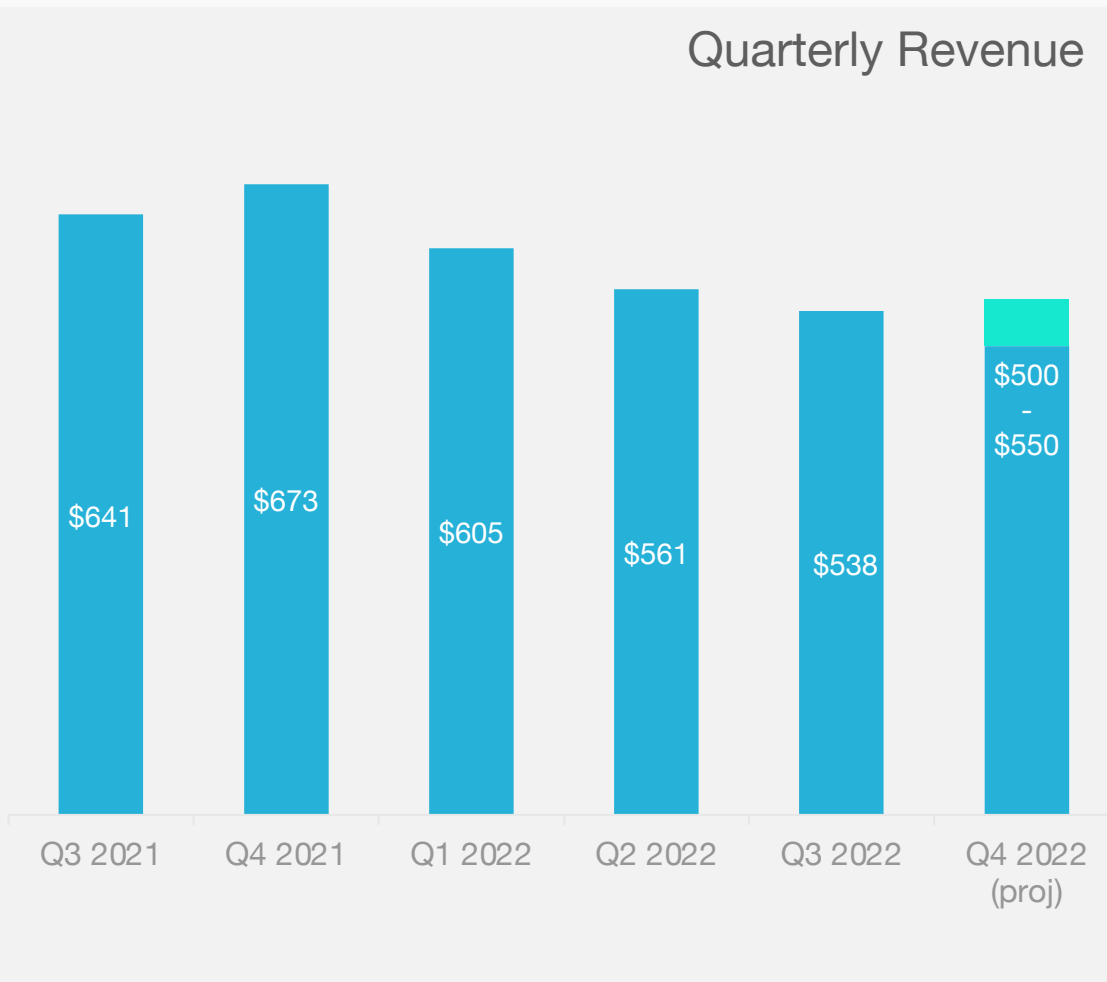


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2022

Q3 & 2022 Outlook

Quarterly Revenue



Q4 2022 Revenue • \$500 to \$550 M; (26) to (18)%
• Approx. (8) to (10)% fx impact

Q4 2022 EPS • \$0.30 to \$0.50; or \$0.40 to \$0.60
non-GAAP

2022 Revenue • \$2.20 to \$2.25 B; (18) to (16)%
• Approx. (5) to (7)% fx impact

2022 EPS • \$1.25 to \$1.45; or \$2.40 to \$2.60
non-GAAP



Non-GAAP Reconciliation Tables

NU SKIN ENTERPRISES, INC. Reconciliation of Earnings Per Share Excluding Certain Charges to GAAP Earnings Per Share

	Three Months Ended December 31, 2022		Year Ended December 31, 2022	
	Low End	High End	Low End	High End
Earnings per share	\$ 0.30	\$ 0.50	\$ 1.25	\$ 1.45
Impact of charges associated with our second half restructuring and impairment charges:				
Restructuring and Impairment	0.18	0.18	0.77	0.77
Inventory write-off	—	—	0.53	0.53
Income tax impact	(0.07)	(0.07)	(0.29)	(0.29)
Impact of charges associated with our Q4 2021 exit from Grow Tech:				
Unrealized investment loss	—	—	0.18	0.18
Income tax impact	(0.01)	(0.01)	(0.04)	(0.04)
Adjusted Earnings per share	<u>\$ 0.40</u>	<u>\$ 0.60</u>	<u>\$ 2.40</u>	<u>\$ 2.60</u>

NU SKIN ENTERPRISES, INC. Reconciliation of Earnings Per Share Excluding Impact of Restructuring and Impairment to GAAP Earnings Per Share (in thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net income (loss)	\$ (25,390)	\$ 49,729	\$ 47,563	\$ 156,497
Impact of restructuring and impairment:				
Restructuring and impairment	30,124	—	30,124	—
Inventory write-off	26,905	—	26,905	—
Income tax impact	(10,469)	—	(10,469)	—
Impact of charges associated with our Q4 2021 exit from Grow Tech:				
Unrealized investment loss	3,298	—	9,009	—
Income tax impact	(626)	—	(1,085)	—
Adjusted net income	<u>\$ 23,842</u>	<u>\$ 49,729</u>	<u>\$ 102,047</u>	<u>\$ 156,497</u>
Diluted earnings per share	\$ (0.51)	\$ 0.97	\$ 0.94	\$ 3.03
Diluted earnings per share, excluding restructuring and impairment impact	\$ 0.47	\$ 0.97	\$ 2.01	\$ 3.03
Weighted-average common shares outstanding (000s):	50,199	51,260	50,822	51,629

