

**Important information regarding forward-looking statements:** This presentation contains forward-looking statements within the meaning of federal and state securities laws that represent the company's current expectations and beliefs. All statements other than statements of historical fact are "forward-looking statements" and include, but are not limited to, statements of management's expectations regarding the company's transformation, strategies and initiatives (including related top-line and bottom-line growth through 2025); management's expectations regarding the company's performance, sales force and customer base, affiliates, digital tools, social commerce business, operational improvements, future market size, future products and product introductions; statements about future changes to the company's business model and compensation plan; projections regarding revenue, margins, expenses, operating income, earnings per share, foreign currency fluctuations, tax rates, sources and uses of cash, dividends 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," "enable," "guidance," "vision," "outlook," "project," "anticipate," "prospects," "commit," "achieve," "estimate," "intend," "plan," "likely," "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;
- management's preferences and decisions on how to manage the business, which could change in the future;
- risk of lower future revenue or higher costs than anticipated, causing declines in the company's margins and/or earnings;
- 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 associated with operating in international markets, including Mainland China;
- 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, including trade policies and tariffs;
- the company's future tax-planning initiatives; any prospective or retrospective increases in duties 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, including its recently filed Form 10-K. 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.



# Nu Skin Investor Day

February 2022

**Forbes** **2021**

**WORLD'S TOP  
FEMALE FRIENDLY  
COMPANIES**

POWERED BY STATISTA

**Forbes** **2022**

**AMERICA'S  
BEST MIDSIZE  
EMPLOYERS**

POWERED BY STATISTA



# Meeting Agenda

Introduction & Welcome

2021 Review

Introduce Nu Vision 2025

Q&A



## OUR MISSION

To be a global force for good by empowering people to improve lives with innovative products, rewarding opportunities and an enriching culture.

# Q4 & 2021 Year-end Update

- Annual revenue growth of 4%, or 11% compared to 2019.
- **Social Commerce** continues to fuel west growth, led by US market.
- **Collagen+ and Meta introductions** and launches in most markets.
- Increased **geographic balance**
- China and Southeast Asia continue to lag despite social commerce exploration
- Ongoing macro-environmental COVID impacted events and promotional activities in the east.





**DIGITAL CONNECTIVITY**



# EMERGING GIG ECONOMY

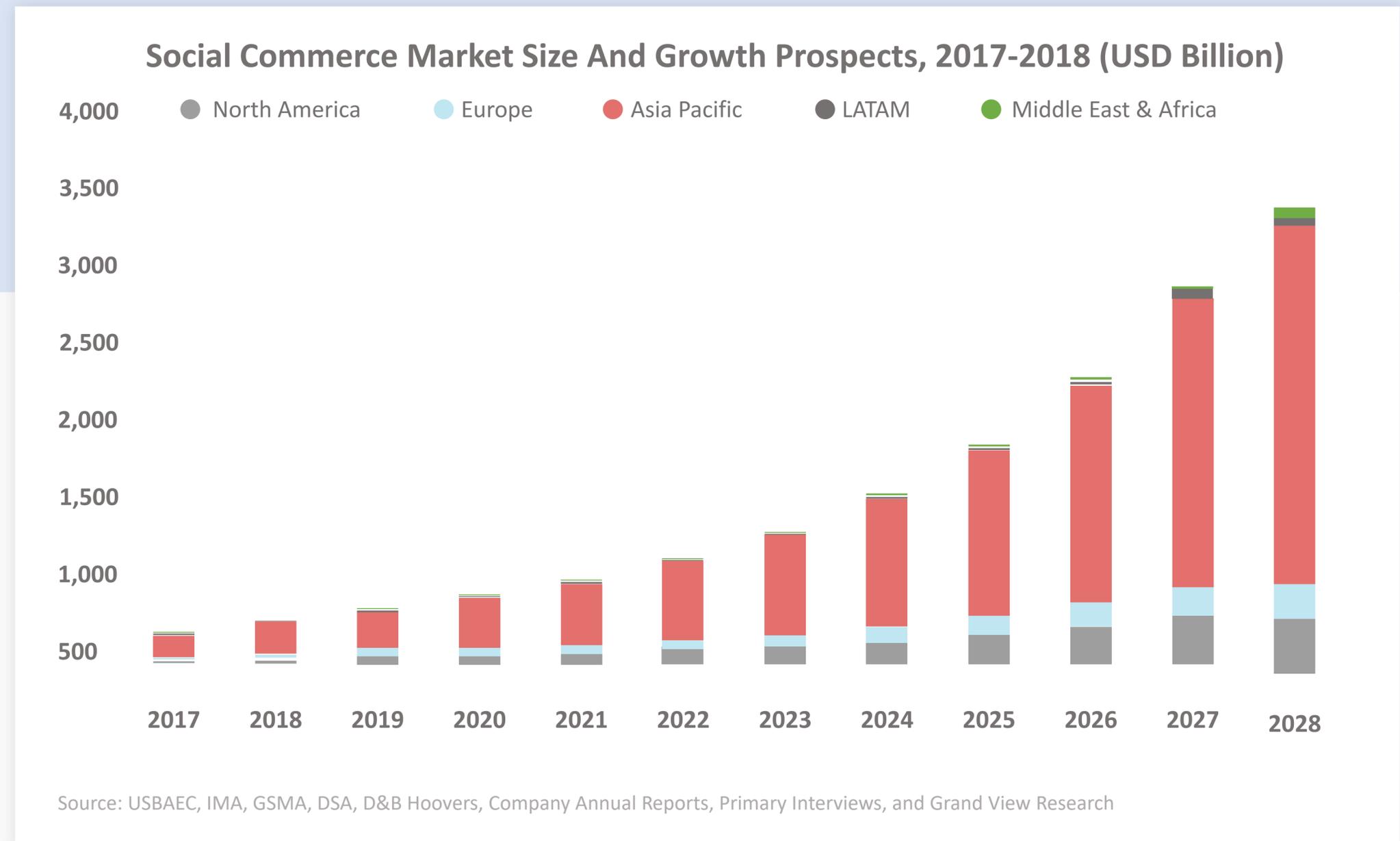


**SOCIAL MEDIA**

# MACRO-TRENDS: GLOBAL SOCIAL COMMERCE

The social commerce market was valued at USD 474.76 billion in 2020 and **is predicted to reach USD 3,369.82 billion by 2028**, growing at a CAGR of 28.4% from 2021 to 2028.

**Beauty and Wellness are both top 5 growers** within social channels with 34% and 21% respective CAGRs through 2028



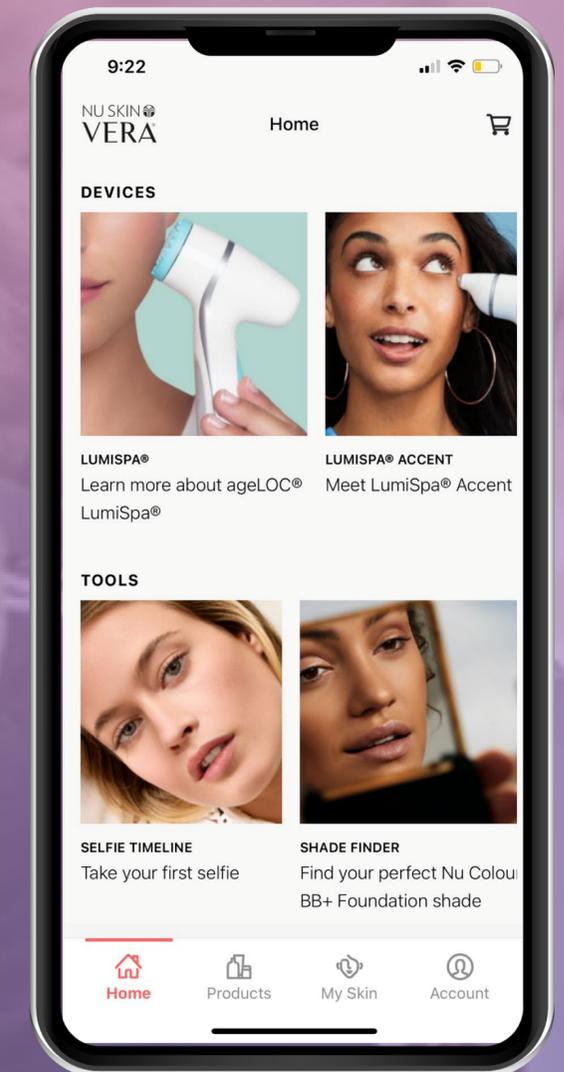


## NU VISION 2025

To become the world's leading  
integrated **beauty and wellness  
company**, powered by our dynamic  
affiliate opportunity platform

# EmpowerMe Personalized Beauty and Wellness Strategy

Provide personalized customer experiences that enable deeper relationships and greater lifetime value via connected device systems



2017-2020  
**#1** WORLD'S #1 BRAND FOR  
**BEAUTY DEVICE**  
**SYSTEMS**  Source: Euromonitor,  
for more info visit  
[nuskin.com/number1](http://nuskin.com/number1)



\*Source Euromonitor International Ltd; Retail Value RSP terms; all channels; 2017 and 2018. Includes at-home Skin Care Devices exclusively paired with topical consumable of same brand. Based on Euromonitor custom research methodology, Jan/Feb2019. Includes electric facial cleansers as defined in Passport database; does not include hair care/removal, body shavers, or oral care appliances.



**CONNECTED DEVICES**

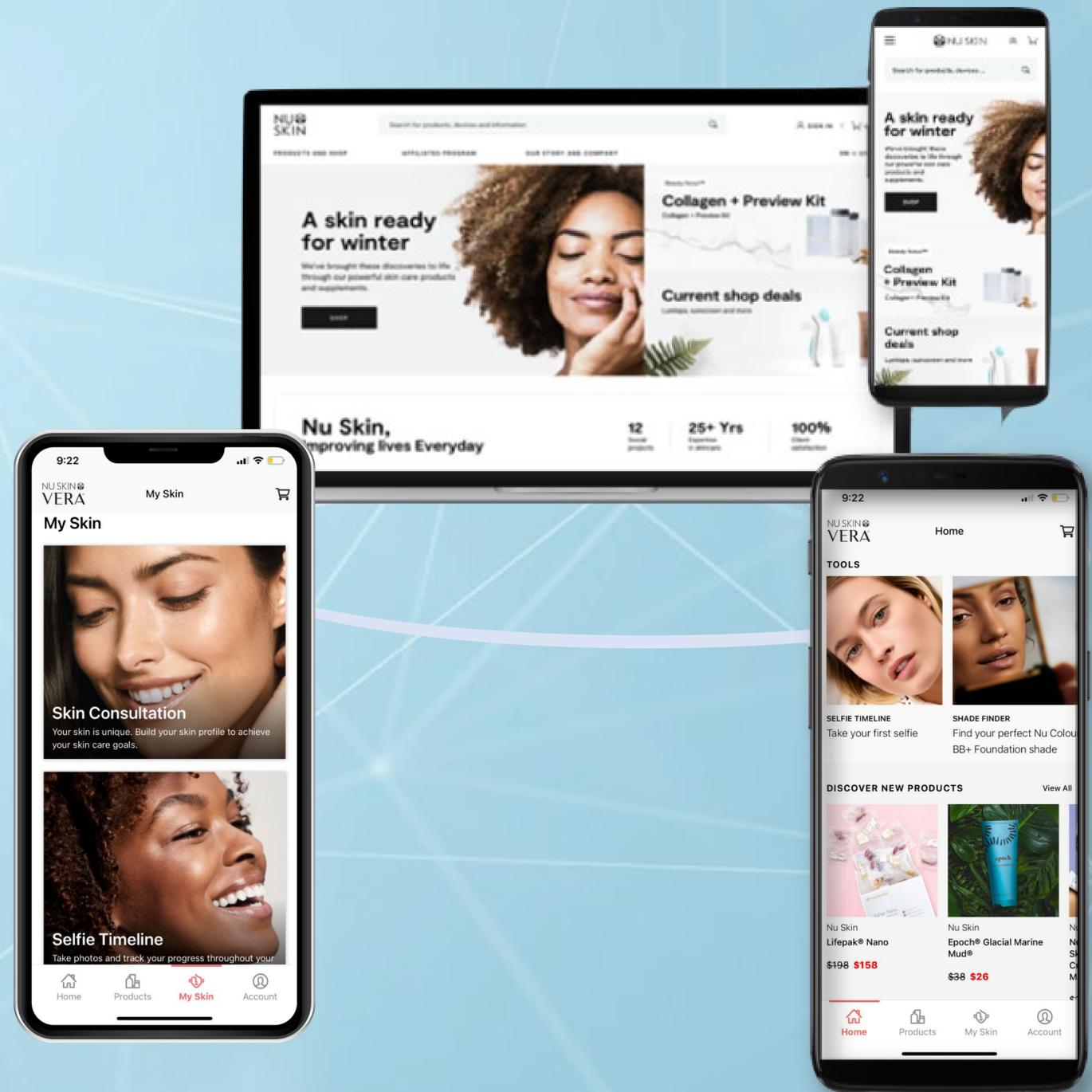


# **AFFILIATE-POWERED SOCIAL COMMERCE**

Expand the scale and reach of our business opportunity via global adoption of Customer-focused, **Affiliate-powered, Social commerce** business model.

# INTEGRATED DIGITAL ECOSYSTEM

Seamless, mobile-first, digital experiences to enable company & affiliates to attract, connect & nurture customers through their personal journey with Nu Skin.





# Nu Skin Enterprises' Strategic Pivot

FROM

---

The world's leading  
**direct selling company.**

TO

---

The world's leading integrated  
**beauty**  
**and wellness company**, powered by  
our dynamic affiliate opportunity  
platform. (Nu Vision 2025)



# **ADDITIONAL TRANSFORMATION INSIGHTS**



NOURISH  
the CHILDREN

750 MILLION  
MEALS



Nu Skin is a for-profit distributor of nutritional and skin care products. The initiative enables Nu Skin's sales force and customers to purchase VitaMeal from Nu Skin and donate it to charitable organizations. As is the case with other Nu Skin products, our sales force receive compensation and Nu Skin earns a profit margin from the sale of VitaMeal. For more information, go to [NourishtheChildren.com](http://NourishtheChildren.com)

SAVED 131 TONS OF  
PLASTIC AND OVER 34  
TONS OF PAPER

FIRST BEAUTY COMPANY  
TO LAUNCH THE ECO-PAK

ALL PACKAGING RECYCLED,  
RECYCLABLE, REUSABLE,  
REDUCED  
OR RENEWABLE BY 2030



# Nu Vision 2025

## Strategic Imperatives:

1. Introduce **EmpowerMe** Personalized beauty & wellness strategy with IO connected devices
2. Accelerate our **Affiliate-powered Social Commerce** business model
3. Delight our customers with our integrated **digital ecosystem**



GLOBAL MARKET SIZE:  
BEAUTY & PERSONAL CARE

\$484 Billion\*

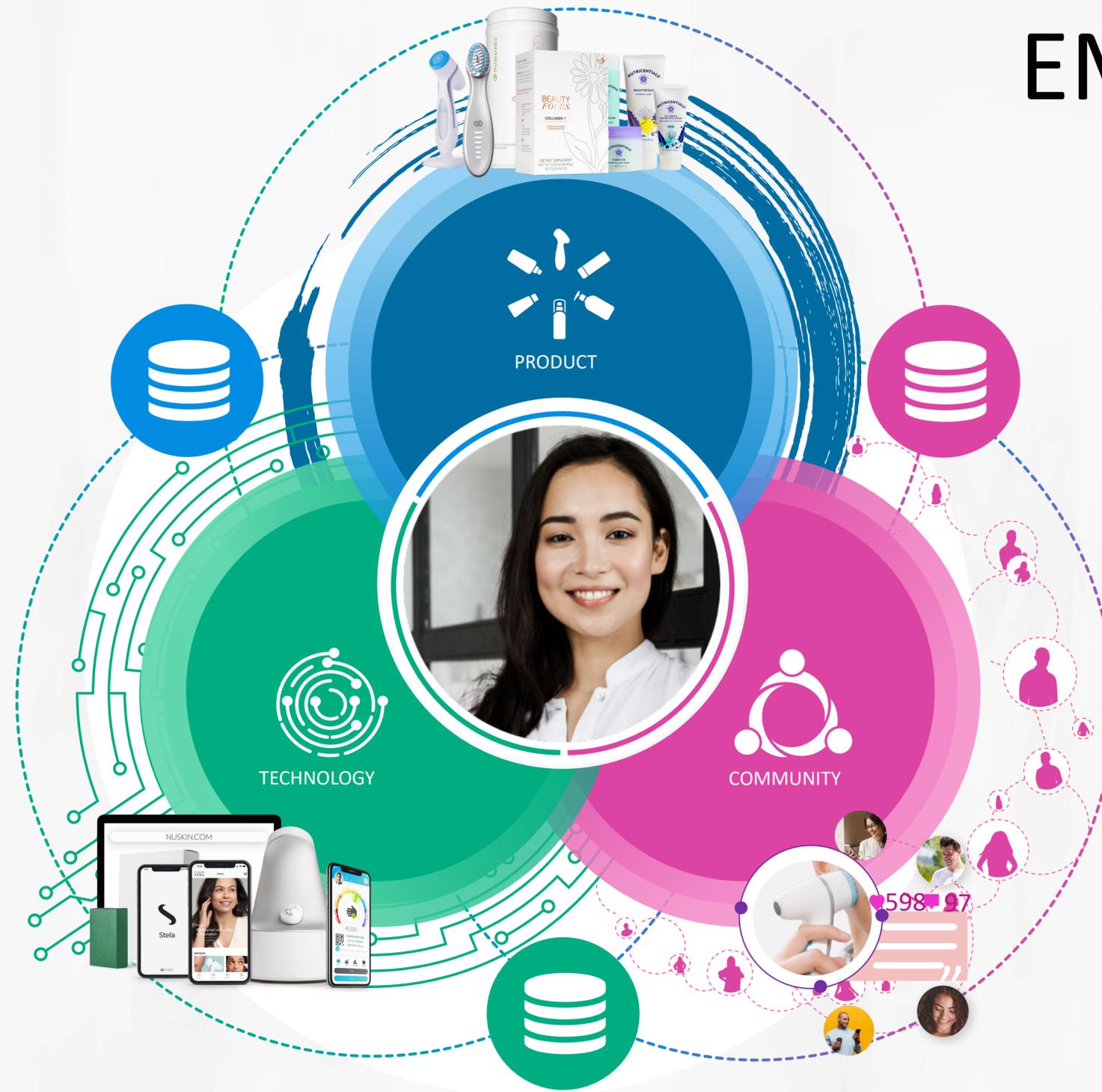
OPPORTUNITY

GLOBAL MARKET SIZE:  
HEALTH & WELLNESS

\$824 Billion\*

\*SOURCE: Euromonitor International, Beauty and Personal Care  
Global Market Size and Health and Wellness Global Market Size, 2020-2021

# EMPOWERME





PRODUCT

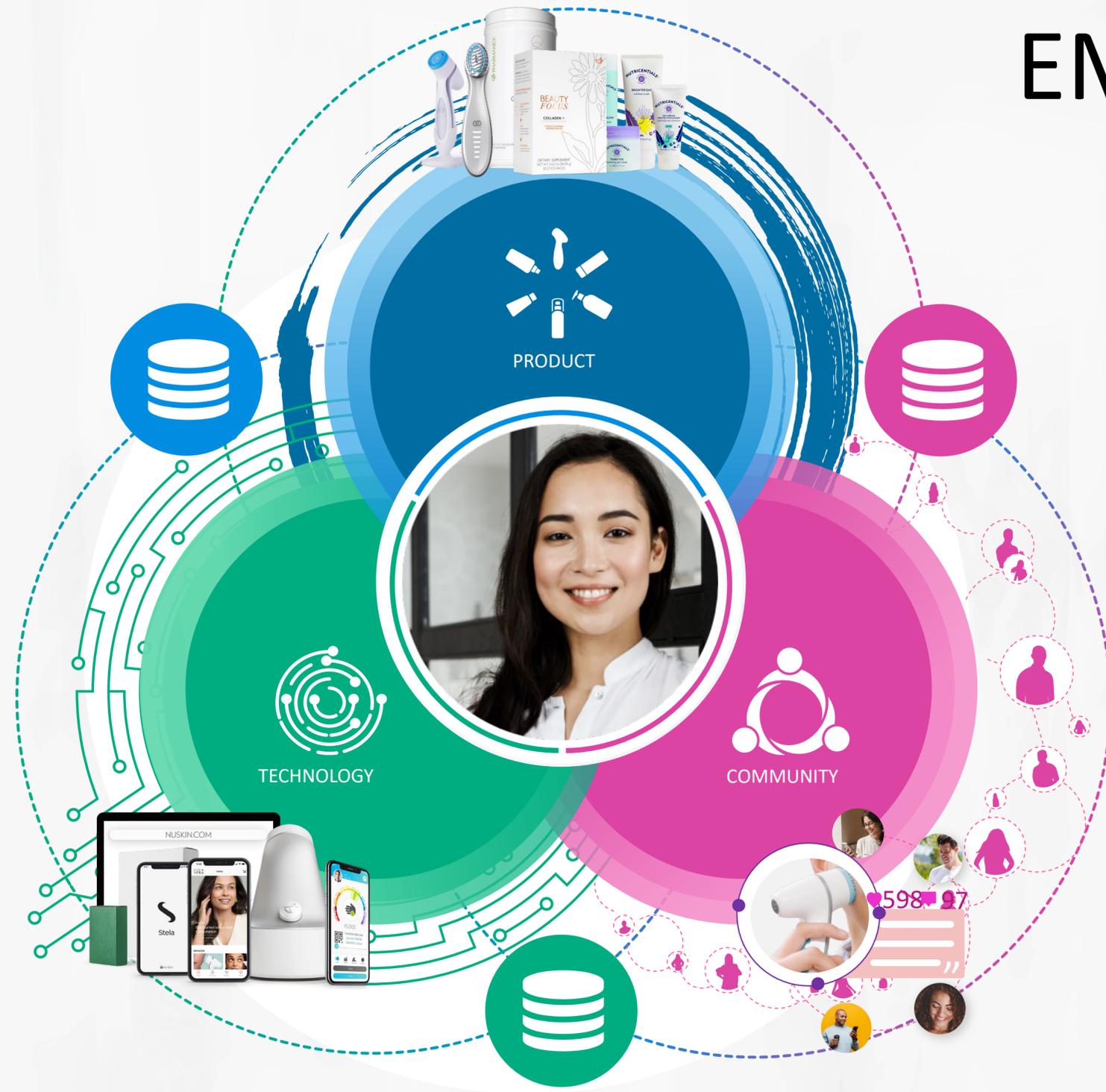
OLD WAY



NEW WAY



OLD WAY



NEW WAY

# EMPOWERME

ATTRACT

CONNECT

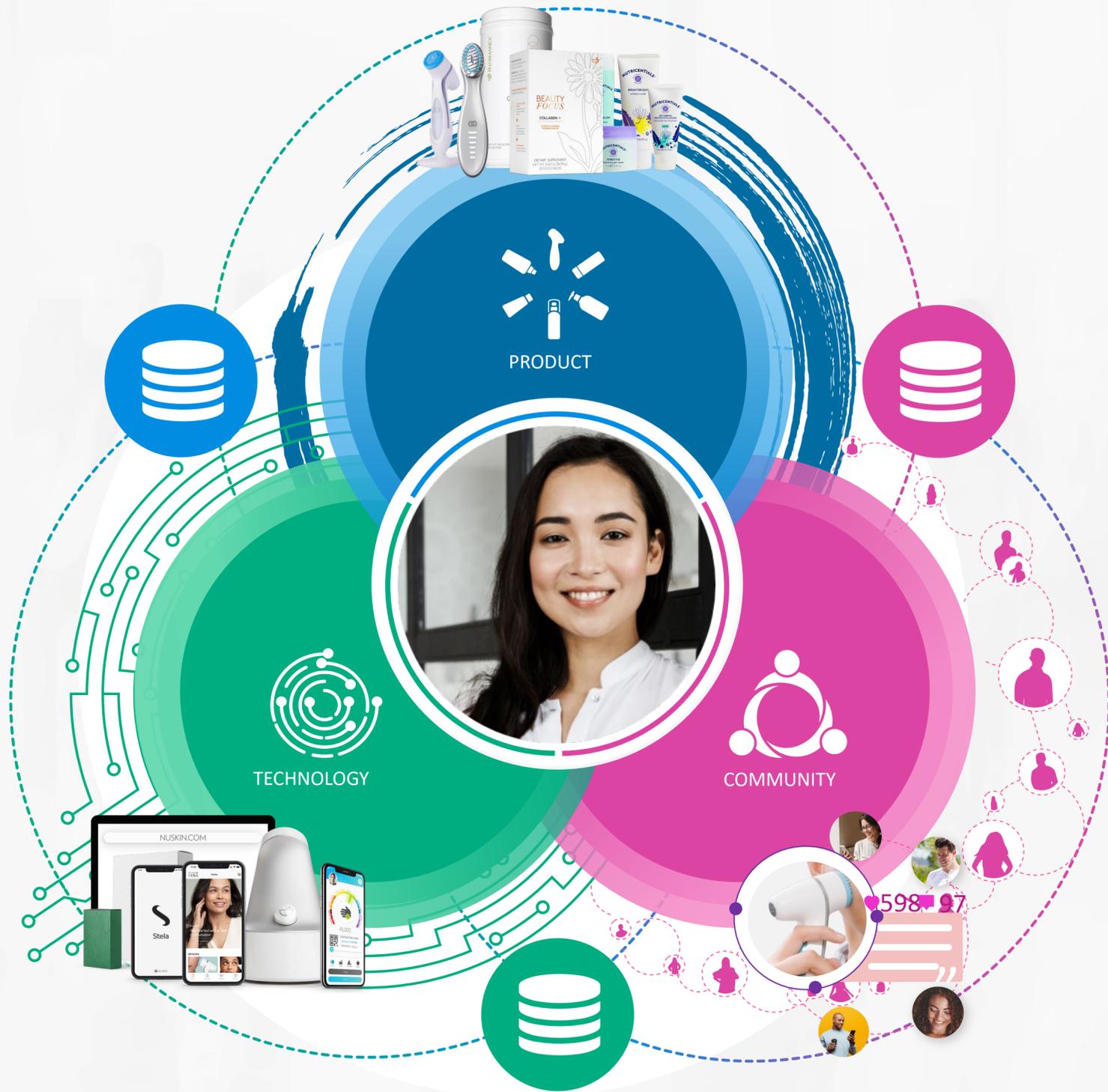
NURTURE



# EMPOWERME

The strategy includes:

1. Empower affiliates to **attract, connect** and **nurture** customers
2. Increase **product consumption**
3. Attract new customers and affiliates
4. Increase **recurring revenue**
5. Increase **lifetime value**



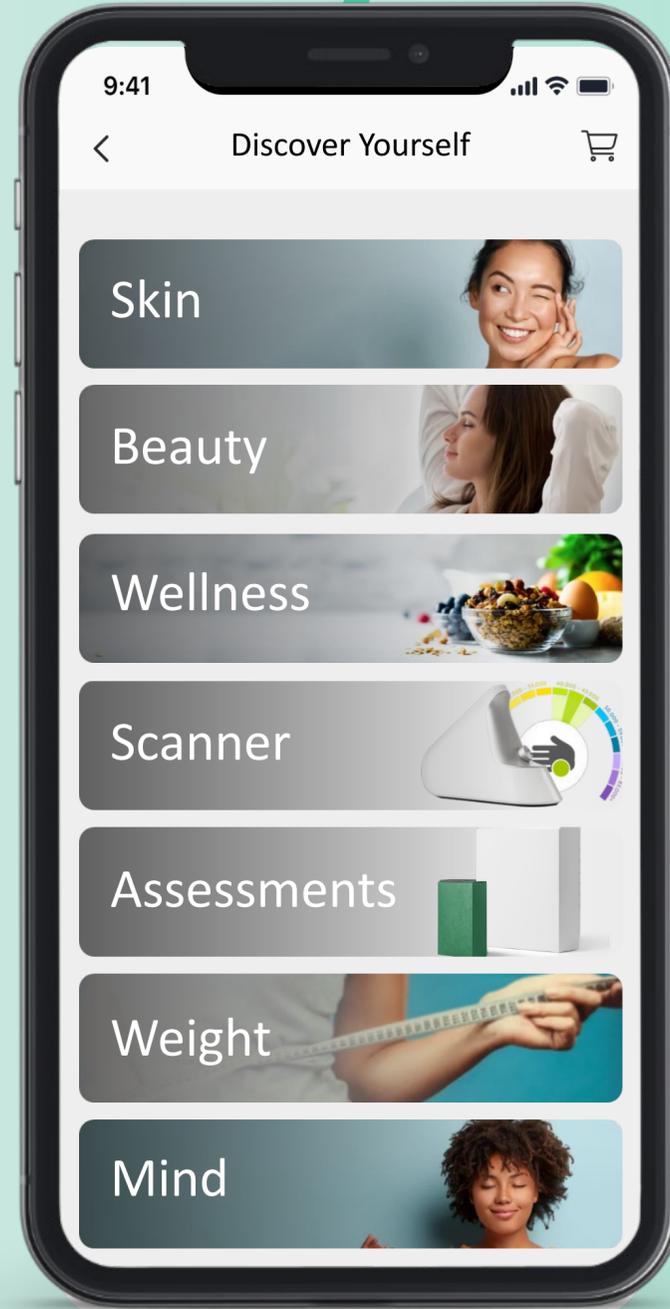
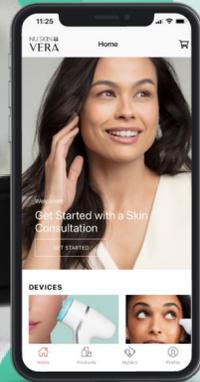
ATTRACT

CONNECT

NURTURE



Sarah  
CUSTOMER



PROPRIETARY ALGORITHM

SCS SCORE  
26,000

VIRTUAL TRY-ON

METABOLISM SUPPORT

SKIN AGING

SLEEP BETTER

DULLNESS  
DRY SKIN

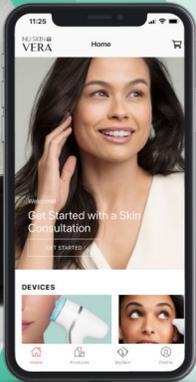


TECHNOLOGY





**Sarah**  
CUSTOMER



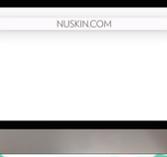
PERSONALIZED  
EXPERIENCE



SOCIAL &  
E-COMMERCE



DIGITAL  
ACCELERATION



TECHNOLOGY



Infosys<sup>®</sup>

aws  

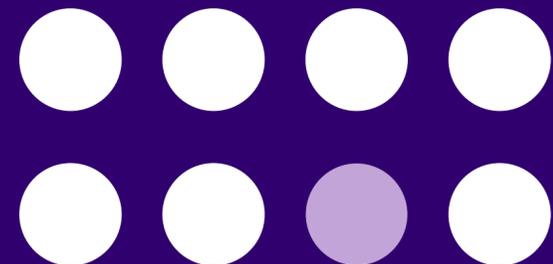

Tencent 腾讯



ageLOC<sup>®</sup> Meta



We live in an always-on, often chaotic world that has us working long hours, sleeping poorly, stressed out, and eating on the run.

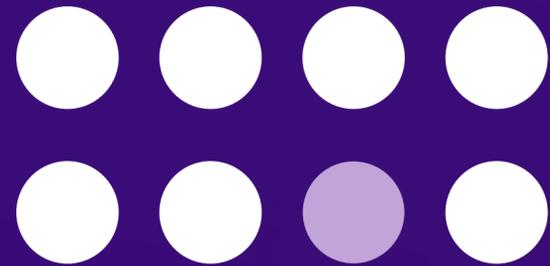


Only 1 in 8 people  
is considered  
metabolically healthy.\*

\*Araújo J, Cai J, Stevens J. Preva. Metab Syndr Relat Disord. 2019;17(1):46-52. doi:10.1089/met.2018.0105  
<https://www.frontiersin.org/research-topics/13570/modern-lifestyle-and-health-how-changes-in-the-environment-impacts-immune-function-and-physiology>

\*\*Nu Skin Meta Supplement Consumer Concept Testing, September 2020





Only 1 in 8 people  
is considered  
metabolically healthy.\*



of consumers agree that today's  
lifestyle negatively impacts our bodies

\*\*

\*Araújo J, Cai J, Stevens J. Preva. Metab Syndr Relat Disord. 2019;17(1):46-52. doi:10.1089/met.2018.0105  
<https://www.frontiersin.org/research-topics/13570/modern-lifestyle-and-health-how-changes-in-the-environment-impacts-immune-function-and-physiology>

\*\*Nu Skin Meta Supplement Consumer Concept Testing, September 2020



# POWER of ANTHOCYANIN



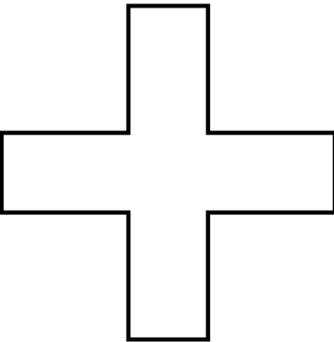
**BEAUTY**  
*FOCUS*<sup>TM</sup>  
**COLLAGEN +**



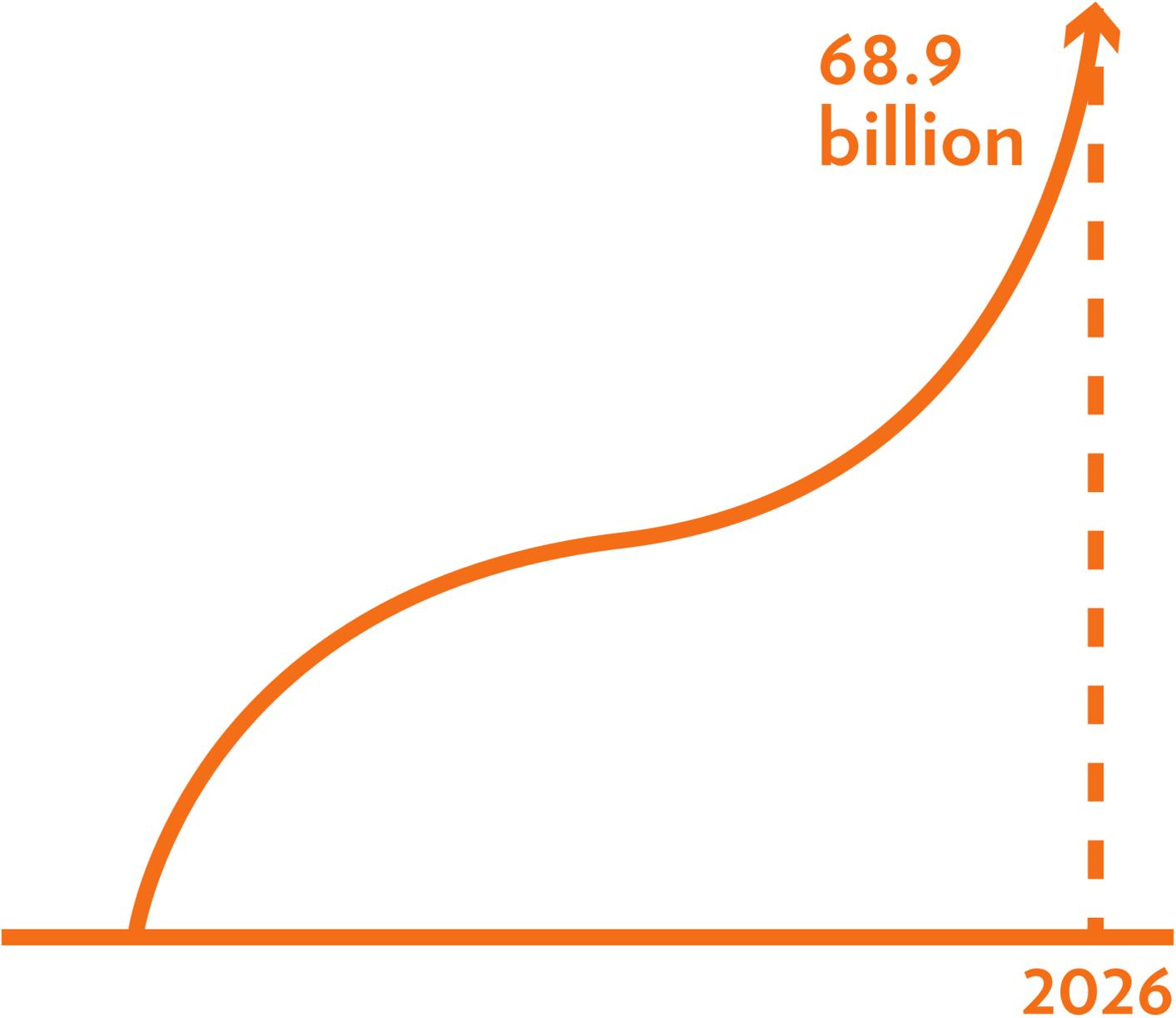
*THE PROOF IS IN THE PLUS*

# GROWING TREND

The health and beauty supplement market is expected to reach **\$68.9 billion by 2026.**



The direct sales channel is driving the highest revenue share.



Source: Grand View Research, Women Health & Beauty Supplements Market Size, Share & Trends Analysis Report, May 2020



Bioactive  
**COLLAGEN** Peptides



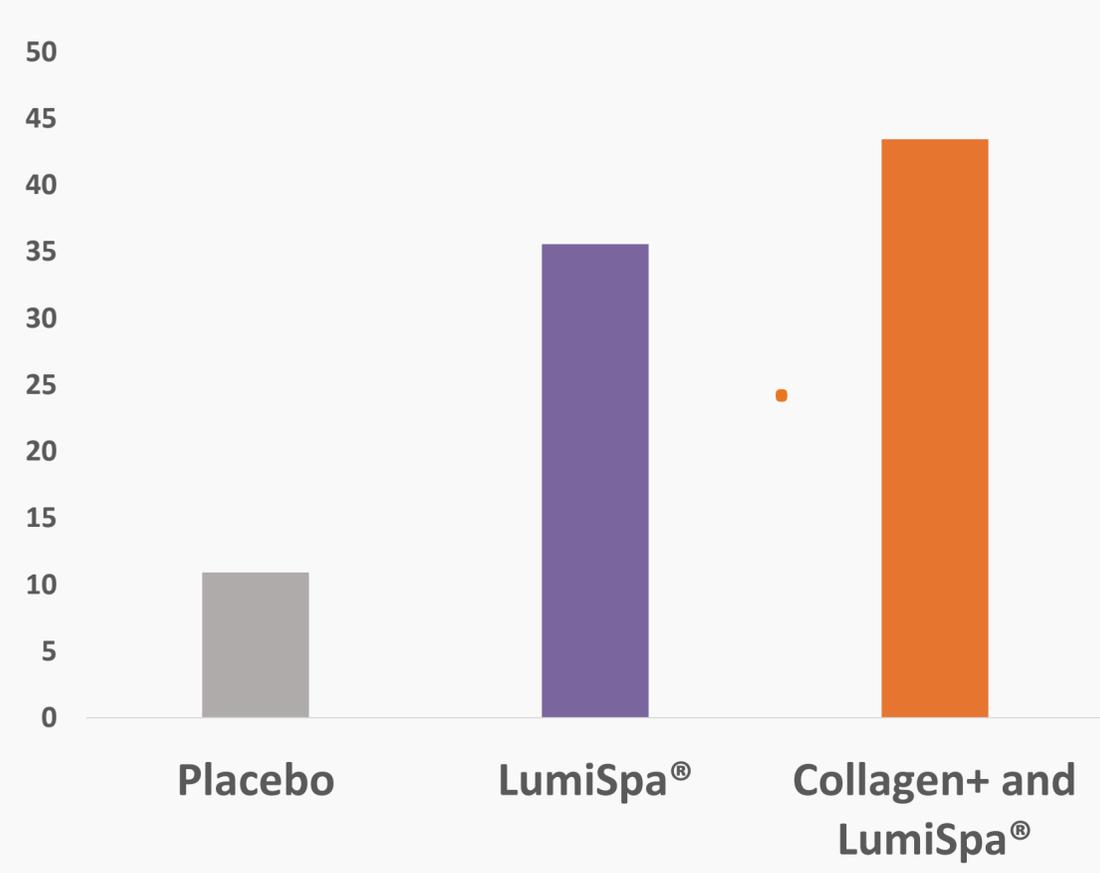
**LUTEIN**



**PHYTOCERAMIDES**

# CLINICALLY PROVEN TO PROVIDE BETTER COMPLEMENTARY BENEFITS

Overall Appearance\*



\*Over clinical baseline after 4 months according to expert visual grading



**1** PHARMANEX  
# 1 WEIGHT  
MANAGEMENT  
AND WELLBEING  
BRAND IN  
MALAYSIA

\*Source: Euromonitor International Limited, Consumer Health 2022ed, per Weight Management and Wellbeing category definition, retail value RSP, 2021 data.

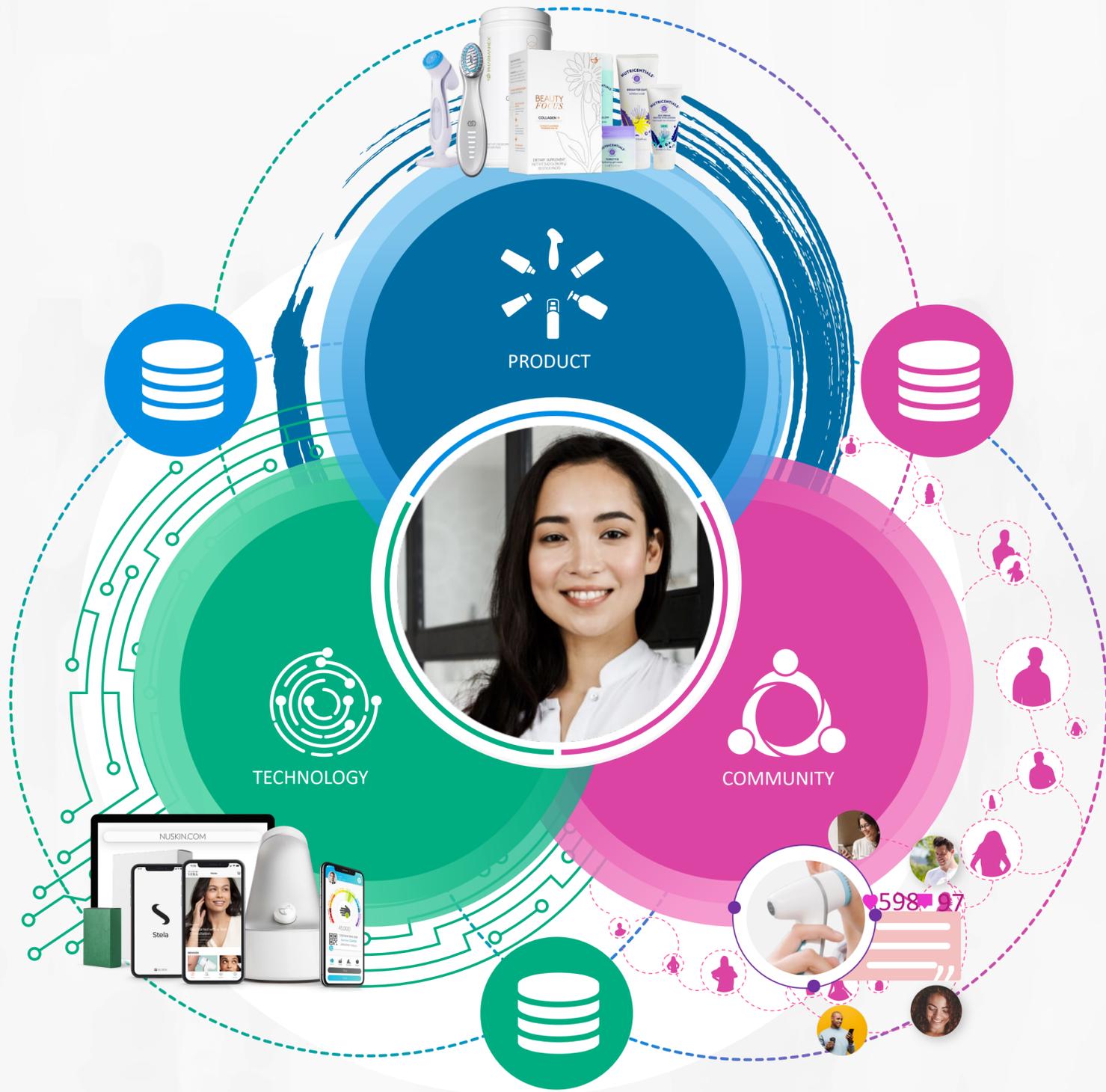
**1** PHARMANEX  
# 1 WEIGHT  
MANAGEMENT  
AND WELLBEING  
BRAND IN  
SINGAPORE

\*Source: Euromonitor International Limited, Consumer Health 2022ed, per Weight Management and Wellbeing category definition, retail value RSP, 2021 data.



TRME



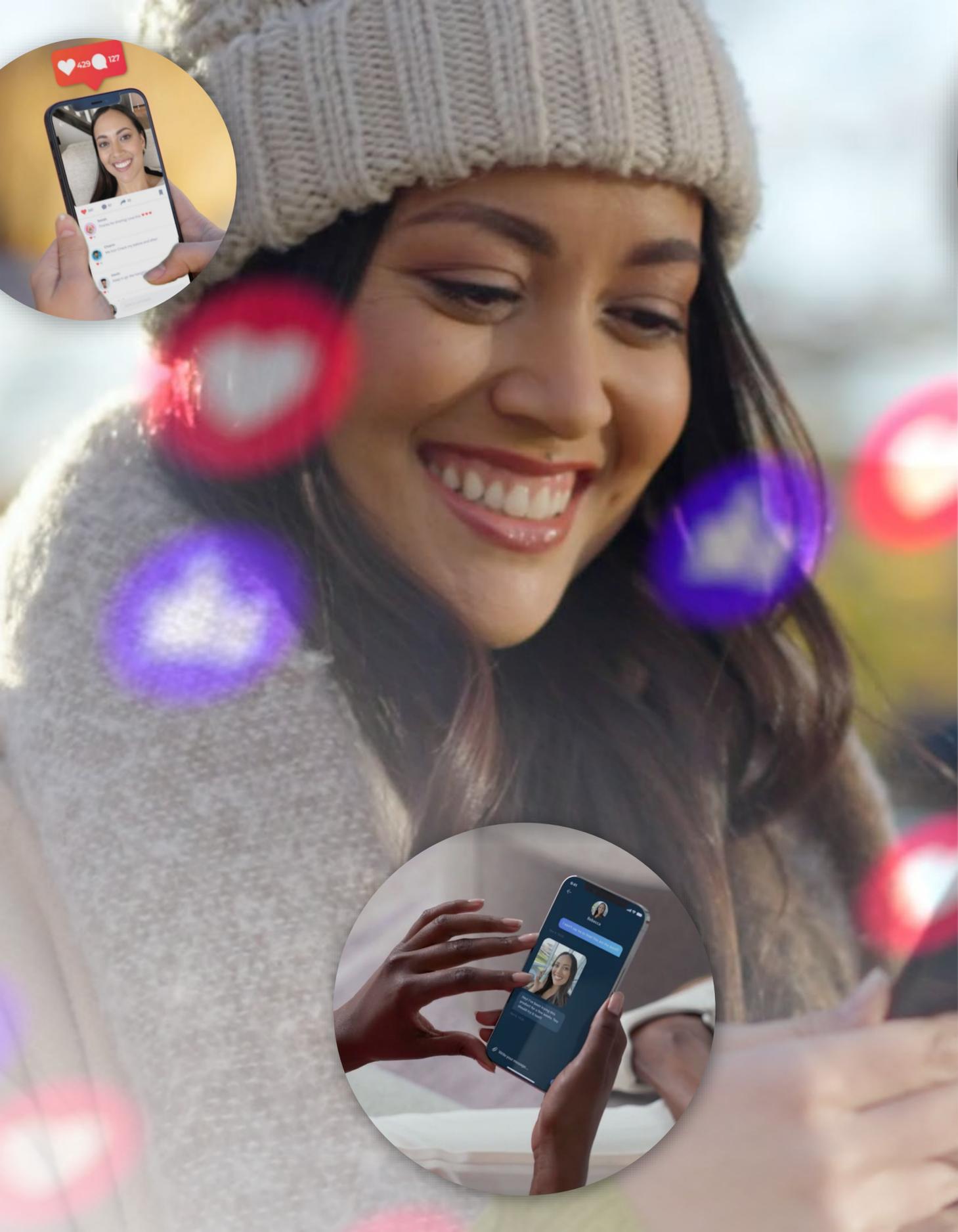


EMPOWERME

Retention

Subscription

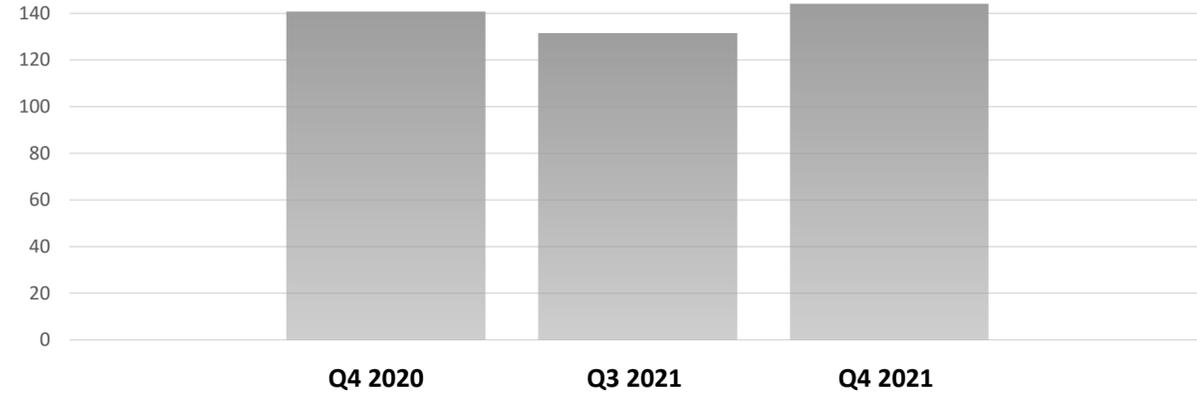
Lifetime Value



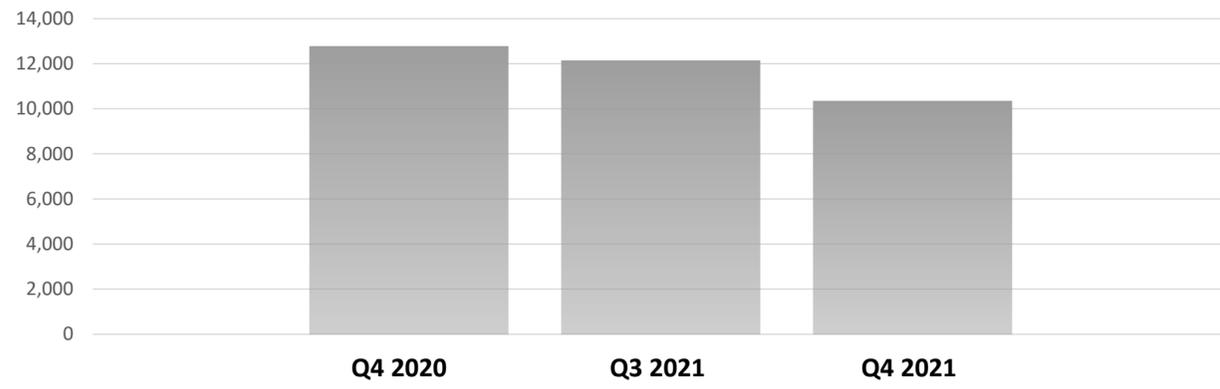


PRODUCT

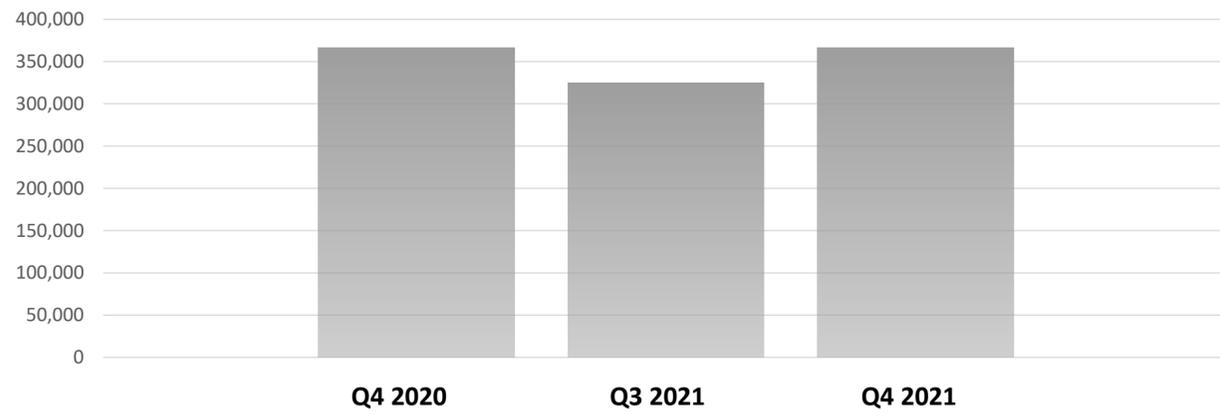
**Reported Revenue (Ms)**



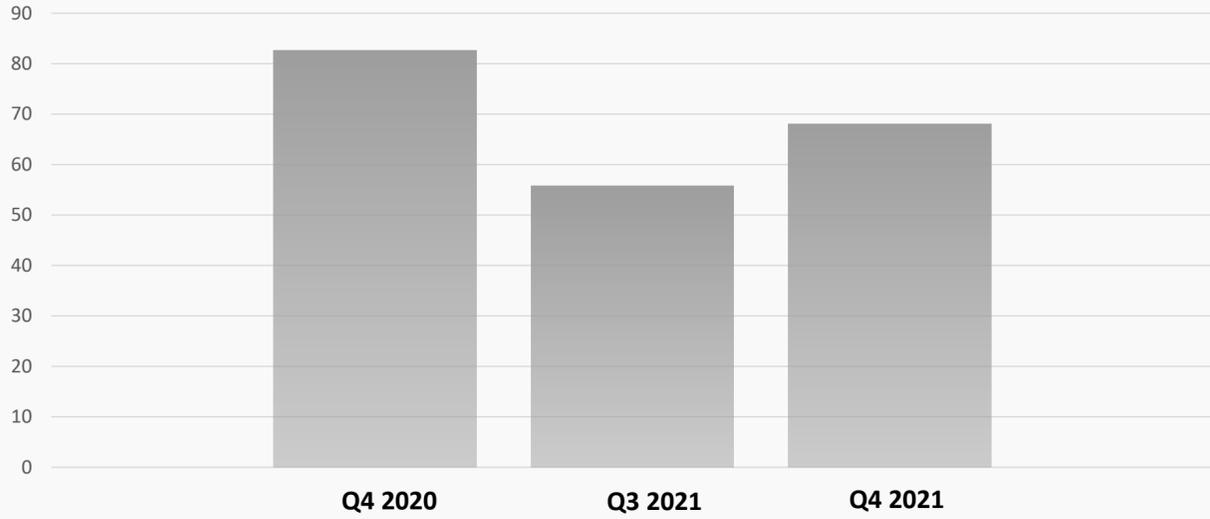
**Sales Leaders**



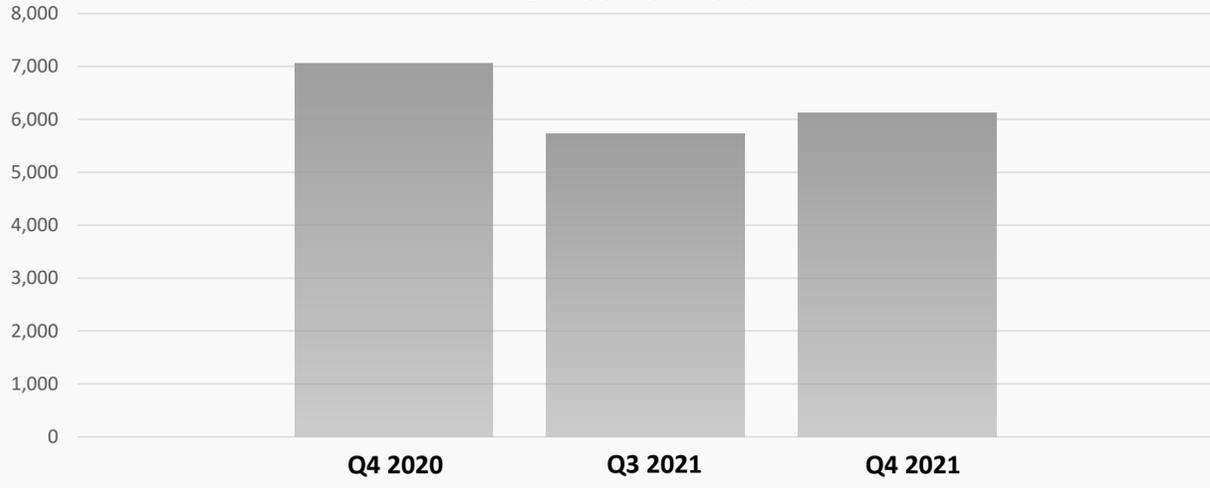
**Customers**



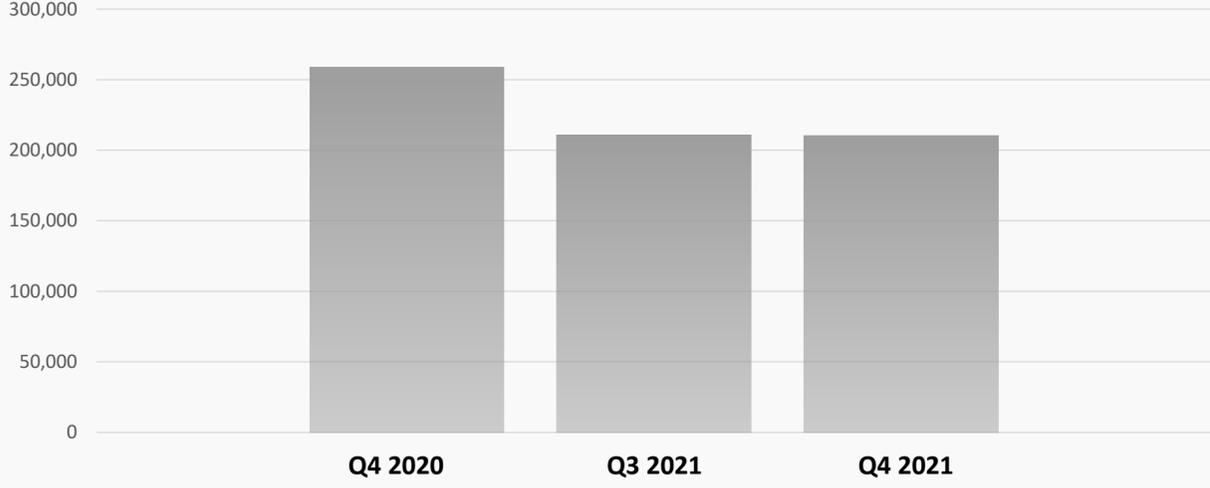
**Reported Revenue (Ms)**



**Sales Leaders**

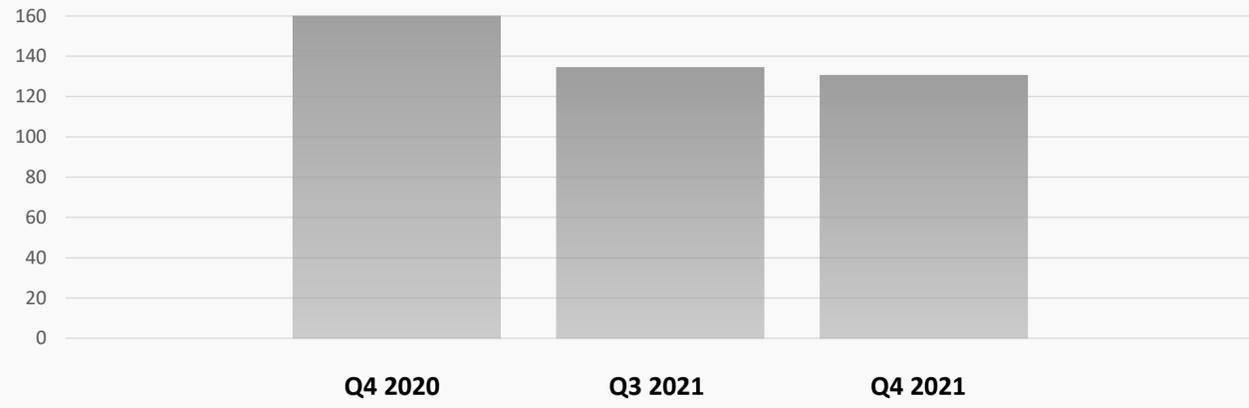


**Customers**

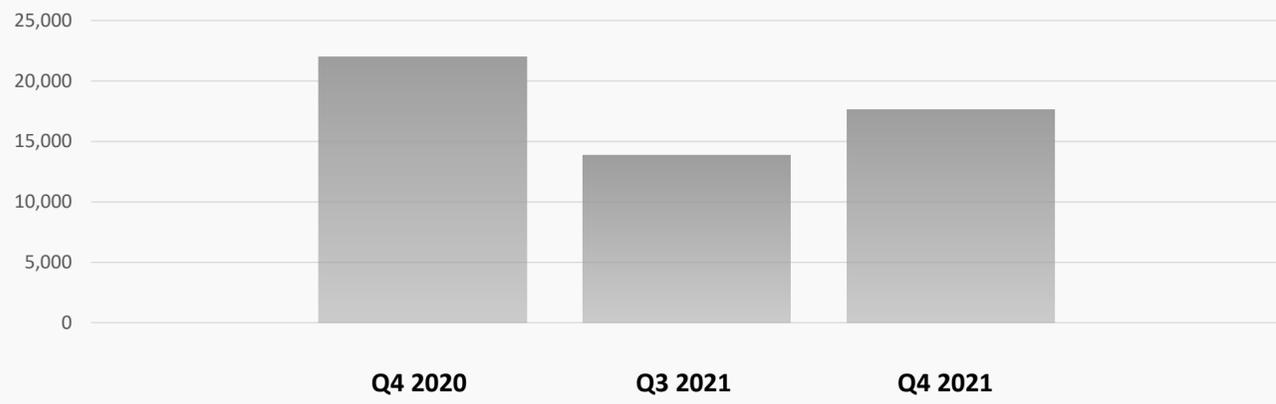


**EMEA**

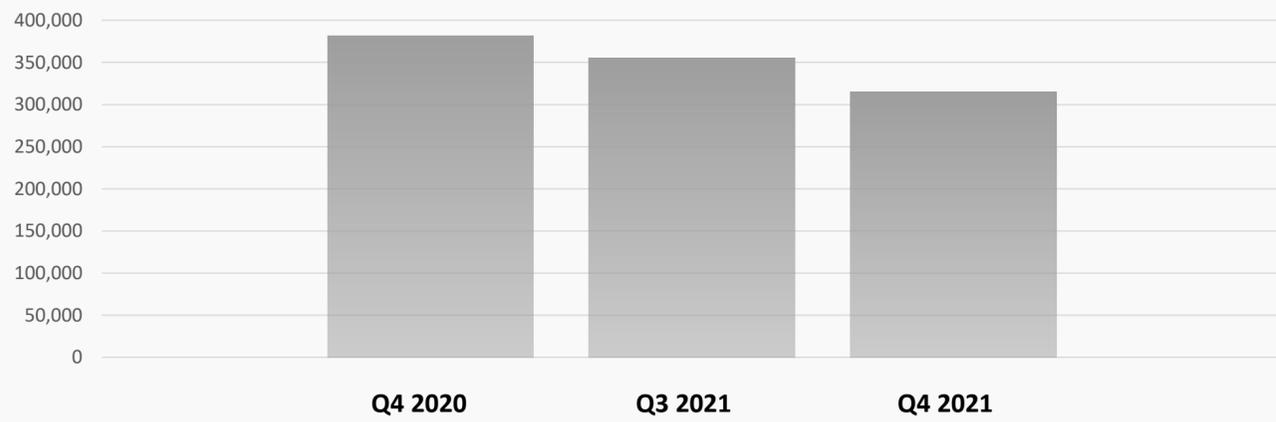
**Reported Revenue (Ms)**



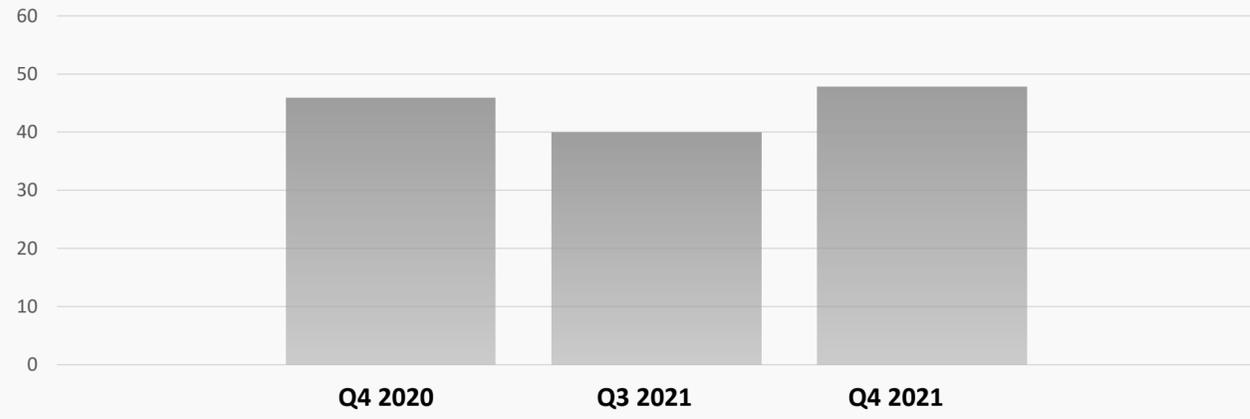
**Sales Leaders**



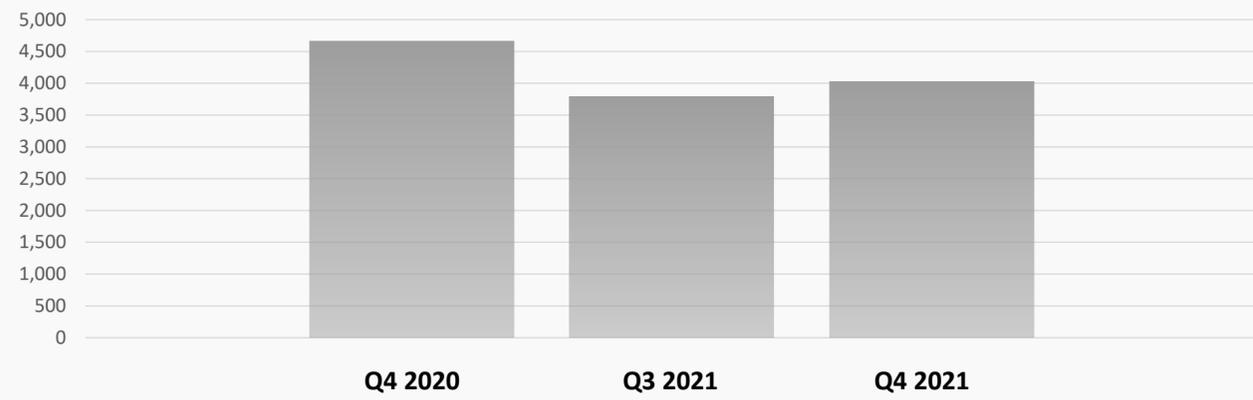
**Customers**



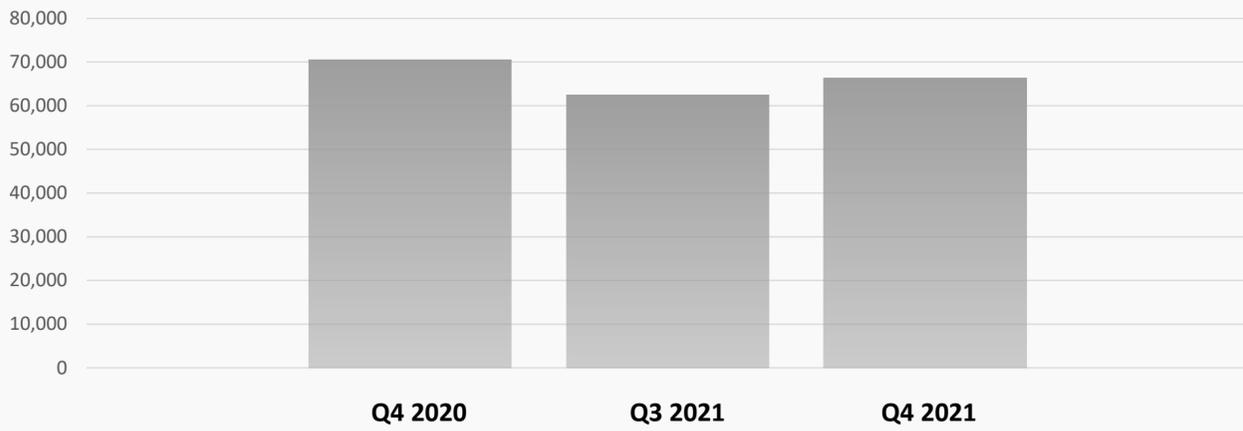
**Reported Revenue (Ms)**



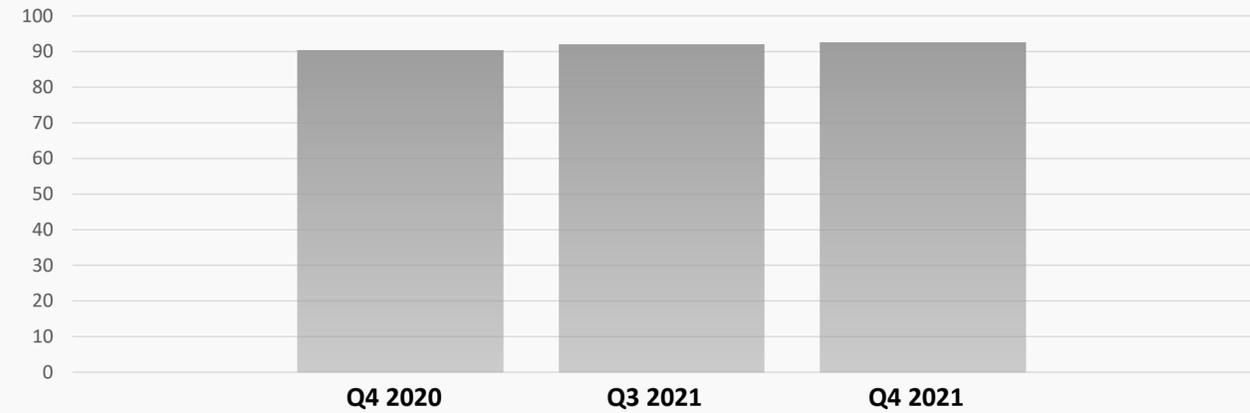
**Sales Leaders**



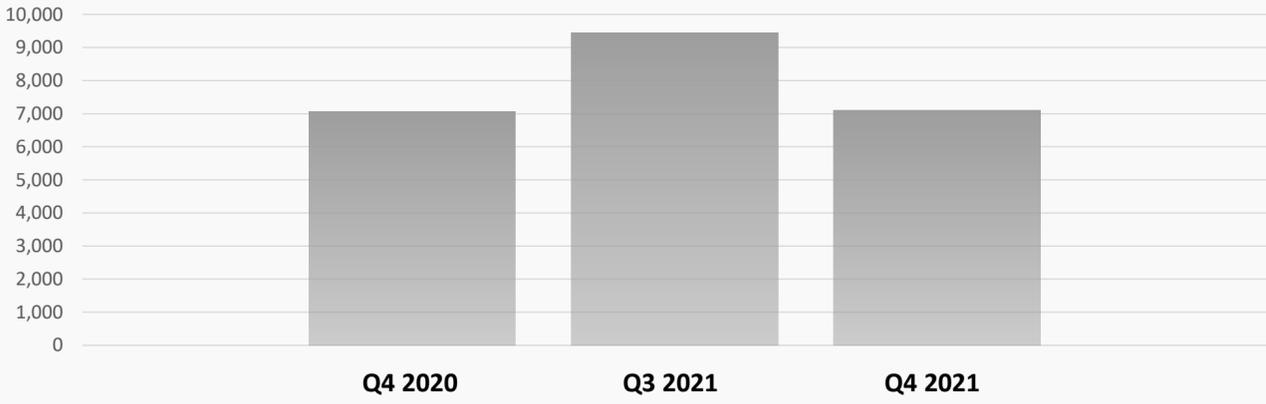
**Customers**



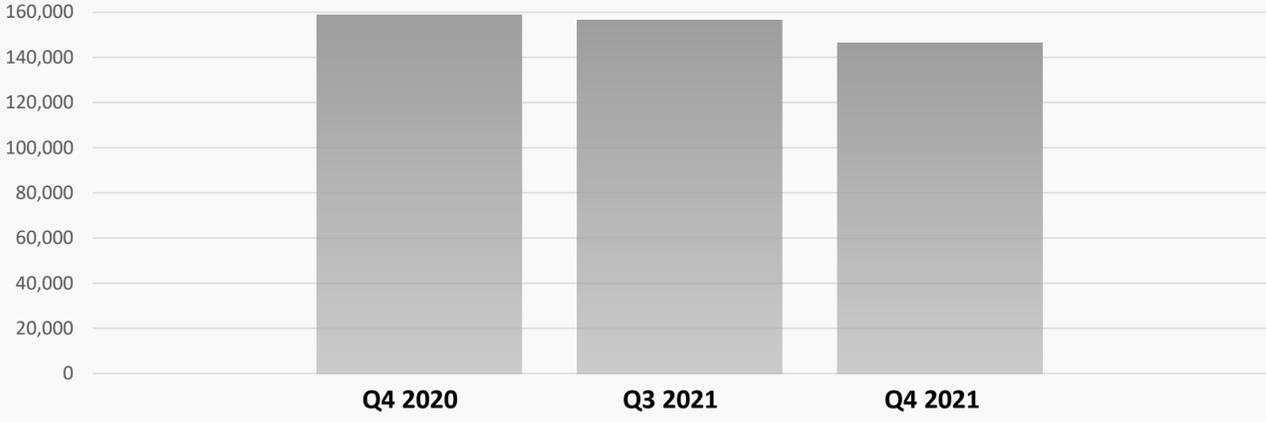
**Reported Revenue (Ms)**



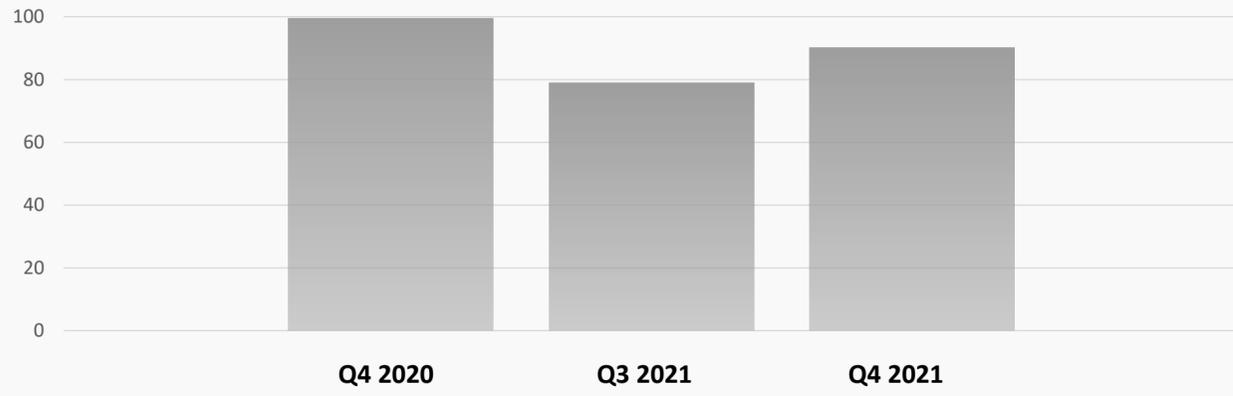
**Sales Leaders**



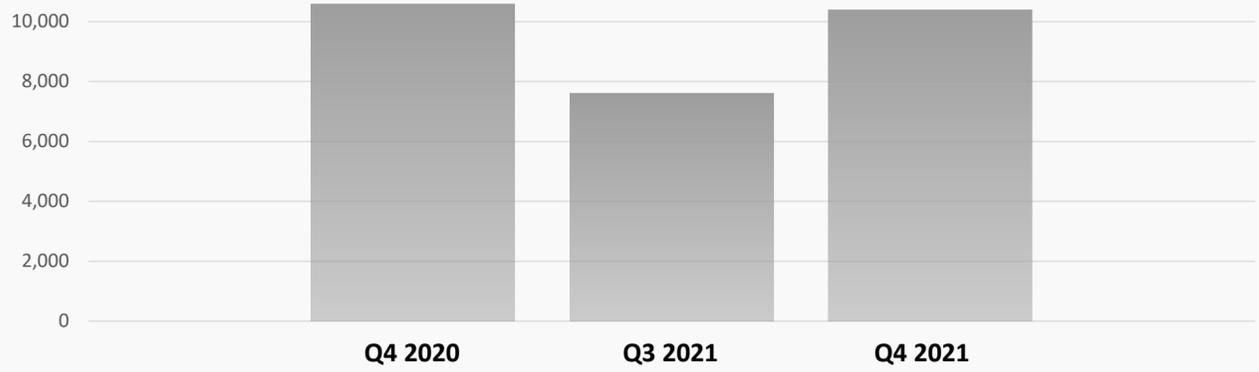
**Customers**



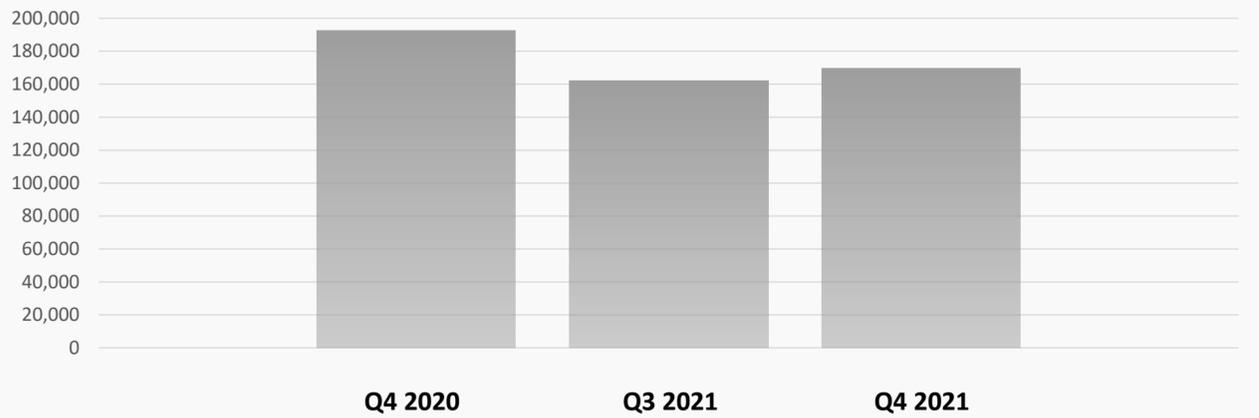
**Reported Revenue (Ms)**



**Sales Leaders**

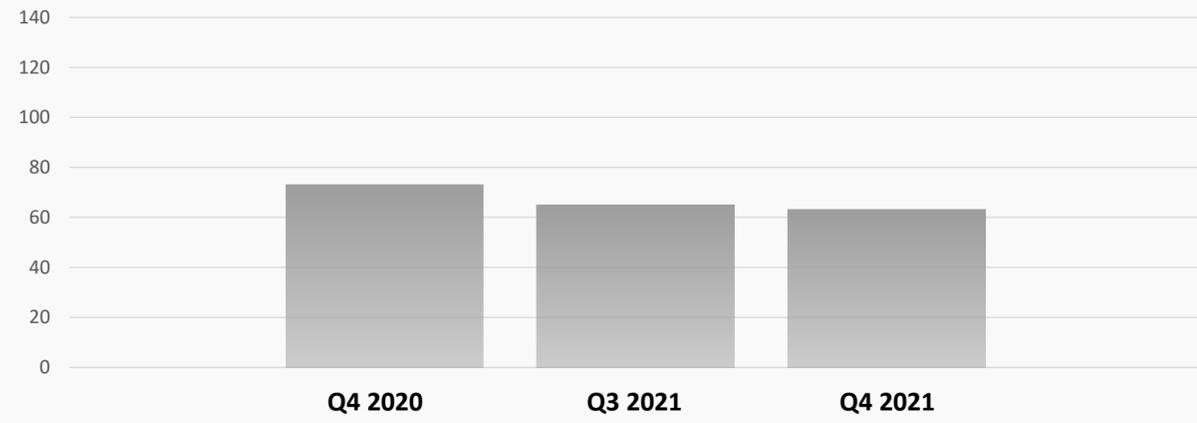


**Customers**

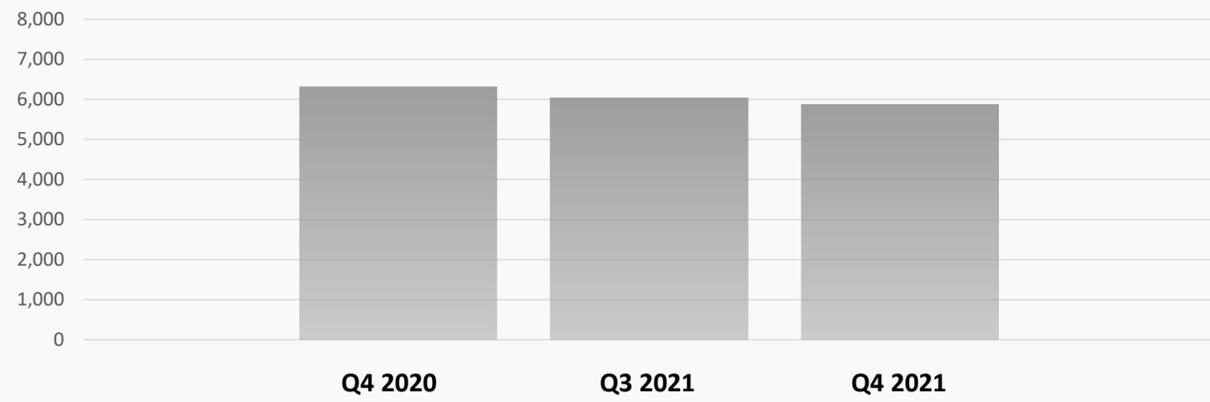


**SOUTHEAST  
ASIA &  
Pacific**

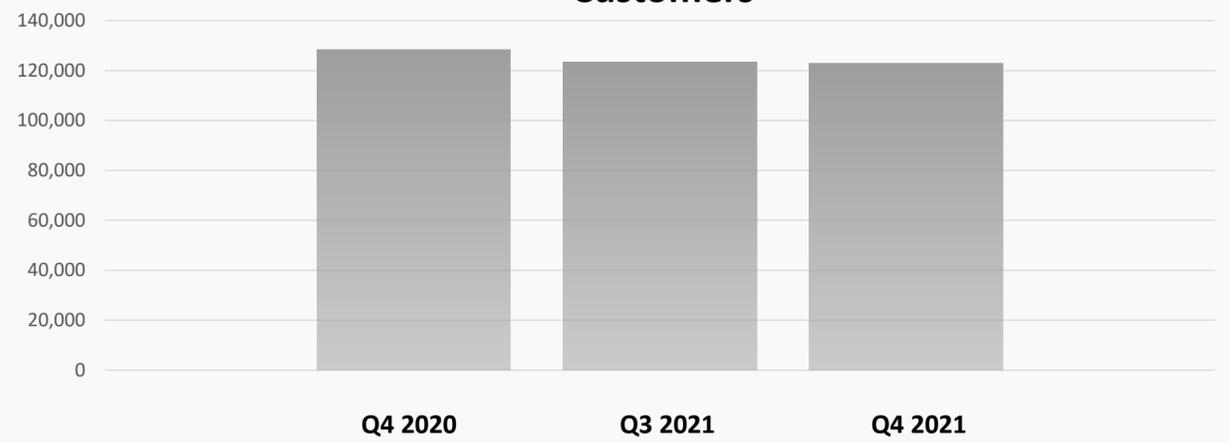
### Reported Revenue (Ms)



### Sales Leaders



### Customers





2 0 2 2

# Projected Revenue Growth

CONSTANT CURRENCY

Mainland China	(5) to 5%
Americas	6 to 12%
South Korea	2 to 6%
Southeast Asia/Pac	(10) to (5)%
Japan	(1) to 4%
Hong Kong/Taiwan	(5) to 5%
EMEA	8 to 13%

Consolidated Local  
Currency Growth  
0 to 5%

Global FX Impact  
(1) to (2)%

Consolidated GAAP Growth  
(1) to 3%

# Annual Fusion Calendar (Sample)

ATTRACT

- Monthly/quarterly promos & launches
- Attract new customers & affiliates



CONNECT

- Annual hero products
- Attract new customers & affiliates

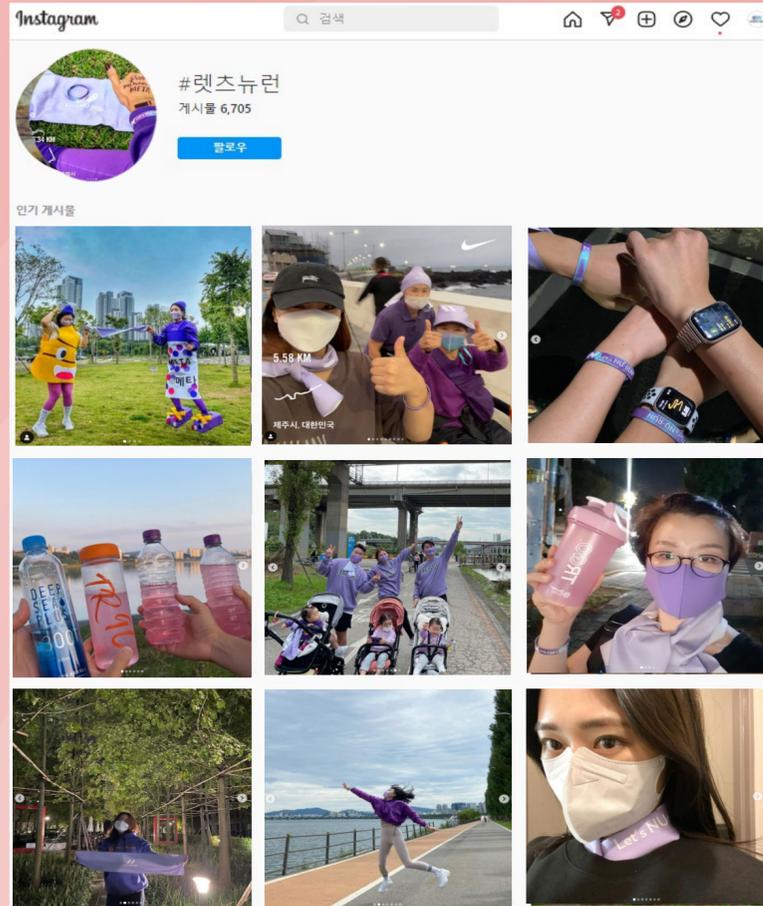


NURTURE

- Top brand campaigns
- Customer loyalty
- Affiliate retention
- Subscriptions



# Building Online Communities



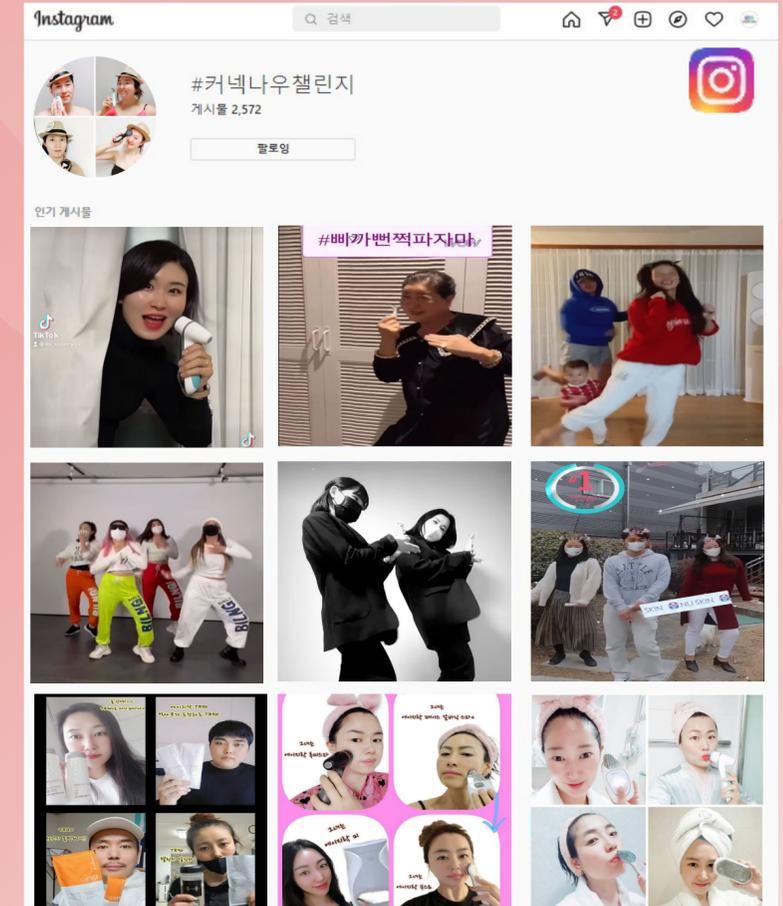
**Let's Nu Run**  
Contactless, Mission-based  
Running Events



**Nu Beat**  
VR Bike Challenge Program



**Zoom in Now**  
Run Online Group Workout

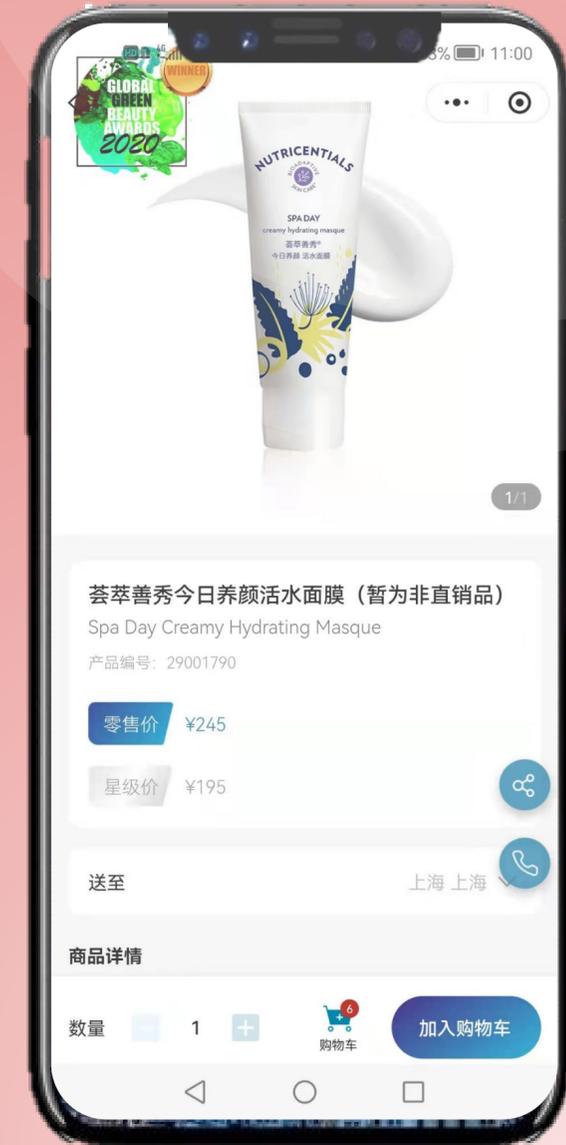
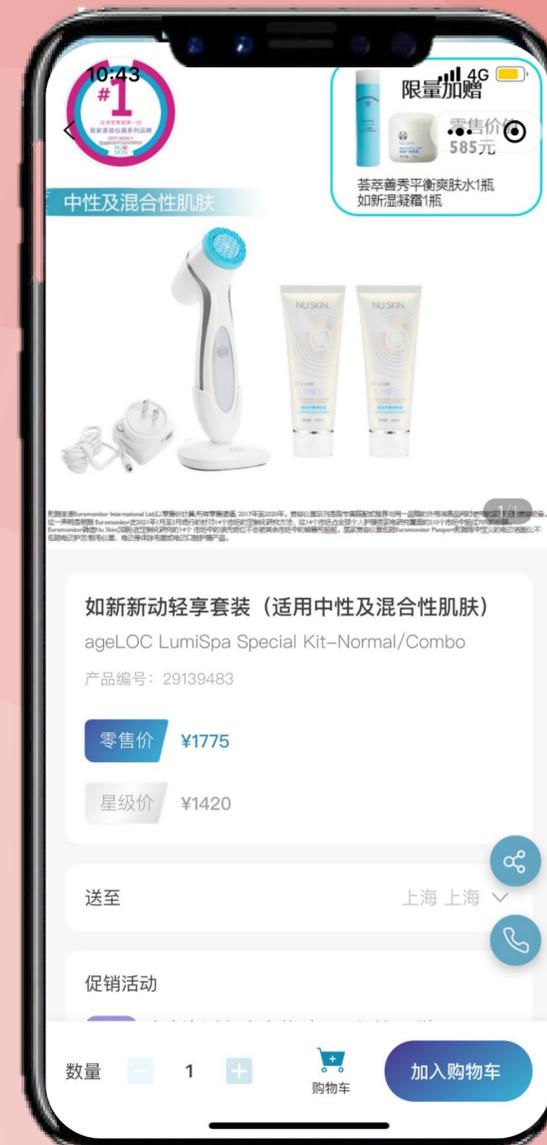


**Connect Now**  
Instagram Mission Challenge

# WeChat Program

Sales Leader Social Commerce Adoption

Customer Acquisition



Expanding our reach to new audiences.

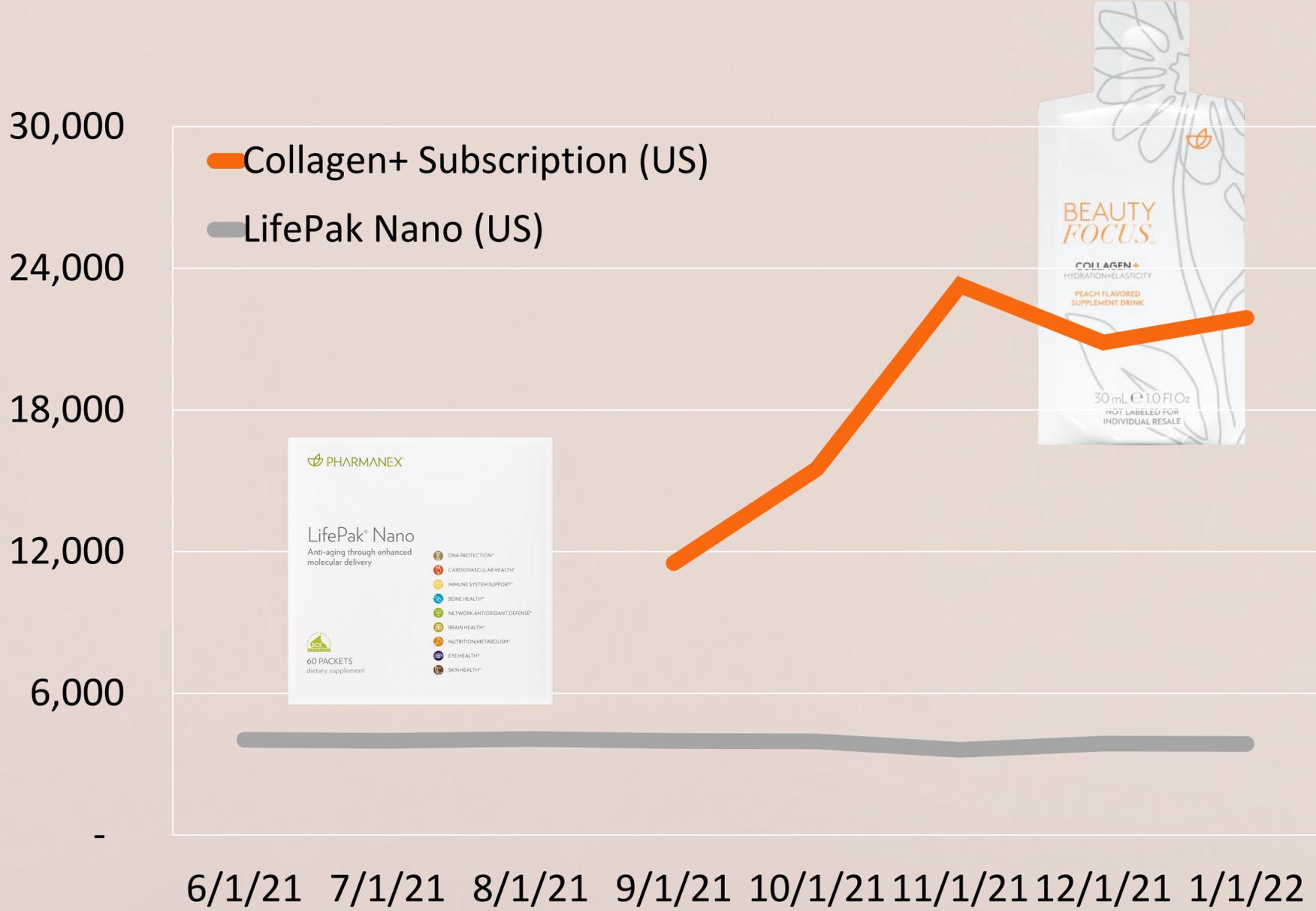


HELPS BOOST COLLAGEN & ELASTIN PRODUCTION IN YOUR SKIN.

HELPS VISIBLY REDUCE FINE LINES & WRINKLES.

CLINICALLY PROVEN TO HELP YOU LOOK MORE YOUTHFUL.

# Number of Customer Subscriptions

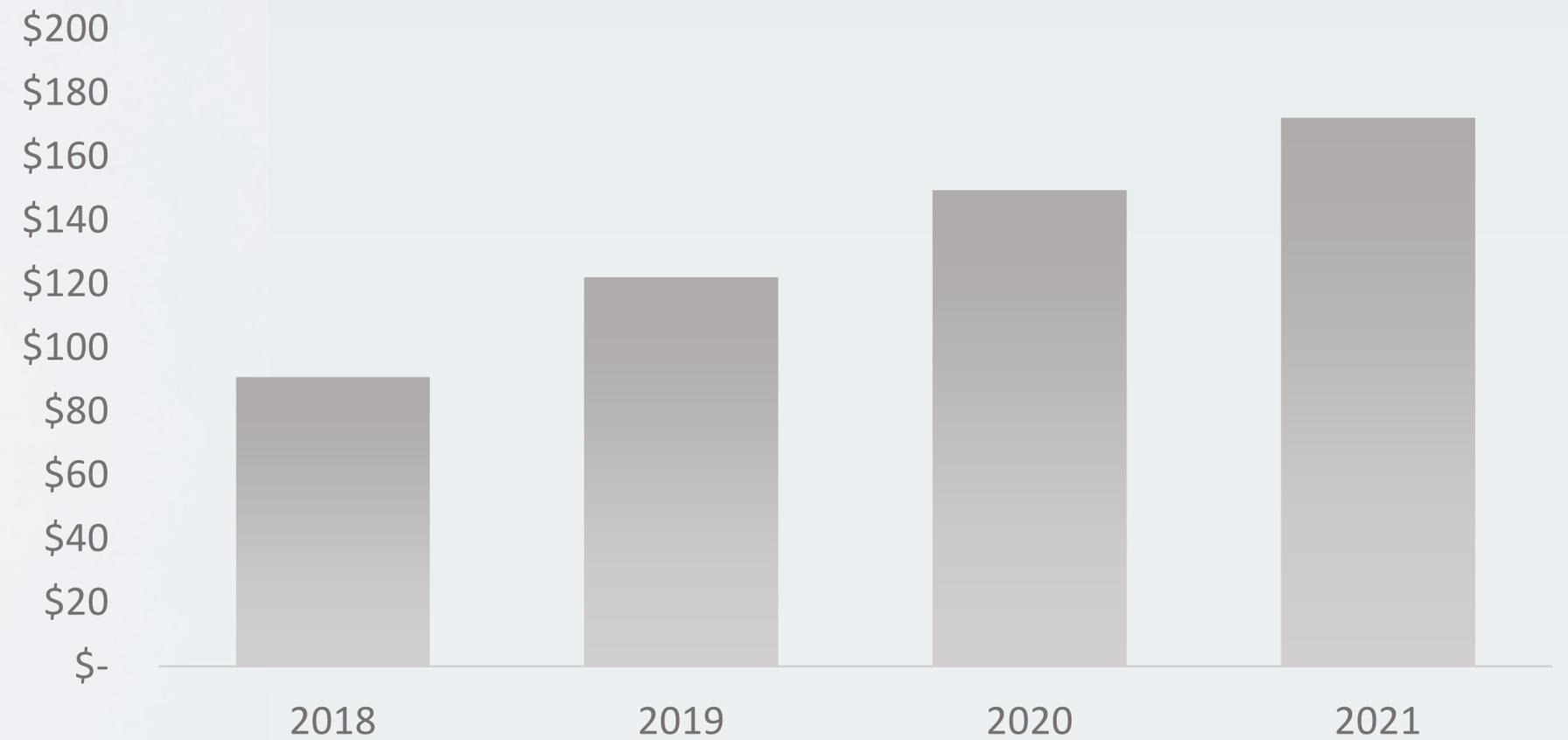


Source: Nu Skin Internal Data 6/2021-1/2022



# Manufacturing Segment Overview

(in Millions)





# FINANCIAL HIGHLIGHTS

Q4 2021

- \$673.4 M of revenue
- FX negative impact of 2%
- 120 basis point non-GAAP gross margin improvement
- Lingering COVID-19 impact and restrictions



# FINANCIAL HIGHLIGHTS

## 2021

- Revenue \$2.70 B, 4% YOY revenue improvement, 11% YOY compared to 2019
- 70 basis point gross margin improvement
- 90 basis point increase non-GAAP operating margin
- Repurchased \$80.4 M of stock – 3%
- Generated \$142 M cash from operations
- Increased dividend for 21<sup>st</sup> year in early 2022



Q1 2022

# Guidance Overview

## Q1 Revenue

\$560 - \$590 M

(2) to (3)% foreign currency impact

## Q1 EPS

\$0.65 - \$0.75

21 to 25% tax rate



2022

# Guidance Overview

## Annual Revenue

**\$2.66 - 2.77 B**

(1) to +3% revenue growth  
(1) to (2)% foreign currency impact

## Operating Margin

**11 – 11.5%**

## EPS

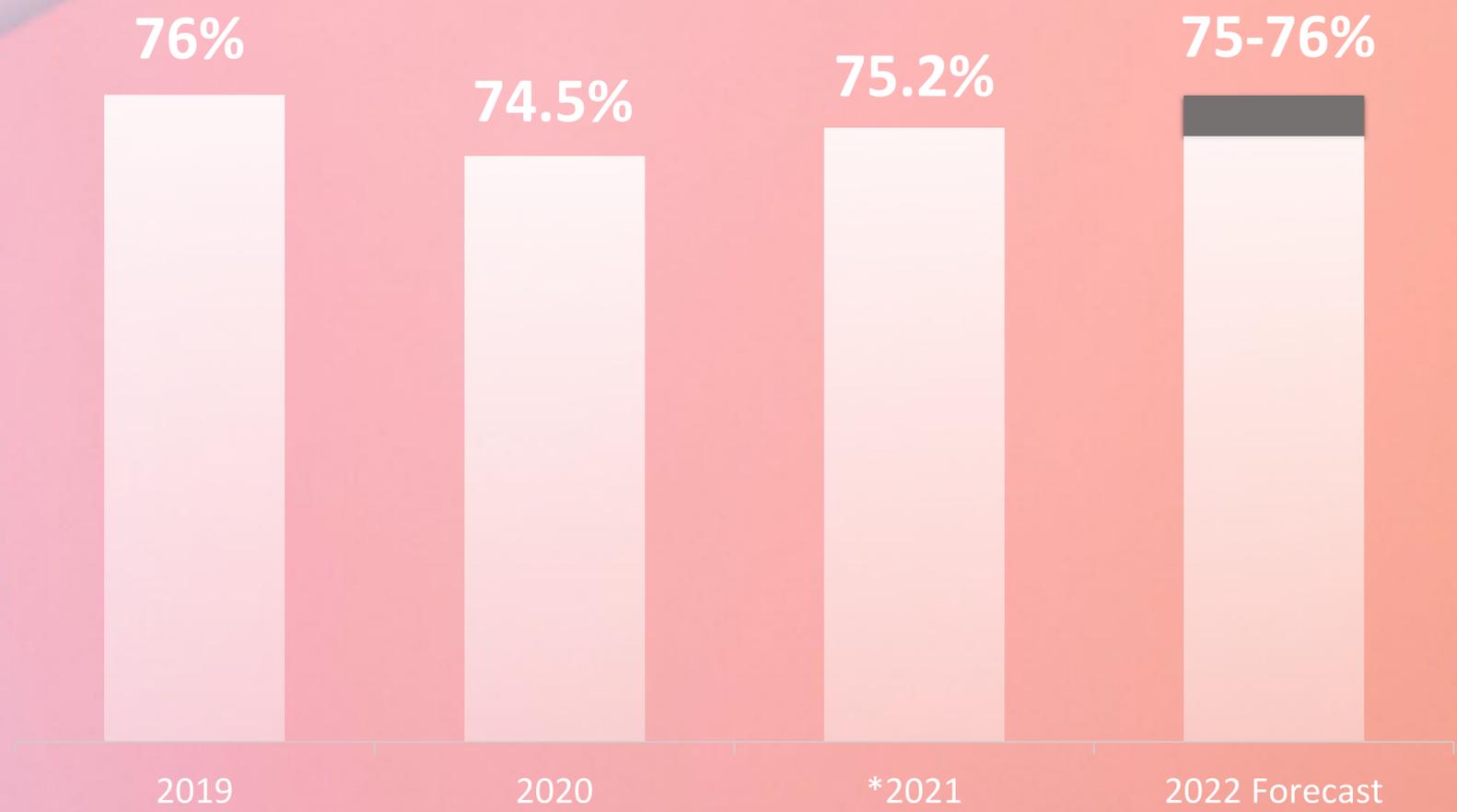
**\$4.05 – 4.45**

(2) to 8%\*  
25% to 30% tax rate

\* Non GAAP – see reconciliation



# Gross Margin

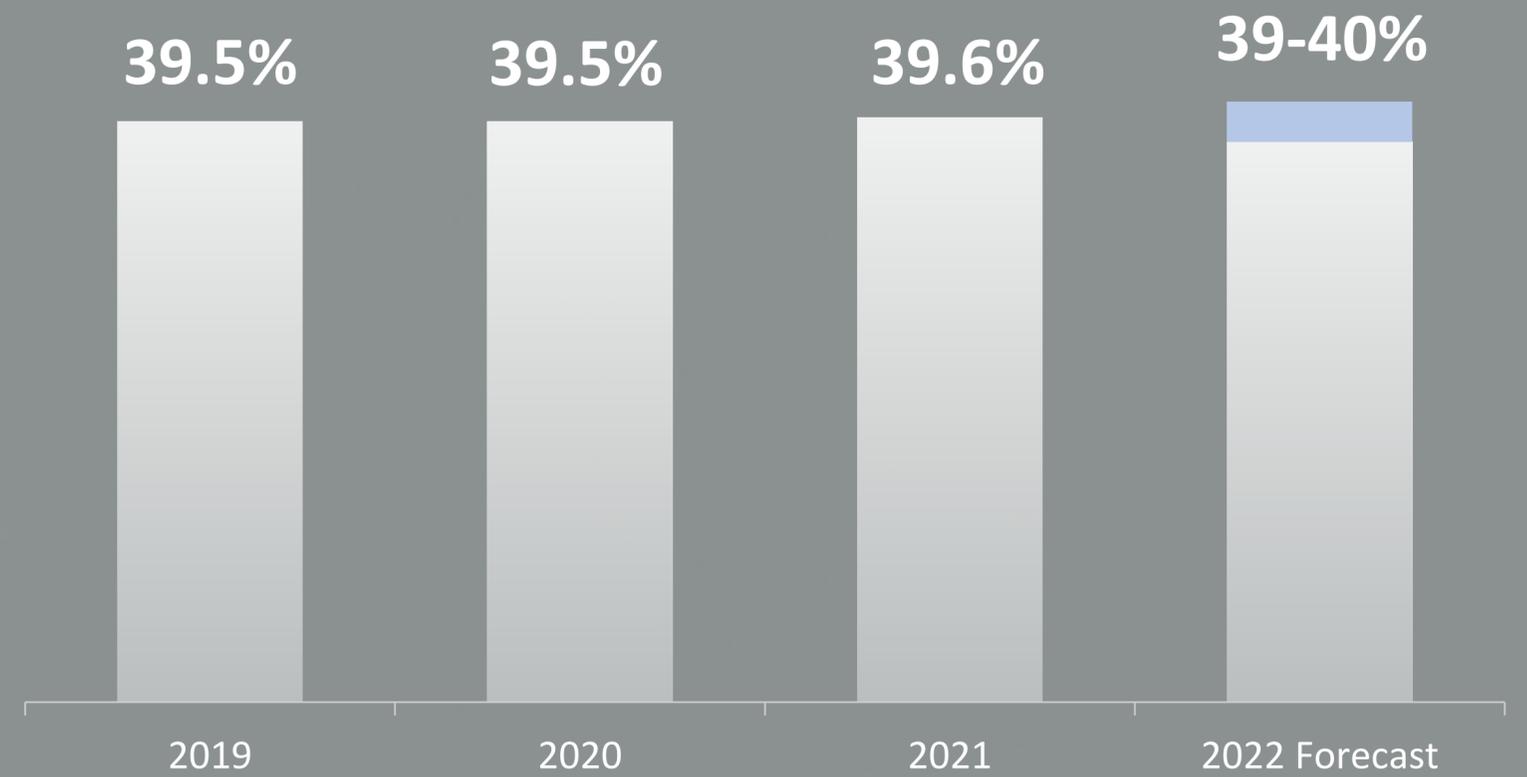


\* Non GAAP – see reconciliation



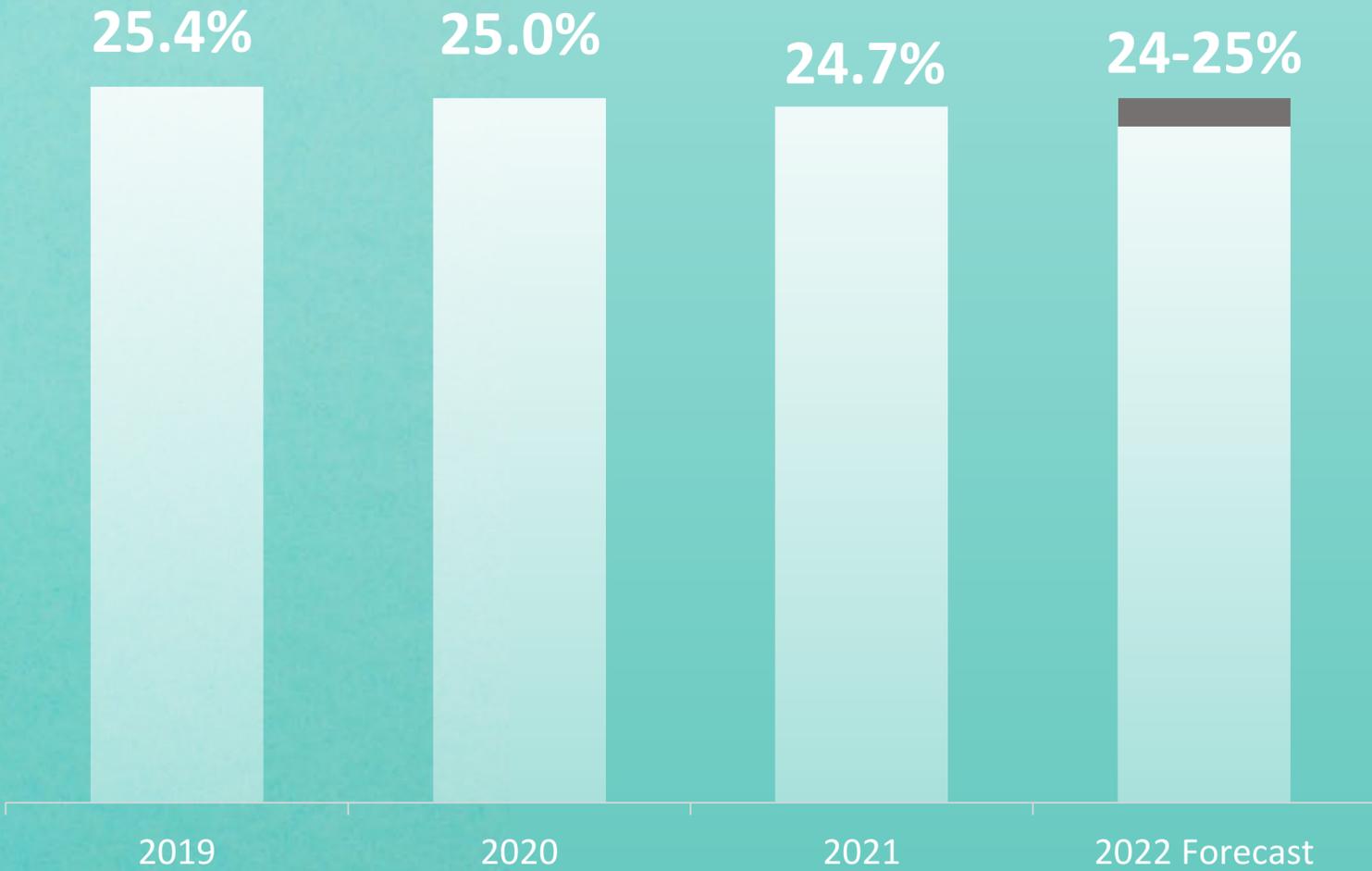
# Selling Expense

% OF REVENUE

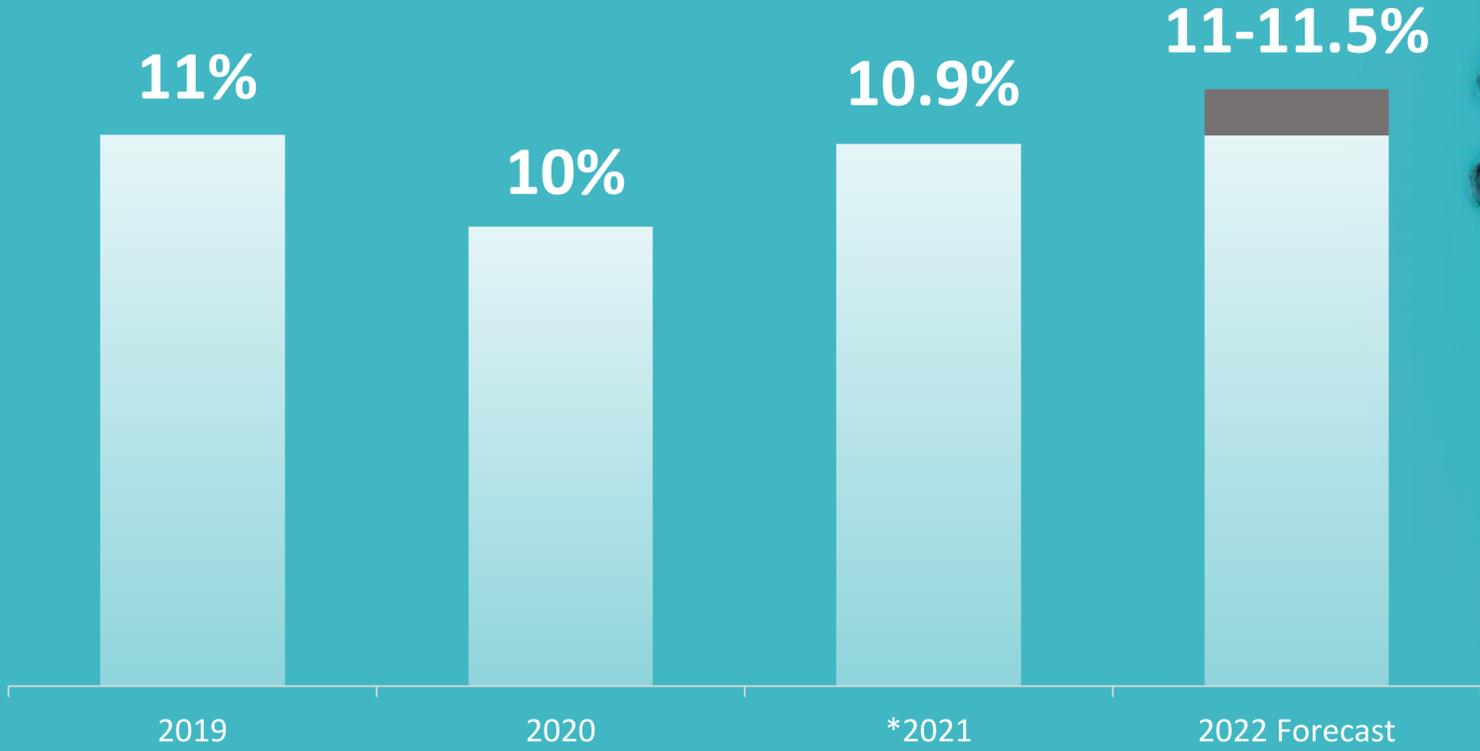




# G&A Expense

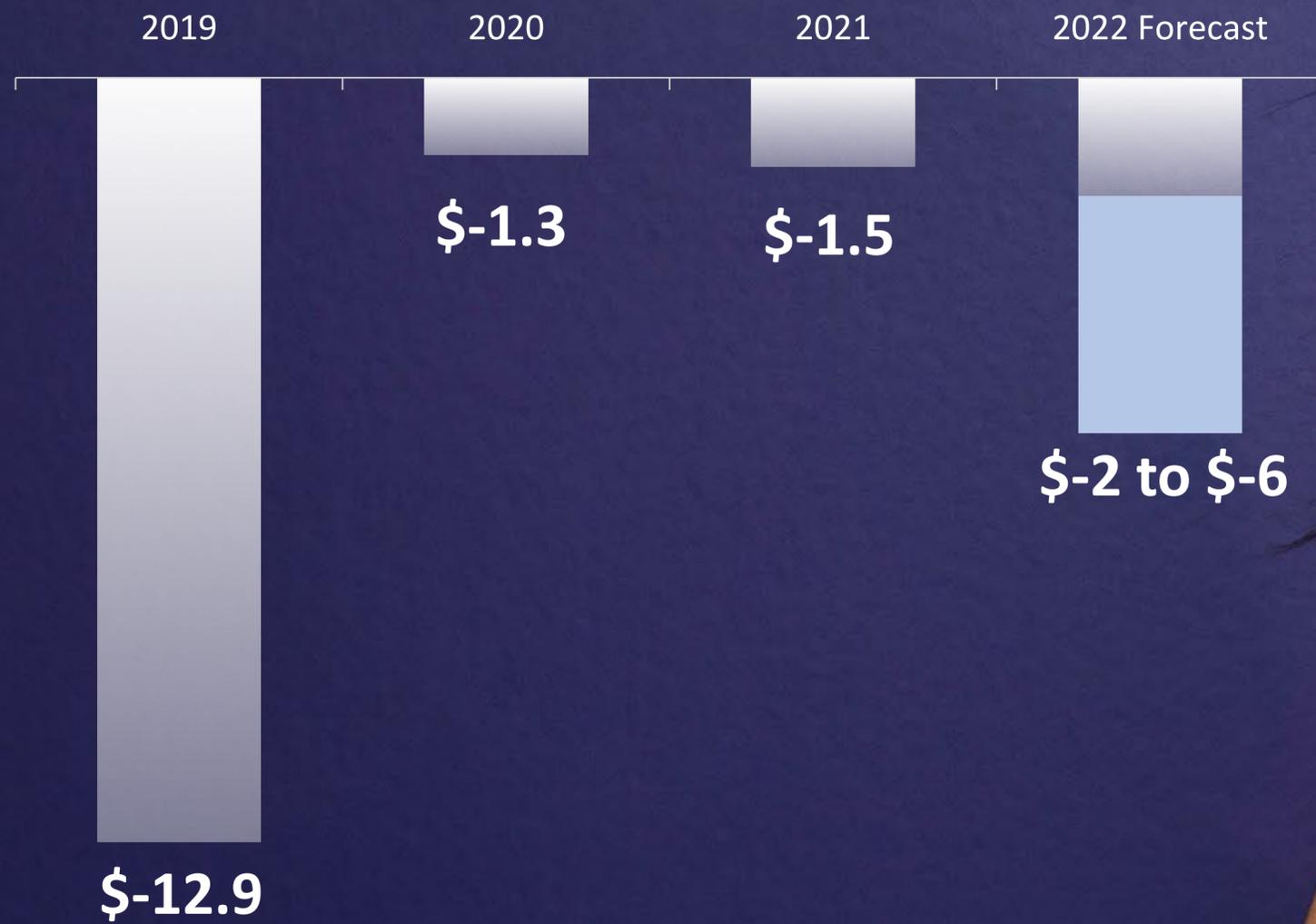


# Operating Margin



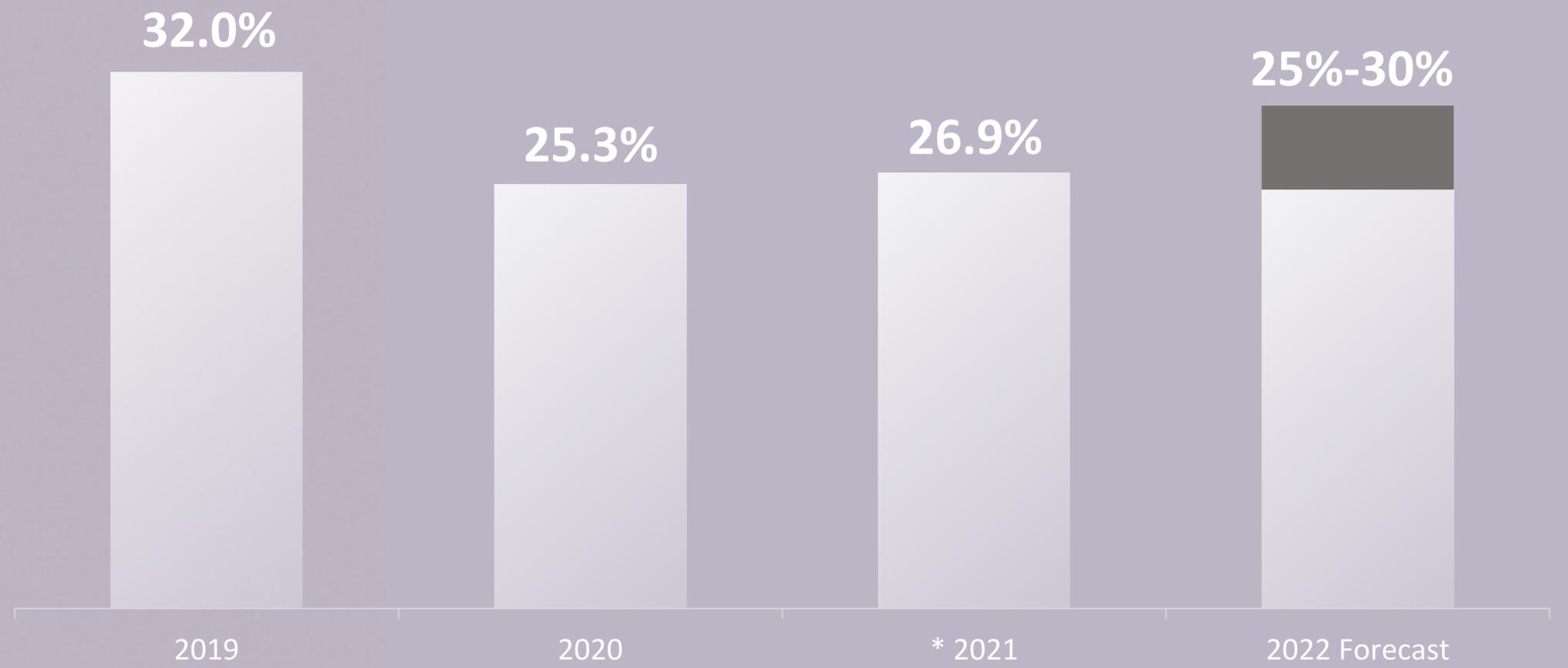
\*Non-GAAP, see reconciliation

# Other Income/Expense



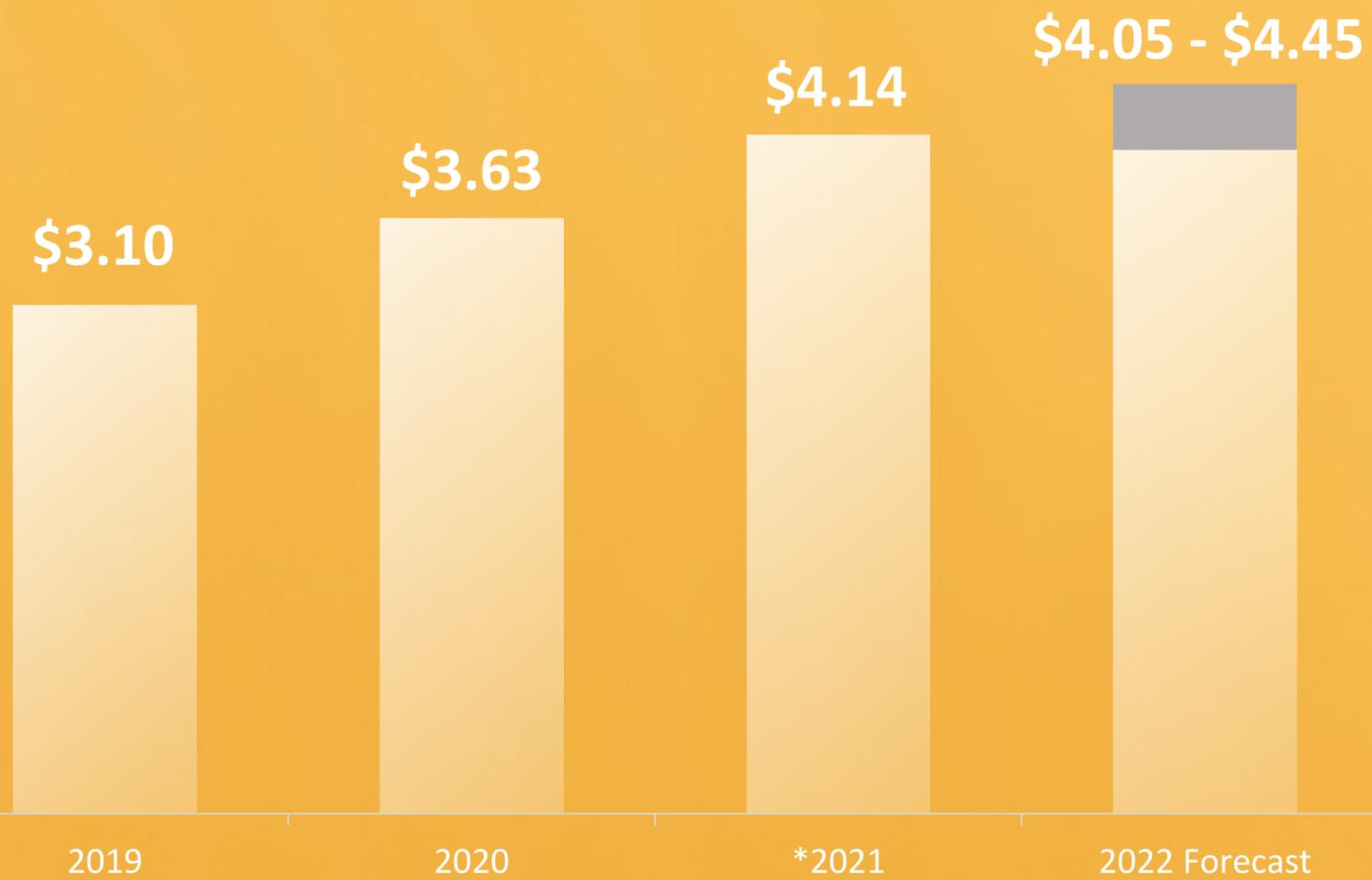


# Tax Rate



\*Non-GAAP, see reconciliation

# Earnings Per Share



\*Non-GAAP, see reconciliation



# Annual Dividend

21 YEARS OF GROWTH





# Cash Overview

CASH FLOW 2022 BREAKOUT

CAPEX

**\$70-90M**

+\$15M for China Facility

Depreciation & Amortization

**\$80M**

Cash From Operations

**\$250-300M**



## **NU VISION 2025**

To become the world's leading  
integrated beauty & wellness  
company,  
powered by our dynamic  
affiliate opportunity platform



Q&A Nu Skin Investor Day

# NON-GAAP RECONCILIATION TABLES

## 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)

	Years Ended December 31, <u>2021</u>
Net income	\$ 147,266
Impact of restructuring and impairment:	
Restructuring and impairment	51,870
Inventory write-off	6,656
Income tax impact	<u>6,933</u>
Adjusted net income	<u>\$ 212,725</u>
Diluted earnings per share	\$ 2.86
Diluted earnings per share, excluding restructuring and impairment impact	\$ 4.14
Weighted-average common shares outstanding (000s):	51,427

## NU SKIN ENTERPRISES, INC.

### Reconciliation of Effective Tax Rate Excluding Impact of Restructuring to GAAP Effective Tax Rate

(in thousands, except per share amounts)

	Years Ended December 31, <u>2021</u>
Provision for income taxes	\$ 85,193
Impact of restructuring on tax provision	<u>(6,933)</u>
Provision for income taxes, excluding impact of restructuring	<u>\$ 78,260</u>
Income before provision for income taxes	\$ 232,459
Impact of restructuring and impairment:	
Restructuring and impairment	51,870
Inventory write-off	<u>6,656</u>
Income before provision for income taxes, excluding restructuring and impairment impact	<u>\$ 290,985</u>
Effective tax rate	36.6%
Effective tax rate, excluding restructuring and impairment impact	26.9%

# NON-GAAP RECONCILIATION TABLES

**NU SKIN ENTERPRISES, INC.**  
**Reconciliation of Gross Margin Excluding Impact of**  
**Restructuring and Impairment to GAAP Gross Margin**  
(in thousands, except per share amounts)

	<b>Three Months Ended</b>		<b>Years Ended</b>	
	<b>December 31,</b>		<b>December 31,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Gross Profit	\$ 499,661	\$ 553,442	\$ 2,020,446	\$ 1,923,906
Impact of restructuring and impairment:				
Inventory write-off	<u>6,656</u>	<u>—</u>	<u>6,656</u>	<u>—</u>
Adjusted Gross Profit	<u>\$ 506,317</u>	<u>\$ 553,442</u>	<u>\$ 2,027,102</u>	<u>\$ 1,923,906</u>
Gross margin	74.2%	74.0%	75.0%	74.5%
Gross margin, excluding restructuring and impairment impact	75.2%	74.0%	75.2%	74.5%
Gross margin improvement	0.2%		0.5%	
Gross margin improvement, excluding restructuring and impairment impact	1.2%		0.7%	
Revenue	\$ 673,436	\$ 748,193	\$ 2,695,669	\$ 2,581,934

**NU SKIN ENTERPRISES, INC.**  
**Reconciliation of Operating Margin Excluding Impact of**  
**Restructuring to GAAP Operating Margin**  
(in thousands, except per share amounts)

	<b>Three Months Ended</b>		<b>Years Ended</b>	
	<b>December 31,</b>		<b>December 31,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Operating income	\$ 20,319	\$ 88,697	\$ 233,992	\$ 257,564
Impact of restructuring and impairment:				
Restructuring and impairment	51,870	—	51,870	—
Inventory write-off	<u>6,656</u>	<u>—</u>	<u>6,656</u>	<u>—</u>
Adjusted operating income	<u>\$ 78,845</u>	<u>\$ 88,697</u>	<u>\$ 292,518</u>	<u>\$ 257,564</u>
Operating margin	3.0%	11.9%	8.7%	10.0%
Operating margin, excluding restructuring and impairment impact	11.7%	11.9%	10.9%	10.0%
Operating margin improvement	(8.9)%		(1.3)%	
Operating margin improvement, excluding restructuring and impairment impact	(0.2)%		0.9%	
Revenue	\$ 673,436	\$ 748,193	\$ 2,695,669	\$ 2,581,934

# NON-GAAP – CONSTANT CURRENCY

**Non-GAAP Financial Measures:** Constant-currency revenue change is a non-GAAP financial measure that removes the impact of fluctuations in foreign-currency exchange rates, thereby facilitating period-to-period comparisons of the company's performance. It is calculated by translating the current period's revenue at the same average exchange rates in effect during the applicable prior-year period and then comparing that amount to the prior-year period's revenue. The company believes that constant-currency revenue change is useful to investors, lenders and analysts because such information enables them to gauge the impact of foreign-currency fluctuations on the company's revenue from period to period.

The following table sets forth revenue growth % for the years ended December 31, 2021 and projected 2022 for each of our reportable segments :

Nu Skin:	2021		2022 Projected	
	Reported Change	Constant-Currency Change	Reported Change	Constant-Currency Change
Mainland China	-9%	-15%	-5 to 5%	-5 to 5%
Americas	21%	20%	5 to 10%	6 to 12%
South Korea	9%	6%	0 to 4%	2 to 6%
Southeast Asia/Pacific	-7%	-9%	-10 to -5%	-10 to -5%
Japan	-3%	0%	-5 to 0%	-1 to 4%
EMEA	23%	18%	5 to 10%	8 to 13%
Hong Kong/Taiwan	1%	-2%	-5 to 5%	-5 to 5%
Total Nu Skin	4%	1%	-1 to 3%	0 to 5%
Manufacturing	16%	16%	-5 to 5%	-5 to 5%

THANK YOU

