

NU SKIN®

Q4 2023  
Overview

**Important Information Regarding Forward-Looking Statements:** This press release 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 macro environment and the company's performance, growth and growth opportunities, shareholder value, value creation, future cash flexibility, strategies, transformation, evolution, investments, initiatives, product pipeline and product introductions, product eliminations, digital tools and initiatives, new market expansion, customers, sales leaders, affiliates, restructuring initiatives, and operational improvements; statements of management's expectations regarding the company's acquisitions, anticipated benefits of acquisitions, and performance of acquired companies; projections regarding revenue (including future Rhyz revenue), expenses, tax rates, debt, earnings per share, foreign currency fluctuations, future 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," "aim," "commit," "anticipate," "accelerate," "project," "plan," "continue," "outlook," "guidance," "improve," "prioritize," "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:

- 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;
- 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;
- economic conditions and events globally;
- competitive pressures in the company's markets;
- risk that epidemics, including COVID-19 and related disruptions, or 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;
- 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; and
- 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.

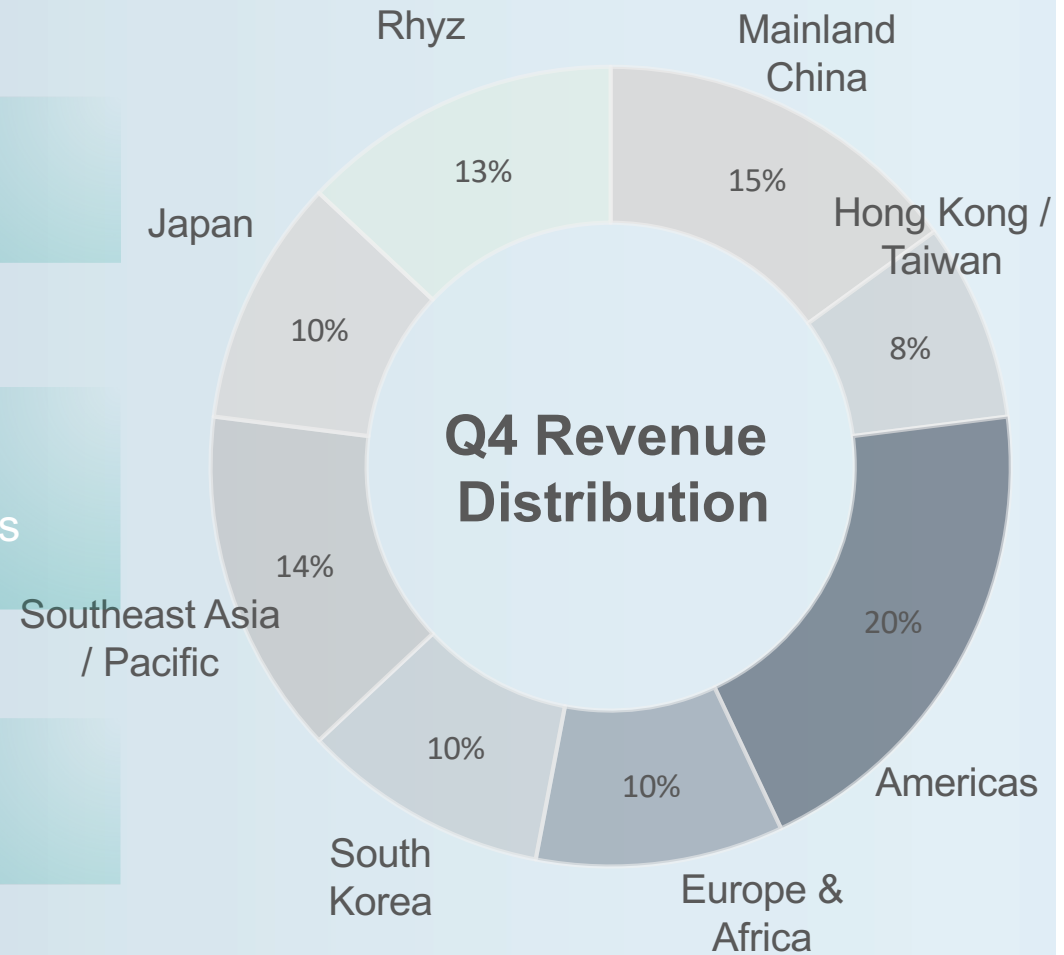
The company's financial performance and the forward-looking statements contained herein are further qualified by a detailed discussion of associated risks set forth in the documents filed by the company with the Securities and Exchange Commission. The forward-looking statements set forth the company's 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.

## Q4 Overview

Revenue \$488.6 million, (6%) YOY; (1%) FX impact or \$(7.2) M

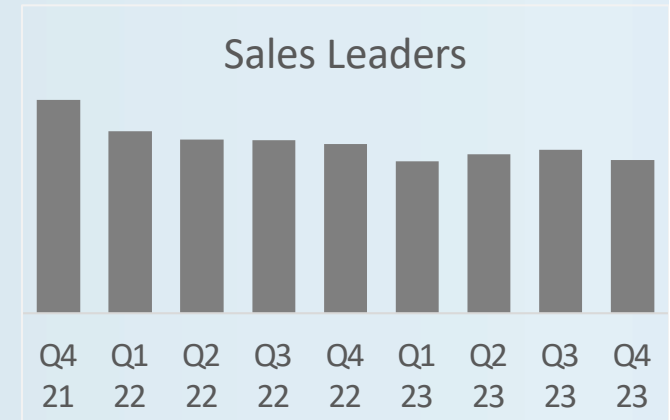
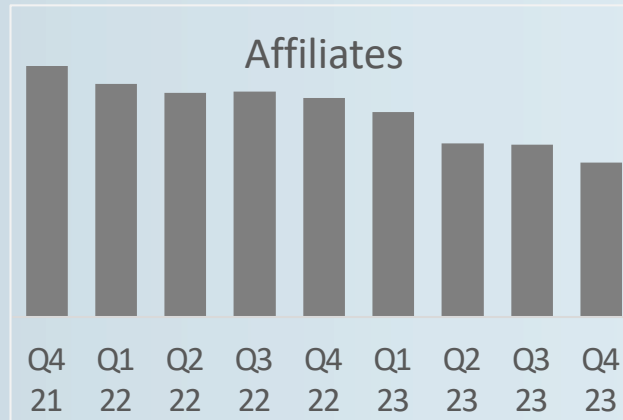
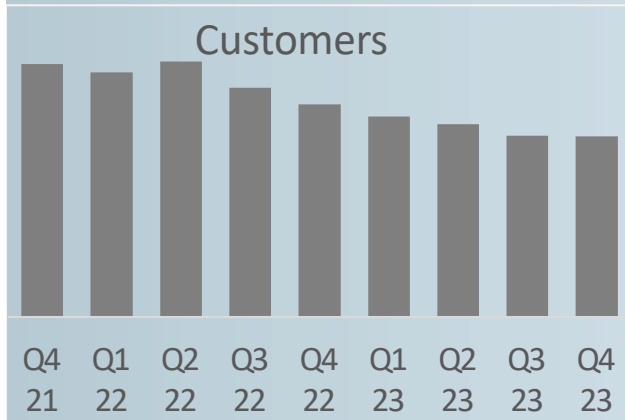
EPS \$0.15 or \$0.37 excluding restructuring & other charges, compared to \$1.15 or \$0.89 excluding restructuring and impairment charges and a favorable tax rate in Q4 22

Customers (15%), Paid Affiliates (30%), Sales Leaders (10%), YOY

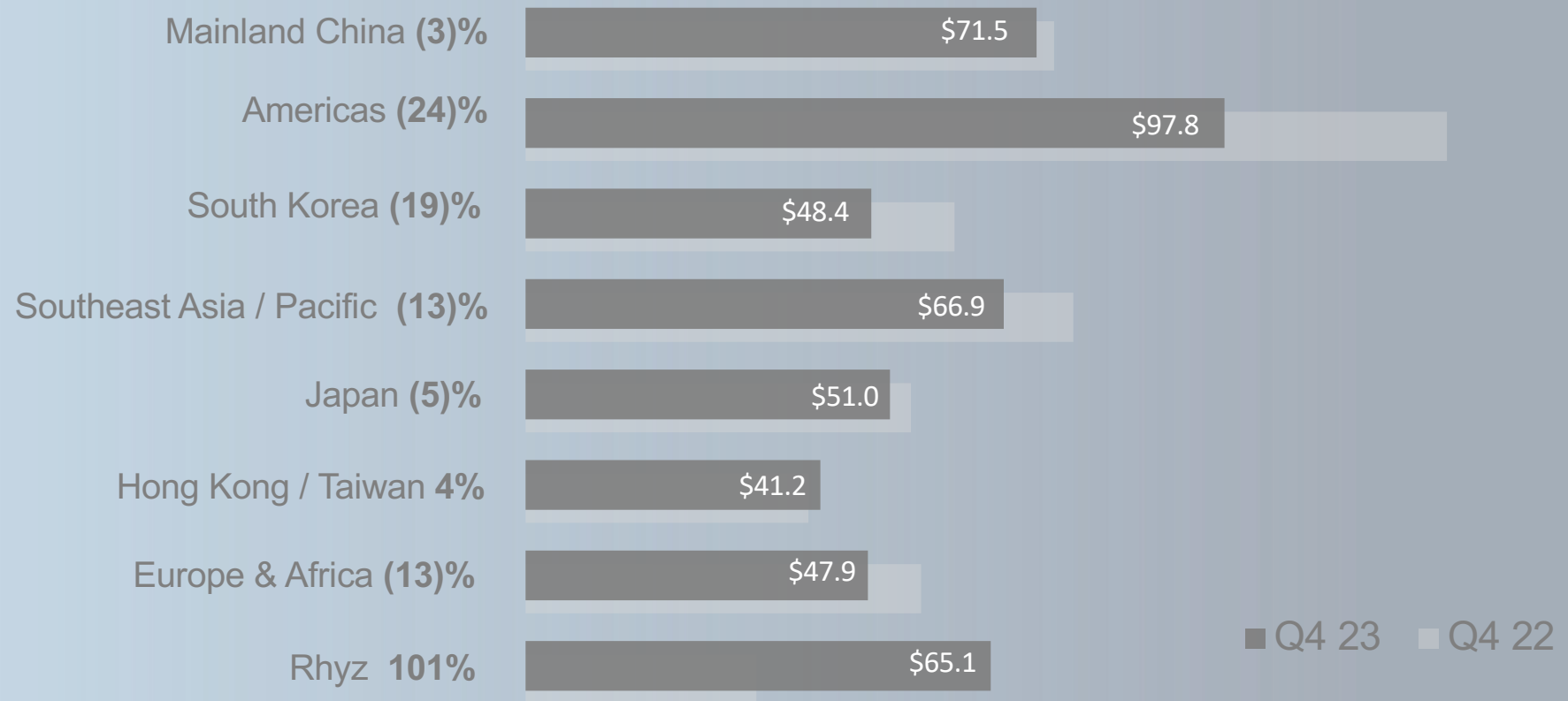


## Customer/Paid Affiliates/Sales Leader Performance

Market	Q4 2023					
	Customers	YOY % Change	Paid Affiliates	YOY % Change	Sales Leaders	YOY % Change
Mainland China	207,276	2%	25,889	10%	11,296	(9)%
Americas	231,183	(23)%	31,910	(25)%	7,126	(26)%
S.E. Asia / Pac	106,471	(25)%	34,404	(11)%	6,418	(8)%
South Korea	103,151	(17)%	22,166	(51)%	5,249	(14)%
Japan	113,670	(5)%	22,417	(41)%	7,086	19%
Europe & Africa	163,178	(18)%	18,888	(41)%	3,968	(16)%
HK / Taiwan	52,110	(17)%	11,212	(35)%	2,916	(3)%
<b>Total</b>	<b>977,039</b>	<b>(15)%</b>	<b>166,886</b>	<b>(30)%</b>	<b>44,059</b>	<b>(10)%</b>



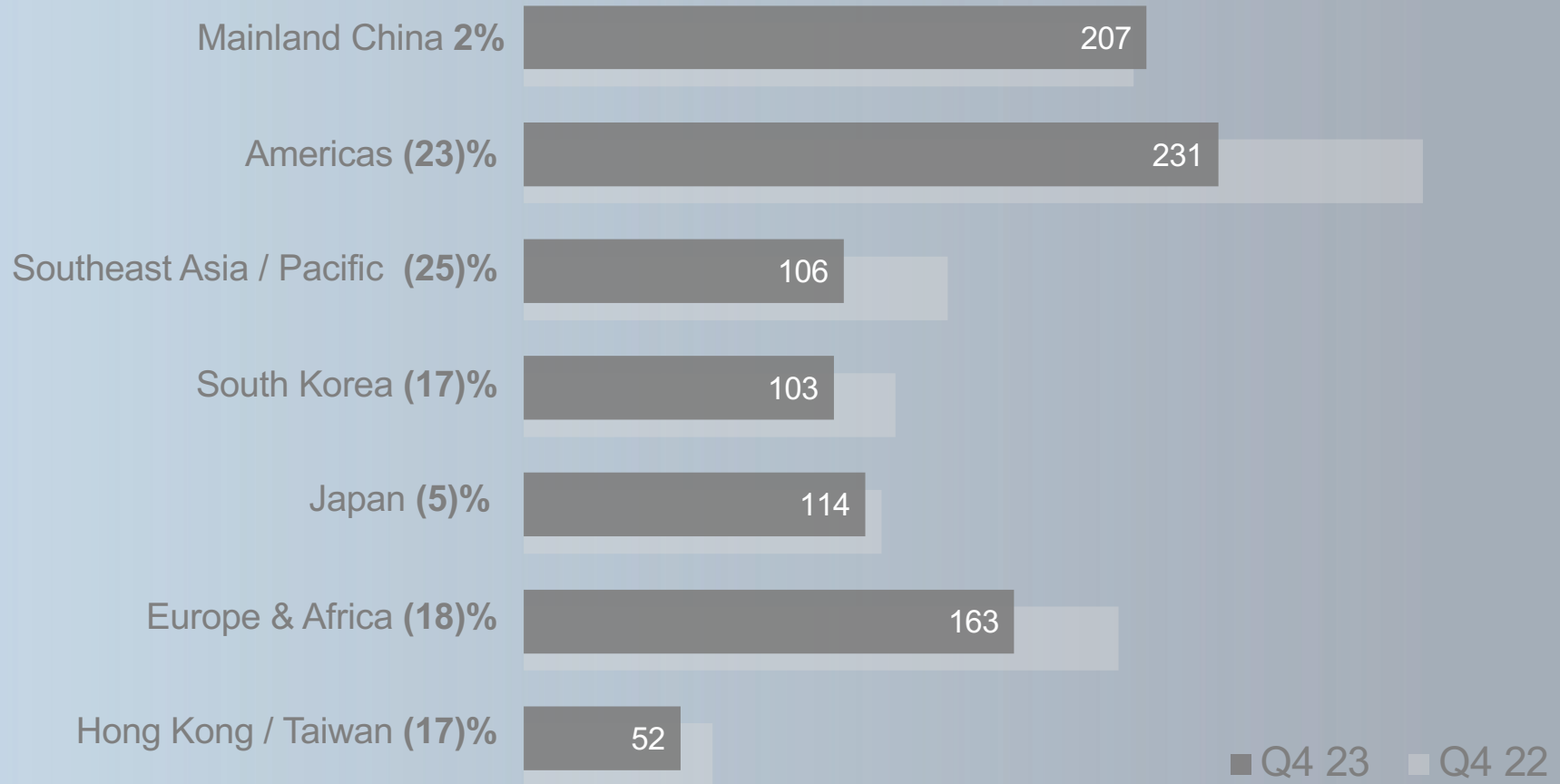
# Q4 Revenue by Segment (M)



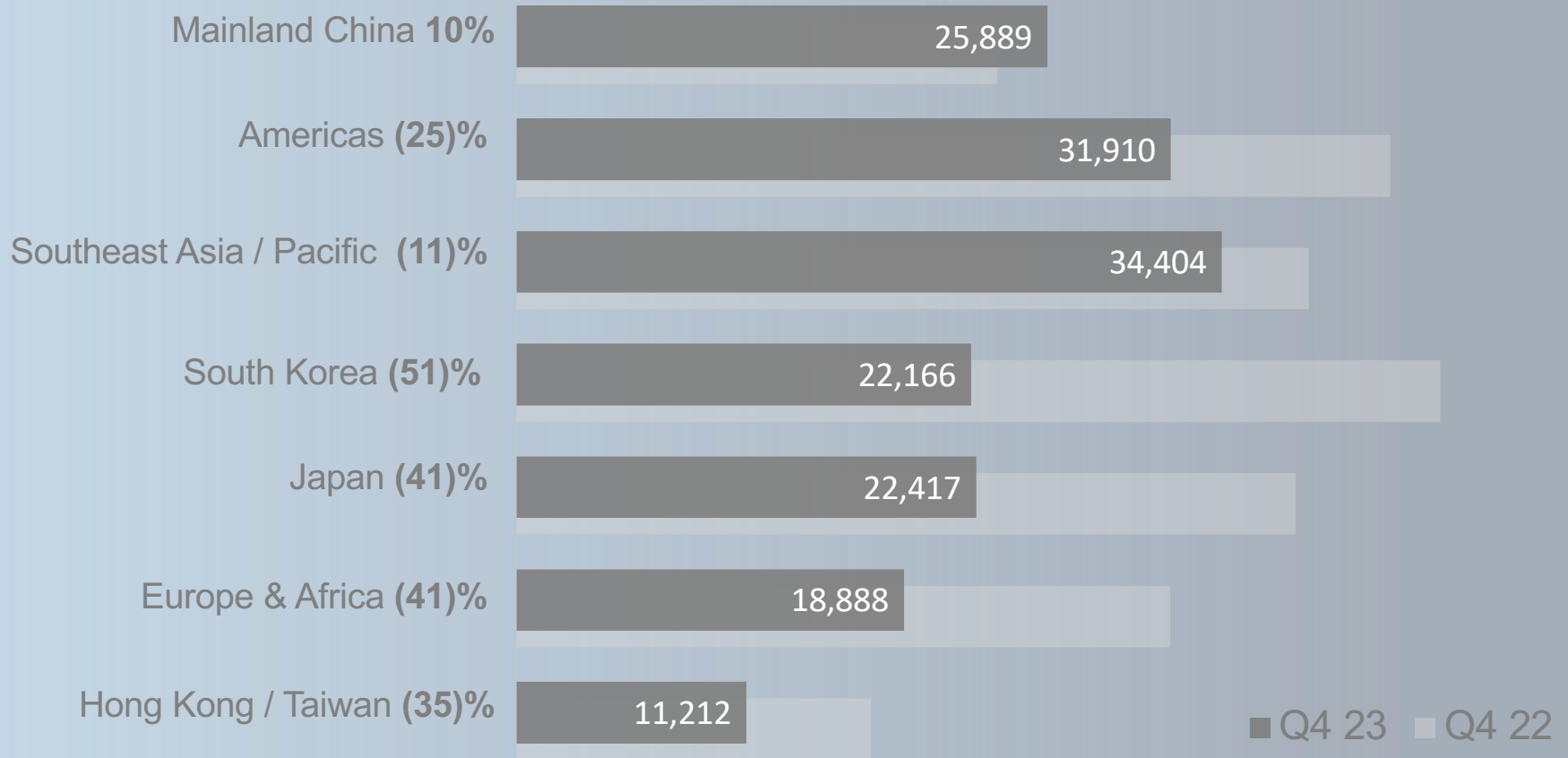
\*Amounts and percentages are in reported currency



# Customers by Segment (000's)



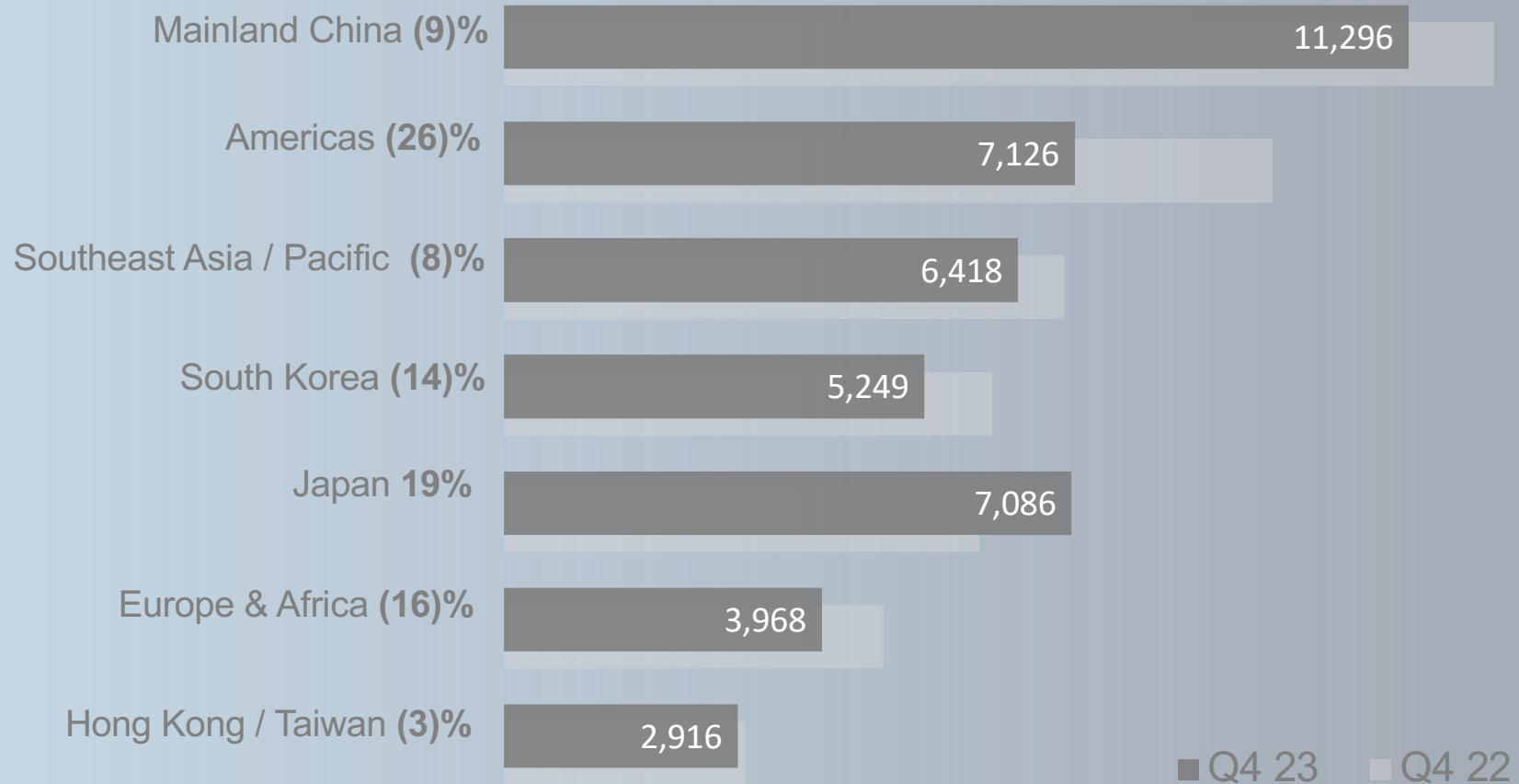
# Paid Affiliates by Segment



During the quarter, the company made an adjustment to eligibility requirements, negatively impacting affiliate counts in several markets



# Sales Leaders by Segment

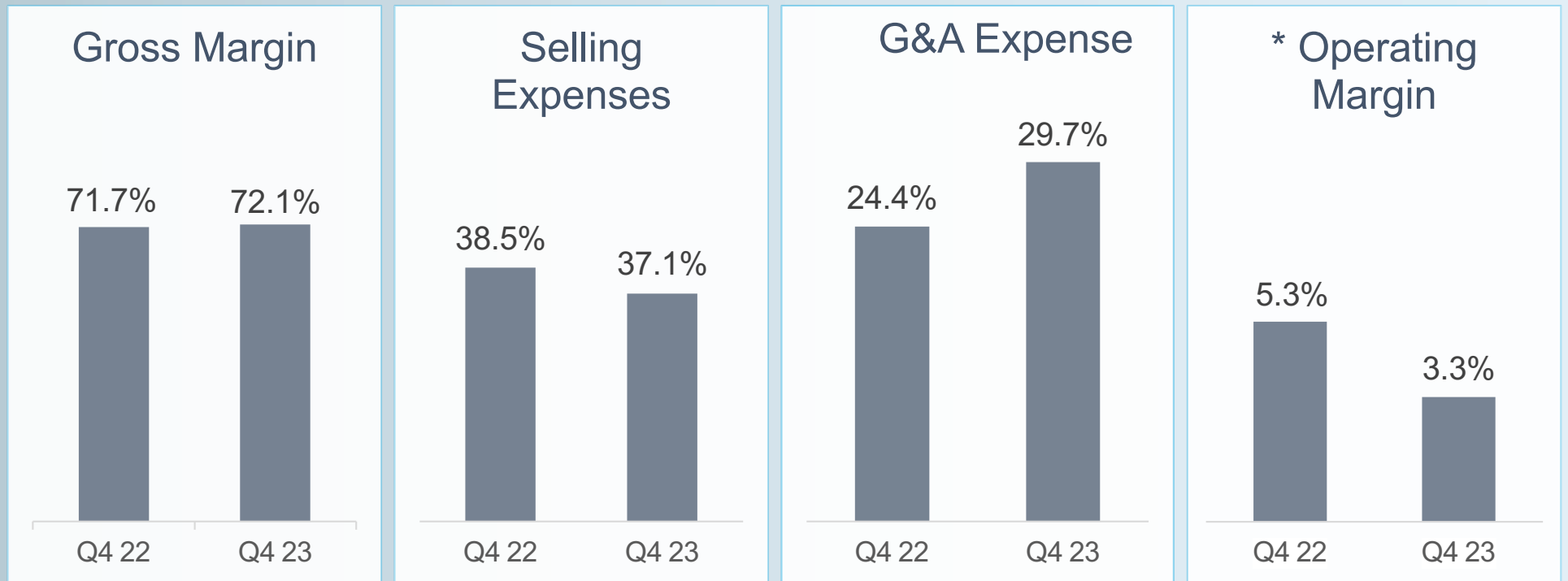


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# Operational Performance



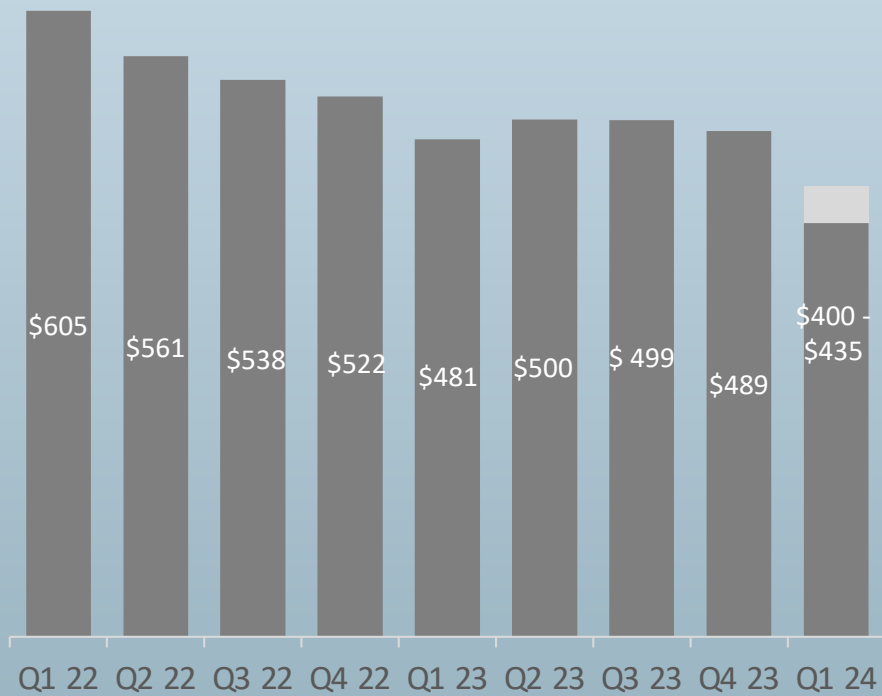
Nu Skin business was 77.4% compared to 74.9%

Nu Skin business was 40.8% compared to 40.5%

\* Percentages reflect reported currency, see reconciliation table for non-GAAP #'s

# Q4 & 2023 Outlook

## Quarterly Revenue



**Q1 24 Revenue**

- \$400 to \$435 M; (17)% - (10)%
- Approx. (3)% fx impact

**Q1 24 EPS**

- \$(0.07) to \$0.03 or \$0.00 to \$0.10 non-GAAP

**2024 Revenue**

- \$1.73 to \$1.87 B; (12)% - (5)%
- Approx. (1)% fx impact

**2024 EPS**

- \$0.75 to \$1.15 or \$0.95 to \$1.35 non-GAAP

# Reconciliation Tables

<b>NU SKIN ENTERPRISES, INC.</b> <b>Reconciliation of Earnings Per Share Excluding Impact of Certain Charges to GAAP Earnings Per Share</b> (in thousands, except for per share amounts)					
	Three months ended December 31,		Year ended December 31,		
	2023	2022	2023	2022	
Net income	\$ 7,282	\$ 57,215	\$ 8,595	\$ 104,778	
Impact of restructuring and inventory write-off expense:					
Restructuring and impairment	10,003	18,370	19,790	48,494	
Inventory write-off	-	-	65,728	26,905	
Tax impact	(3,088)	903	(6,331)	(9,566)	
Impact of other charges: <sup>(2)</sup>					
Impact of other charges	5,260		5,260		
tax impact	(993)	-	(993)	-	
Impact of charges associated with our exit from Grow Tech:					
Unrealized loss on investment	-	-	-	9,009	
Tax impact	-	-	-	(1,085)	
Tax impact	-	(32,187)	-	(32,187)	
Adjusted net income	<u>\$ 18,464</u>	<u>\$ 44,301</u>	<u>\$ 92,049</u>	<u>\$ 146,348</u>	
Diluted earnings per share	\$ 0.15	\$ 1.15	\$ 0.17	\$ 2.07	
Diluted earnings per share, excluding impact of certain charges	\$ 0.37	\$ 0.89	\$ 1.85	\$ 2.90	
Weighted-average common shares outstanding (000)	49,479	49,783	49,860	50,525	

(2) Other charges consist of a legal contingency (\$3.0 million) and a non-recurring foreign tax charge (\$2.3 million) that were recorded in the fourth quarter of 2023.

# Reconciliation Tables

NU SKIN ENTERPRISES, INC. Reconciliation of Earnings Per Share Excluding Impact of Restructuring to GAAP Earnings Per Share				
	Three months ended March 31,		Year ended December 31,	
	2024 - Low- end	2024 High- end	2024 - Low- end	2024 High- end
	Earnings Per Share	\$ (0.07)	\$ 0.03	\$ 0.75
Impact of restructuring expense:				
Restructuring	0.10	0.10	0.30	0.30
Tax impact	(0.03)	(0.03)	(0.10)	(0.10)
Adjusted EPS	\$ -	\$ 0.10	\$ 0.95	\$ 1.35

NU SKIN ENTERPRISES, INC. Reconciliation of Operating Margin Excluding Impact of Certain Charges to GAAP Operating Margin (in thousands, except for per share amounts)				
	Three months ended December 31,		Year ended December 31,	
	2023	2022	2023	2022
	Operating Income	\$ 16,063	\$ 27,459	\$ 48,268
Impact of inventory write-off	-	-	65,728	26,905
Impact of restructuring and impairment	10,003	18,370	19,790	48,494
Impact of other charges <sup>(2)</sup>	5,260	-	5,260	-
Adjusted operating income	\$ 31,326	\$ 45,829	\$ 139,046	\$ 186,246
Operating margin	3.3%	5.3%	2.5%	5.0%
Operating margin, excluding impact of certain charges	6.4%	8.8%	7.1%	8.4%
Revenue	\$ 488,640	\$ 522,340	\$ 1,969,131	\$ 2,225,659