



## RESEARCH UPDATE

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### Market Statistics in USD

Price	\$ 10.21
52 week Range	\$5.32 - \$14.62
Daily Vol (3-mo. average)	454,954
Market Cap (M)	\$ 497.7
Enterprise Value (M)	\$ 565.0
Shares Outstanding: (M)	48.8
Float (M)	47.6
Public Ownership	22.2%
Institutional Ownership	75.4%

### Financial Summary in USD

Cash (M)	\$ 251.8
Cash/Share	\$ 5.13
Debt (M)	\$ 320.3
Equity (M)	\$ 799.8
Equity/Share	\$ 16.29

FYE: Dec	2025	2026E	2027E
(all figures in M, except per share information)			
Rev	\$1,485.2	\$1,427.4	\$1,529.4
Chng%	-14%	-4%	7%
Net Income	\$ 160.2	\$ 49.9	\$ 65.5
Adj. NI	\$ 64.1	\$ 49.9	\$ 65.5
Adj. EPS	\$ 1.28	\$ 1.00	\$ 1.31
EV/Revenue	0.4x	0.4x	0.4x
P/E	7.5x	10.2x	7.8x



## COMPANY DESCRIPTION

Nu Skin Enterprises, Inc. (NYSE: NUS) is a global direct selling leader in beauty and wellness, delivering personal care, nutrition, and smart device systems. Operating in nearly 50 international markets. NUS operates in the direct selling channel, primarily utilizing person-to-person marketing to promote and sell products, including through the use of social and digital platforms. The Company integrates product innovation, bio-device R&D, and digital platforms through its Rhyz ecosystem. Founded in 1984 in Provo, Utah, Nu Skin built its legacy on natural ingredients, science-backed skincare. It expanded into Canada and Asia in the early 1990s, IPO'd in 1996, and added dietary supplements via its 1998 Pharmanex acquisition. The launch of the ageLOC anti-aging line in 2008 marked a major inflection point—followed by successive connected device launches (LumiSpa iO, WellSpa iO, RenuSpa iO)—cementing its reputation in beauty tech.

## NU SKIN ENTERPRISES INC. (NYSE: NUS)

### Company Updates

**Financial Results:** NUS reported revenue, adj NI, and adj EPS of \$370.3M, \$14.5M, and \$0.29, respectively. This compares to our estimates of \$380.2M, \$15.1M, and \$0.30, respectively. These results were at the low end of revenue guidance and the high end of EPS guidance. Rhyz delivered \$48.52M of revenue, including \$42.45M from Manufacturing and \$6.07M from Rhyz Other, while the Nu Skin business posted 77.6% gross margin and continued to benefit from disciplined spending as selling expense declined to 40.8% of the core business. Management highlighted strategic and active penetration into India and other emerging countries, along with overall margin expansion and a one-time tax benefit, as key contributors to EPS results in FY25. Despite weaker-than-expected top-line results, management remains focused on executing its strategic initiatives.

**Strategic Initiatives:** The Company is advancing the rollout of its Prism iO intelligent wellness platform, with management's early sales projections pointing to selling approximately 100,000 units in FY26. At \$300 per unit, this implies an initial revenue opportunity of roughly \$30 million. While the hardware sales provide a solid foundation, we believe the more compelling financial upside stems from the platform's recurring subscription model and ecosystem leverage. In our view, the real operating leverage emerges from the high-margin, data-driven recurring revenue stream and the Company's growing data trove, which enhances its ability to refine recommendations and optimize sales productivity over time. Broader leader availability is expected in 1H26, followed by a full consumer launch in 2H26. In addition to the roll out of Prism iO the Company continues to move toward opening the market in India. With pre-market activities underway, NUS is setting the foundation and infrastructure for a 2H26 full market opening.

**KPIs:** Nu Skin ended the quarter with 30,045 sales leaders, 129,311 paid affiliates, and 748,796 customers, declines of 19%, 11%, and 10% year over year, respectively; sequentially, management cited positive trends in several regions, including penetration into India, Latin America, and other emerging economies. We anticipate that the upcoming India entry and the Prism iO commercialization plan will further drive sponsor activity and improving conversion from customers to paid affiliates.

**Balance Sheet and Liquidity:** The Company ended the quarter with a strong balance sheet, having \$238.6M in cash on hand and a net cash level of \$14.4M per our calculations. Most importantly, the Company reiterated its focus on further net-cash expansion to support the Prism iO preview, India pre-opening, and ongoing product and digital investments.

**Guidance:** For 1Q26, Nu Skin guides revenue of \$320M to \$340M and EPS of \$0.10 to \$0.20; full-year 2026 revenue is projected at \$1.35B to \$1.5B with adjusted EPS of \$.80 to \$1.20 (excluding the Mavely gain and other charges). We believe NUS is positioned to meet its guidance and have adjusted our model accordingly.

**Valuation:** We use a Price to Adj. EPS comparison when valuing NUS. Currently NUS is trading at a forward Price to Adj. EPS of 7.8x compared to comps at an average of 13.7x. We are using our FY26 Adj. EPS, and a P/E range of 10.0x to 12.0x which moves NUS closer to comp companies. This arrives at a valuation range of \$13.07 to \$15.69 with a mid-point of \$14.38.

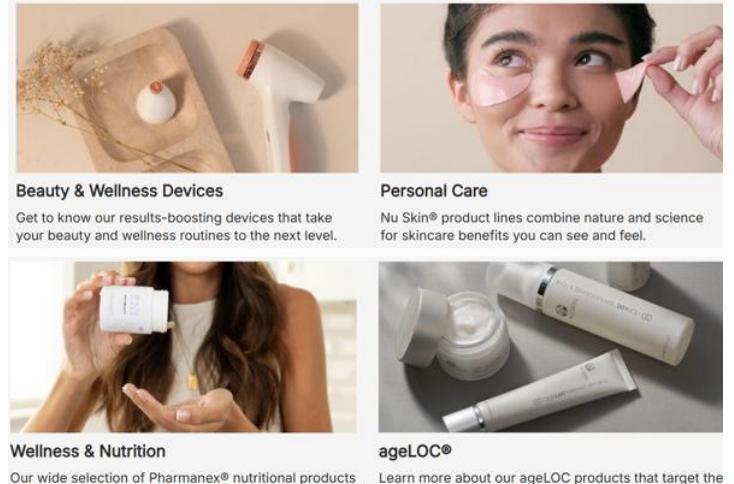
## Business Overview

Nu Skin Enterprises, Inc. (NYSE: NUS) is a global direct-selling leader in beauty and wellness, delivering personal care, nutrition, and smart device systems. Operating in nearly 50 international markets through a network of independent Brand Affiliates, the Company integrates product innovation, bio-device R&D, and digital platforms through its Rhyz ecosystem.

Founded in 1984 in Provo, Utah, Nu Skin built its legacy on natural ingredients, science-backed skincare. It expanded into Canada and Asia in the early 1990s, IPO'd in 1996, and added dietary supplements via its 1998 Pharmanex acquisition. The launch of the ageLOC anti-aging line in 2008 marked a major inflection point—followed by successive connected device launches (LumiSpa iO, WellSpa iO, RenuSpa iO)—cementing its reputation in beautytech.

NUS operates through three primary brands: a beauty brand, Nu Skin; a wellness brand, Pharmanex; and an anti-aging brand, ageLOC. In addition to the core Nu Skin business, the Company also explores new areas of synergistic and adjacent growth through its business arm known as Rhyz Inc. This arm reports through two segments, Manufacturing and Other, which encompass six businesses. In January of 2025, the Company sold Mavely, a business under the Rhyz arm, for ~\$250.0M which was ~3.6x FY24 revenues, illustrating the potential that Rhyz Businesses have. Of note, the Company has an extensive history of research and development leading to a constantly evolving product pipeline.

### Exhibit 1: Business Overview



Source: Company Reports

### Exhibit 2: Innovation Drivers



40 years of scientific research



75 in-house scientists



11 state-of-the-art laboratories

Source: Company Reports

Nu Skin operates in nearly 50 geographies broken into 7 segments at its Core Nu Skin level. With about 19% of Core Nu Skin FY24 revenues generated in the Americas segment, and an additional 11% of revenue generated in the Rhyz segment, NUS derives ~30% of consolidated revenue from the western hemisphere. With such a large global footprint, the Company's international operations are constantly monitored for impacts from currency

and regulation changes. We view this diversification as a net positive, giving NUS a significant reach. Further information on the nuances of these geographies can be found under the Geographic Overview section.

The Company's business's distribution channel is composed of two primary groups: its consumer group, made up of individuals who buy the Company's products primarily for personal or family consumption and share products with friends and family; and its sales network made up of individuals who personally buy, use and resell products, and who attract new consumers, and recruit, train and develop new sellers. Individuals in the sales network are classified as either Brand Affiliates or Sales Leaders. Brand Affiliates are individuals who also purchase products for personal consumption as well as for resale to customers. Brand Affiliates can generate compensation for sales made to their customers, and are typically under the guidance of a Sales Leader. Sales Leaders are Brand Affiliates, as well as sales employees and independent marketers in Mainland China, who achieved certain qualification requirements as of the end of each month of the quarter. These individuals have completed the qualification process and are actively building a sales network that may be comprised of both Brand Affiliates and their own customers. With Brand Affiliates working under Sales Leaders the Company is designed in a multi-level sales structure. This multi-level structure where Sales Leaders can disseminate information efficiently and personally allows the Company to maintain a person-to-person relationship all the way to end consumers when new products are introduced.

## Product Overview

- Beauty Products:** Beauty products for NUS fall under the Nu Skin brand. The Company's strategy for its beauty products category is to leverage its distribution channel to strengthen Nu Skin's position as an innovative leader in the premium beauty markets. The products in this category include innovative skin care devices, cosmetics, and other personal-care products. Nu Skin is continuously improving and evolving its product-formulations to develop and incorporate innovative and proven-ingredients, with many of the products developed using ingredients that are scientifically proven to provide visible results.
- Wellness Products:** Wellness products for NUS fall under the Pharmanex brand. The Company's strategy for its wellness category is to continue to introduce innovative, substantiated nutritional supplements, based on research and development and quality manufacturing. Direct selling has proven to be an effective method of marketing the high-quality wellness products because the sales force can personally educate consumers on the quality and benefits of wellness products, differentiating them from competitors' offerings.
- Rhyz:** The Rhyz businesses primarily consist of consumer, technology, and manufacturing companies. In 2024, the Rhyz companies generated \$286.6 million, or 17% of the Company's 2024 reported revenue. Rhyz is a key component of the business, and these companies enable NUS to reduce the cost of goods, improve lead times, diversify revenue mix, and create synergies for its owned brands. In January of 2025, NUS sold one of its businesses under the Rhyz umbrella, showing the ability to monetize portions of this incubator should the opportunity arise.

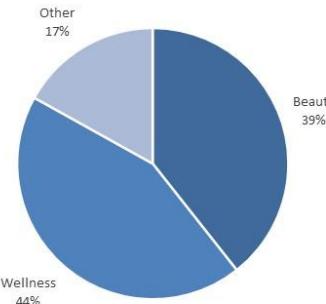
## Sales Channel Overview

Nu Skin maintains a global philosophy of person-to-person marketing believing that the direct selling distribution is an effective vehicle to distribute products. This is through the rapid outreach to potential customers through the existing social networks of the Company's sellers, personalized product demonstrations and offerings, and after-sales servicing from sellers. The Company breaks its sales channel down between its consumer group and its sales network. The consumer group is made up of individuals who buy NUS products primarily for personal or family consumption either through Brand Affiliates or directly from the Company. This group does not have the authority to build a Nu Skin business by reselling products or by recruiting others, and therefore they do not earn any sales compensation.

The sales network is made up of individuals who personally buy, use and resell products, and who also acquire new consumers, and attract, train and develop new sellers. Brand Affiliates both purchase products for personal use as well as for resale to other customers. These individuals are eligible to receive certain compensation under the Company's global sales compensation plan by selling product to customers and by developing other Brand Affiliates who sell products to consumers, but they are not eligible for other compensation unless they elect to qualify as a Sales Leader. The two ways that Brand Affiliates make money is through retail markups and sales compensation earned under the global sales compensation plan. Importantly there are no requirements to purchase products to become a Brand Affiliate, and no commissions are paid on any purchase of a business portfolio.

Sales Leaders are Brand Affiliates who are qualified and have elected to pursue the business opportunity of attracting consumers and building a sales network. Where all Brand Affiliates receive compensation for sales to their own consumer group, Sales Leaders also receive compensation for sales to their own consumer group as well as sales to other Sales Leaders. There is no requirement to recruit or sponsor other Brand Affiliates, and there is no compensation for recruiting or sponsoring.

### Exhibit 3: FY24 Revenue by Category



Source: Company Financials

These sales channels are a breakout for Nu Skin's geographies outside of Mainland China. More information on how Mainland China differs from the Company's other geographies can be found in the Geographic Overview section of this report.

## Geographic Overview

As noted above, the Company operates across nearly 50 geographies. NUS breaks out its Core Nu Skin business into 7 geographic segments, listed below:

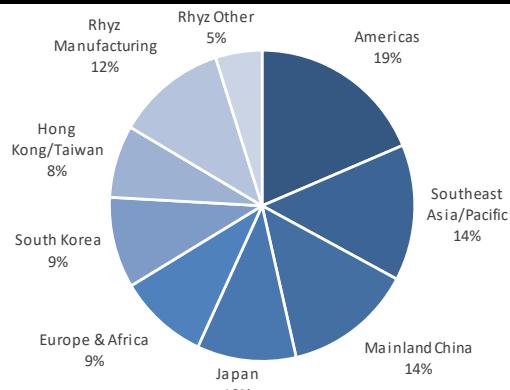
- Americas
- Southeast Asia/Pacific
- Mainland China
- Japan
- Europe and Africa
- South Korea
- Hong Kong/Taiwan

In addition to these 7 geographic segments that NUS uses to characterize its Core Nu Skin business, the Company also consolidates Rhyz segments into Rhyz Manufacturing and Rhyz Other. It is noted that the Rhyz segments are US based.

NUS historically generates approximately 20% of its consolidated revenues from the Core Nu Skin Americas segment, making this segment its largest revenue generator. While there are nuances between all of the Company's segments such as product mix and pricing, different engagement tools, and compensation structures, all geographies with the exception of Mainland China tend to operate following similar structures described in the Sales Channel Overview. We are encouraged by the continued geographic diversification that the Company has seen as demonstrated by the top three segments by revenue in Exhibit 5, with no geography accounting for more than 20% of consolidated revenues.

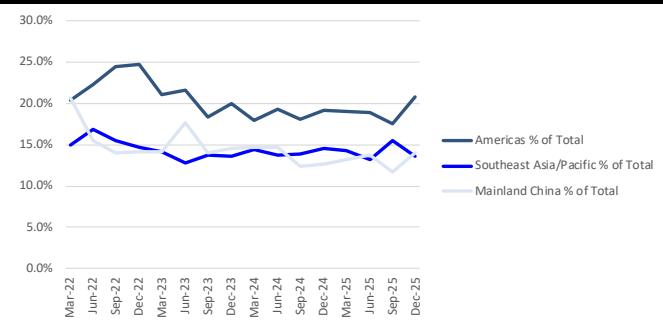
Due to restrictions on direct selling and multi-level commissions in Mainland China, the Company has implemented a business model for that market that is different from the business model used in other markets. In Mainland China, NUS utilizes sales employees to sell products through retail stores, website and digital platforms; independent direct sellers, who can sell away from stores where the Company has a direct selling license and a service center and can also sell through the website and digital platform; and independent marketers, who are licensed business owners authorized to sell products at their own approved premises or through NUS stores, website and digital platforms. These three types of sellers in the Company's Mainland China sales force are also compensated differently from how the Company compensates its sales force in the rest of the world with Mainland China sales employees receiving both monthly bonuses based on product sales among other metrics as well as a salary or service fee that is reviewed and adjusted on a quarterly basis based on performance.

**Exhibit 4: FY24 Percentage of Consolidated Revenue by Geography**



Source: Company Financials

**Exhibit 5: Quarterly Revenue as a Percentage of Consolidated Revenue by Geography**



Source: Company Financials

## Growth Drivers

Nu Skin Enterprises Inc. is strategically positioned to achieve significant growth through multiple avenues and market opportunities:

- 1. Strategic Restructuring & Cost Discipline:** Nu Skin's aggressive restructuring efforts in 2024 have improved operational efficiency, as evidenced by lower general & administrative costs. These measures have improved GPM throughout FY25, reversing previous losses, and have strengthened margins despite a revenue decline driven by macroeconomic headwinds. We expect this strong margin performance to continue into the future.
- 2. Expansion in High-Growth and Emerging Markets:** The Company is tapping into underpenetrated regions. Management has identified India as a critical entry point, with pre-launch activities underway in late 2025 and full operations planned for mid-2026, aiming to capitalize on one of the world's fastest-growing direct selling markets.
- 3. Product Innovation: Connecting Beauty & Wellness:** Nu Skin continues evolving beyond cosmetics. The upcoming Prysm iO wellness device, is positioned to deepen customer engagement via nutritional insights and personalized wellness. The recent launch of devices like the RenuSpa iO microcurrent system and MYND360 cognitive wellness line reflect the firm's pivot toward connected beauty-health platforms.
- 4. Rhyz Platform: Incubation, M&A and Capital Deployment:** Rhyz, Nu Skin's internal venture arm launched in 2018, supported by beauty-tech initiatives. While Nu Skin sold its Mavely affiliate-marketing platform for \$250M in early 2025, the sale highlights strategic capital recycling and successful business incubation. Rhyz's recent acquisition of BeautyBio enabled expansion into microneedling and hydration device markets, strengthening Nu Skin's position in the broader wellness ecosystem.
- 5. Balanced Balance Sheet & Capital Return:** Nu Skin has methodically reduced debt (now at decade-low levels), facilitated by disciplined Capex and the Mavely sale.
- 6. FX Mitigation & Geographic Diversification:** A substantial foreign exchange impact is acknowledged, yet the diversification across ~50 markets and emphasis on stronger-performing regions like Latin America and Japan provides natural hedging and opportunity.

Nu Skin's strategic pivot—combining cost optimization, sharper compensation structures, expansion into high-growth regions, and an emphasis on wellness-connected devices—offers a robust multi-pronged growth framework poised to offset near-term headwinds and reaccelerate top-line growth.

## Market Overview

Nu Skin Enterprises operates within the expansive global beauty and wellness industry, leveraging a robust multi-level marketing (MLM) model across diverse geographic regions. Importantly, Nu Skin operates at the nexus of three rapidly growing sectors—beauty & personal care products, beauty/wellness devices, and beauty tech. Leadership players span personal care, anti-aging devices, nutritional supplements, and connected wellness platforms.

### Nu Skin's Segments Markets

**Beauty & Personal Care Products:** The global beauty and personal care market is extremely large and growing - estimated at approximately \$519 billion in 2024 and projected to reach \$550.9 billion in 2025, growing at a CAGR of ~6.1%, and expected to hit ~\$700 billion by 2029.

**Beauty & Wellness Products Market:** When including supplements, wellness treatments and services, the broader beauty-wellness market was valued at around \$1.73 trillion in 2024 and is expected to reach \$1.86 trillion by 2025, with a strong 8.6% CAGR toward over \$3.3 trillion by 2032.

**Beauty & Skincare Devices:** Home beauty devices alone constituted a \$52 billion market in 2024, forecasted to grow to \$60.5 billion in 2025 (~16% YoY) and doubling to over \$111 billion by 2029 at ~16.5% CAGR.

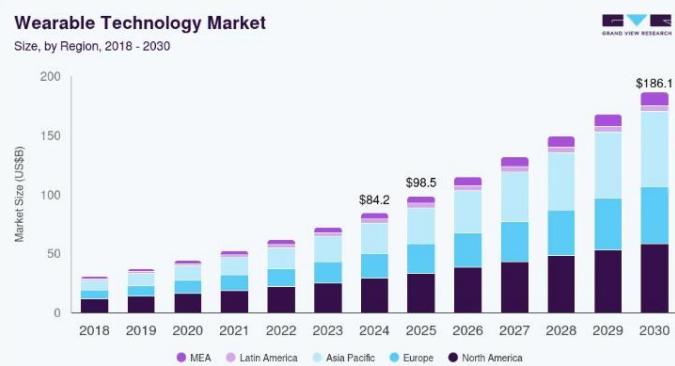
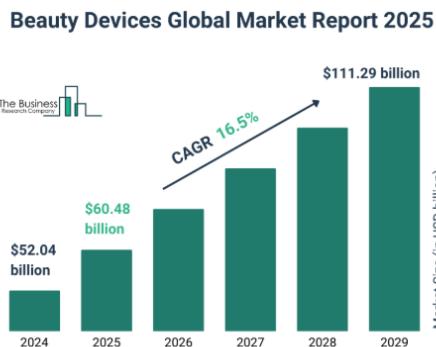
**Beauty Tech / Wearables:** The beauty tech sector (IoT, app-integrated devices) was estimated at ~\$68.9 billion in 2024, projecting to \$79.9 billion in 2025 (~16% growth), and reaching ~\$131 billion by 2029 (~13% CAGR). Additionally, the broader wearable device market, including wellness wearables—is expected to grow from \$84.2 billion in 2024 to \$186 billion by 2030 (~13.6% CAGR).

These overlapping growth drivers—consumer trends toward personalization, at-home regimes, clean and functional beauty, smart devices, and wellness integration—provide multiple avenues for disruption and platform convergence.

### Exhibit 6: Beauty and Wellness Product Market



### Exhibit 7: Additional Market Potential



Source: GrandView Research & The Business Research Company

## Market Opportunities and Strategic Positioning

Nu Skin is strategically positioned to capitalize on global trends favoring wellness and personalized beauty technology. The global beauty and wellness device market continues to expand robustly, driven by increasing consumer health consciousness and demand for at-home beauty solutions. Nu Skin's upcoming launch of its Prism iO intelligent wellness device aligns directly with these market trends, offering personalized health insights and tailored product recommendations aimed at boosting loyalty and driving subscription revenues.

Additionally, the company's planned market entry into India, commencing pre-launch activities in late 2025 and a formal launch scheduled for mid-2026, represents a significant strategic initiative to penetrate a high-potential emerging market characterized by rapid growth in consumer spending and acceptance of direct-selling models.

Operationally, Nu Skin has strategically prioritized margin improvements through restructuring initiatives and cost optimization, successfully enhancing operating efficiencies amid challenging market conditions. The sustained emphasis on affiliate incentives, targeted promotional activities, and digital transformation efforts further strengthens its competitive positioning and ability to adapt to evolving consumer expectations across diverse international markets.

We believe that Nu Skin is tapping into multibillion-dollar growth waves such as personal care products expected to grow to a TAM of \$3.3T by 2032 and beauty devices expected to grow to a TAM of \$131B by 2029. Its combined strengths in connected-device innovation, wellness integration, and science-backed personalization, delivered through a community-driven sales model, position the company to capitalize on long-term consumer trends in health, self-care, and technology-enabled beauty.

In conclusion, despite short-term challenges stemming from macroeconomic and regulatory pressures in key markets, Nu Skin's strategic initiatives focused on product innovation, market diversification, and operational efficiency position the company favorably to capitalize on emerging global opportunities in the beauty and wellness sectors.

## Risks

As with any investment, there are certain risks associated with Nu Skin's operations as well as with the surrounding economic and regulatory environments common to the personal care products industry.

- Direct selling laws and regulations vary globally, are subject to interpretation or change, and may prohibit or severely restrict direct selling and cause revenues and profitability to decline. If the business practices or policies or the actions of the sales force are deemed to be in violation of applicable local regulations, then the company could be sanctioned which could significantly harm the business.
- Compensation for the Company's sales force could be impacted by regulations such as limits on the amount of compensation that the Company may provide. This would limit the Company's ability to attract and retain its sales force.
- The Company operates in markets that are intensely competitive and fast moving. The emergence and increased adoption of artificial intelligence is a prime example of this. Furthermore, NUS competes with both large and small direct selling companies, affiliate marketing companies, and employees in the gig economy, illustrating the breadth of competition.
- The Company is subject to financial risks as a result of our international operations, including exposure to foreign-currency fluctuations, currency controls and inflation in foreign markets, all of which could impact the Company's financial position and results of operations. To illustrate this, 70% of FY24 sales occurred in markets outside of the United States

## VALUATION

We use a Price to Adj. EPS comparison when valuing NUS. Currently NUS is trading at a multiple of 7.8x which is an average discount of 43% when compared to comps at an average of 13.7x. While we believe that fair value for comps tends to be closer to the 15x to 20x range, we also think that this discount is too steep even when accounting for any size or liquidity adjustments. We note that recent Adj. Net Income margins for NUS have been challenged and may explain a portion of the discount.

**Comparative Analysis**  
(all figures in M, except per share information)

Company Name	Symbol	Price <sup>(1)</sup>	Mrkt Cap	EV	LTM Gross Margin	2023	Adj. Net Income Margin				EV/Revenue <sup>(2,3)</sup>			Price/Adj. EPS <sup>(2,3)</sup>		
							2024	2025	2026E	2027E	2025	2026E	2027E	2025	2026E	2027E
Amway (Malaysia) Holdings	AMWAY	\$ 1.36	\$ 223.2	\$ 171.0	20.7%	6.77%	6.89%	2.94%	3.06%	3.16%	0.51x	0.56x	0.55x	N/A	23.8x	22.6x
BellRing Brands, Inc.	BRBR	\$ 17.62	\$ 2,066.3	\$ 3,220.8	31.5%	8.81%	11.08%	10.61%	9.58%	10.33%	1.81x	1.31x	1.25x	18.2x	8.9x	8.1x
e.l.f. Beauty, Inc.	ELF	\$ 74.33	\$ 4,389.4	\$ 5,118.7	70.3%	10.03%	5.50%	12.08%	10.73%	11.13%	3.46x	2.80x	2.54x	42.1x	22.6x	19.6x
Edgewell Personal Care Co	EPC	\$ 21.35	\$ 997.4	\$ 2,327.4	41.6%	4.29%	4.58%	4.94%	5.03%	5.25%	0.92x	1.16x	1.14x	N/A	9.9x	9.5x
The Honest Company, Inc.	HNST	\$ 2.10	\$ 234.8	\$ 178.7	38.8%	-6.71%	-1.00%	3.93%	2.99%	0.15%	0.63x	0.53x	0.49x	N/A	24.2x	18.8x
Interparfums, Inc.	IPAR	\$ 100.36	\$ 3,218.0	\$ 3,493.6	56.2%	9.17%	9.03%	11.32%	10.42%	11.42%	2.04x	2.31x	2.19x	N/A	20.4x	17.8x
LifeVantage Corporation	LFVN	\$ 4.92	\$ 62.9	\$ 63.5	78.7%	1.29%	3.03%	4.63%	4.30%	5.61%	0.36x	0.30x	0.27x	9.7x	6.9x	4.7x
Medifast, Inc.	MED	\$ 10.81	\$ 111.1	\$ (50.2)	72.4%	7.51%	1.69%	nm	-5.24%	nm	nm	-0.15x	N/A	N/A	N/A	N/A
Nature's Sunshine Products	NATR	\$ 26.50	\$ 463.6	\$ 388.6	72.3%	3.21%	2.49%	4.45%	3.68%	4.44%	0.63x	0.79x	0.78x	N/A	26.5x	22.1x
The Beauty Health Compan	SKIN	\$ 1.04	\$ 132.6	\$ 294.2	64.8%	-16.77%	-11.77%	4.37%	2.27%	3.48%	1.14x	0.95x	0.93x	N/A	6.9x	6.1x
USANA Health Sciences, Inc	USNA	\$ 20.96	\$ 383.2	\$ 291.3	79.2%	6.95%	5.58%	3.51%	3.55%	5.06%	0.29x	0.30x	0.29x	N/A	11.4x	7.6x
						Average		57.0%	3.14%	3.37%	6.28%	4.58%	6.00%	1.2x	1.0x	1.0x
						Median		64.8%	6.77%	4.58%	4.54%	3.68%	5.16%	0.8x	0.8x	0.9x
														23.3x	16.2x	13.7x
Nu Skin Enterprises, Inc.	NUS	\$ 10.21	\$ 497.7	\$ 565.0	69.7%	0.44%	-8.46%	4.33%	3.50%	4.28%	0.4x	0.4x	0.4x	7.5x	10.2x	7.8x

(1) Previous day's closing price

(2) Estimates are from Capital IQ

(3) Forward estimates as of calendar year

Source: Company reports, CapitalIQ, Stonegate Capital Partners

Looking forward we see the Company's LTM GPM catching up to and exceeding comps, which we view as a leading indicator for improved performance on the horizon. We expect that the strengthening of the Company's balance sheet along with its cost mitigation measures is well timed for the coming expansion into India and the Prism iO launch, both of which we expect to be significant tailwinds for the Company in FY26 and beyond. As we forecast Adj. Net Income margin to catch up to comps we would expect trading multiples to also improve.

Currently NUS is trading at a forward Price to Adj. EPS of 7.8x compared to comps at an average of 13.7x. We are using our FY27 Adj. EPS, and a P/E range of 10.0x to 12.0x with a midpoint of 11.0x when valuing NUS, which is in line with the Company's historical multiple and also moves NUS closer to comps. We expect to move this multiple range higher as NUS executes its current strategies, coming more in line with comps. This arrives at a valuation range of \$13.07 to \$15.69 with a mid-point of \$14.38.

P/E			
2027 E	10.00x	11.00x	12.00x
Earnings	1.31	1.31	1.31
Price	\$ 13.07	\$ 14.38	\$ 15.69

Lastly, we note that NUS is significantly undervalued on an EV/Revenue basis. While we do not typically use EV/Revenue when valuing companies, it is worth pointing out the significant dislocation seen here. With NUS trading at 0.4x on a forward basis relative to comps at an average of 1.0x on a forward basis we see significant room for the market to re-rate NUS upwards as the Company executes on and is rewarded for the future growth we expect.

## BALANCE SHEET

Nu Skin Enterprises, Inc. Consolidated Balance Sheets (\$M) Fiscal Year End: December								
ASSETS	FY 2022	FY 2023	FY 2024	Q1	Q2	Q3	Q4	FY 2025
				Mar-25	Jun-25	Sep-25	Dec-25	
Cash and Cash Equivalents	264.7	256.1	186.9	203.8	264.2	251.8	238.6	238.6
Current Investments	13.8	11.8	11.1	9.8	1.2	1.2	1.2	1.2
Accounts Receivable	47.4	58.7	50.8	56.6	59.7	48.9	39.5	39.5
Inventories, net	346.2	280.0	190.2	188.8	180.4	178.5	178.6	178.6
Inventory	87.8	81.1	72.6	66.0	66.1	67.7	89.7	89.7
Current Assets Held for Sale	-	14.3	26.9	-	-	-	-	-
<b>Total Current Assets</b>	<b>759.9</b>	<b>701.9</b>	<b>538.6</b>	<b>524.9</b>	<b>571.6</b>	<b>548.1</b>	<b>547.7</b>	<b>547.7</b>
Property and Equipment, net	444.8	433.0	379.6	380.1	374.2	375.3	377.2	377.2
Operating Lease Right-of-use Assets	98.7	90.1	72.6	79.4	77.7	79.9	74.0	74.0
Goodwill	206.4	218.2	83.6	83.6	83.6	83.6	83.6	83.6
Other Intangible Asset, Net	66.7	95.3	74.3	47.6	45.9	44.2	42.6	42.6
Other Assets	244.4	247.6	298.0	275.9	290.6	293.2	280.2	280.2
Long-term Assets Held for Sale	-	22.7	22.2	-	-	-	-	-
<b>Total Assets</b>	<b>1,821.0</b>	<b>1,808.6</b>	<b>1,468.9</b>	<b>1,391.4</b>	<b>1,443.7</b>	<b>1,424.4</b>	<b>1,405.3</b>	<b>1,405.3</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>								
Accounts Payable	54.0	43.1	34.9	33.6	28.7	28.5	26.2	26.2
Accrued Expenses	280.3	253.7	217.8	206.7	220.2	205.9	217.6	217.6
Current Portion of Long-term Debt	25.0	25.0	30.0	20.0	35.0	20.0	20.0	20.0
Current Liabilities Held for Sale	-	7.1	13.9	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>359.2</b>	<b>328.9</b>	<b>296.6</b>	<b>260.3</b>	<b>283.9</b>	<b>254.4</b>	<b>263.7</b>	<b>263.7</b>
Operating Lease Liabilities	76.5	70.9	58.4	61.9	61.8	62.4	57.6	57.6
Long-term Debt	377.5	478.0	363.6	218.8	213.9	209.0	204.2	204.2
Other Liabilities	110.4	106.6	97.5	96.4	96.3	98.7	74.5	74.5
Long-term Liabilities Held for Sale	-	2.2	1.3	-	-	-	-	-
<b>Total Liabilities</b>	<b>923.7</b>	<b>986.7</b>	<b>817.5</b>	<b>637.4</b>	<b>655.9</b>	<b>624.6</b>	<b>600.1</b>	<b>600.1</b>
Common Stock - Par Value	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Additional Paid in Capital	613.3	621.9	627.8	623.5	627.5	633.2	636.0	636.0
Treasury Stock - Common	(1,569.1)	(1,570.4)	(1,563.6)	(1,562.2)	(1,560.4)	(1,565.3)	(1,575.1)	(1,575.1)
Accumulated Other Comprehensive Income (L)	(86.5)	(100.0)	(124.8)	(123.9)	(114.1)	(116.9)	(116.1)	(116.1)
Retained Earnings	1,939.5	1,870.5	1,711.9	1,816.5	1,834.6	1,848.7	1,860.3	1,860.3
<b>Total Consolidated Equity</b>	<b>897.3</b>	<b>822.0</b>	<b>651.5</b>	<b>754.0</b>	<b>787.8</b>	<b>799.8</b>	<b>805.2</b>	<b>805.2</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>1,821.0</b>	<b>1,808.6</b>	<b>1,468.9</b>	<b>1,391.4</b>	<b>1,443.7</b>	<b>1,424.4</b>	<b>1,405.3</b>	<b>1,405.3</b>
<b>Liquidity</b>								
Current Ratio	2.1x	2.1x	1.8x	2.0x	2.0x	2.2x	2.1x	2.1x
Working Capital	400.63	373.00	241.99	264.56	287.65	293.71	283.96	283.96

Source: Company Reports, Stonegate Capital Partners

## INCOME STATEMENT

Nu Skin Enterprises, Inc. Consolidated Statements of Income (in \$M, except per share amounts) Fiscal Year End: December																										
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 E Mar-26	Q2 E Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026E	Q1 E Mar-27	Q2 E Jun-27	Q3 E Sep-27	Q4 E Dec-27	FY 2027E	
Revenue	\$2,247.0	\$2,207.8	\$2,279.1	\$2,679.0	\$2,420.4	\$2,581.9	\$2,695.7	\$2,225.7	\$1,969.1	\$1,732.1	\$ 364.5	\$ 386.1	\$ 364.2	\$ 370.3	\$1,485.2	\$ 329.7	\$ 361.0	\$ 366.5	\$ 370.2	\$1,427.4	\$ 356.7	\$ 388.0	\$ 389.5	\$ 395.2	\$1,529.4	
<b>Total Revenues</b>	<b>2,247.0</b>	<b>2,207.8</b>	<b>2,279.1</b>	<b>2,679.0</b>	<b>2,420.4</b>	<b>2,581.9</b>	<b>2,695.7</b>	<b>2,225.7</b>	<b>1,969.1</b>	<b>1,732.1</b>	<b>364.5</b>	<b>386.1</b>	<b>364.2</b>	<b>370.3</b>	<b>1,485.2</b>	<b>329.7</b>	<b>361.0</b>	<b>366.5</b>	<b>370.2</b>	<b>1,427.4</b>	<b>356.7</b>	<b>388.0</b>	<b>389.5</b>	<b>395.2</b>	<b>1,529.4</b>	
Operating Expenses:																										
Cost of Sales	489.5	500.5	502.1	634.1	581.4	658.0	675.2	630.9	611.9	550.2	117.5	120.4	107.5	108.3	453.8	101.2	106.8	105.3	104.6	417.9	104.7	112.7	111.6	112.2	441.2	
<b>Gross Profit</b>	<b>1,757.5</b>	<b>1,707.3</b>	<b>1,777.0</b>	<b>2,044.9</b>	<b>1,839.0</b>	<b>1,923.9</b>	<b>2,020.4</b>	<b>1,594.7</b>	<b>1,357.3</b>	<b>1,181.9</b>	<b>247.0</b>	<b>265.7</b>	<b>256.7</b>	<b>262.0</b>	<b>1,031.4</b>	<b>228.5</b>	<b>254.2</b>	<b>261.2</b>	<b>265.6</b>	<b>1,009.5</b>	<b>252.0</b>	<b>275.3</b>	<b>277.9</b>	<b>283.0</b>	<b>1,088.2</b>	
Selling Expenses	951.4	922.1	938.0	1,071.0	955.6	1,019.5	1,080.2	879.6	742.4	652.0	118.5	128.2	130.3	131.3	508.4	117.9	128.7	129.8	131.6	508.0	126.9	137.8	137.1	139.8	541.6	
G&A	561.5	554.2	564.5	662.3	616.0	646.8	654.4	555.8	546.9	479.0	113.2	106.7	104.8	107.4	432.1	94.0	102.9	104.5	105.5	406.8	99.9	108.6	109.1	110.7	428.2	
Restructuring and Impairment	-	-	-	70.7	-	-	-	51.9	48.5	202.4	25.1	-	-	-	25.1	-	-	-	-	-	-	-	-	-	-	
<b>Total Operating Expenses</b>	<b>1,512.8</b>	<b>1,476.2</b>	<b>1,502.5</b>	<b>1,804.0</b>	<b>1,571.6</b>	<b>1,666.3</b>	<b>1,786.5</b>	<b>1,483.9</b>	<b>1,309.0</b>	<b>1,333.4</b>	<b>256.9</b>	<b>235.0</b>	<b>235.1</b>	<b>238.7</b>	<b>965.6</b>	<b>211.8</b>	<b>231.6</b>	<b>234.2</b>	<b>237.1</b>	<b>914.8</b>	<b>226.8</b>	<b>246.4</b>	<b>246.2</b>	<b>250.5</b>	<b>969.8</b>	
<b>Operating Income</b>	<b>244.7</b>	<b>231.1</b>	<b>274.5</b>	<b>240.9</b>	<b>267.4</b>	<b>257.6</b>	<b>234.0</b>	<b>110.8</b>	<b>48.3</b>	<b>(151.6)</b>	<b>(9.9)</b>	<b>30.8</b>	<b>21.6</b>	<b>23.2</b>	<b>65.8</b>	<b>16.7</b>	<b>22.6</b>	<b>27.0</b>	<b>28.4</b>	<b>94.7</b>	<b>25.2</b>	<b>28.9</b>	<b>31.7</b>	<b>32.5</b>	<b>118.3</b>	
Interest Gain/(Expense)	-	-	-	-	-	-	-	-	-	(25.6)	(26.4)	(3.3)	(2.5)	(4.1)	(4.0)	(13.9)	(3.7)	(3.5)	(3.3)	(3.1)	(13.7)	(3.3)	(3.3)	(3.3)	(13.3)	
Gain on Sale of Business	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	176.2	-	-	-	-	-	-	-	-	-	
Other Gain/(Expense)	(32.7)	(18.3)	(8.9)	(21.2)	(12.3)	(1.3)	(1.5)	(21.9)	3.9	2.9	(28.4)	(0.8)	(1.5)	(1.1)	(31.8)	(1.1)	(1.1)	(1.1)	(1.1)	(4.2)	(1.1)	(1.1)	(1.1)	(1.1)	(42.2)	
<b>Profit Before Taxes</b>	<b>212.0</b>	<b>212.8</b>	<b>265.6</b>	<b>219.7</b>	<b>252.5</b>	<b>256.2</b>	<b>232.5</b>	<b>89.0</b>	<b>26.6</b>	<b>(175.1)</b>	<b>134.6</b>	<b>27.4</b>	<b>16.0</b>	<b>18.2</b>	<b>196.2</b>	<b>11.9</b>	<b>18.0</b>	<b>22.6</b>	<b>24.3</b>	<b>76.8</b>	<b>20.9</b>	<b>24.5</b>	<b>27.3</b>	<b>28.1</b>	<b>100.8</b>	
Provision for Income Tax	78.9	69.8	136.1	97.8	81.6	64.9	85.2	(15.8)	18.0	(28.5)	27.1	6.3	(1.1)	3.7	36.0	4.2	6.3	7.9	8.5	26.9	7.3	8.6	9.6	9.8	35.3	
<b>Net Income</b>	<b>133.0</b>	<b>143.1</b>	<b>129.4</b>	<b>121.9</b>	<b>173.6</b>	<b>191.4</b>	<b>147.3</b>	<b>104.8</b>	<b>8.6</b>	<b>(146.6)</b>	<b>107.5</b>	<b>21.1</b>	<b>17.1</b>	<b>14.5</b>	<b>160.2</b>	<b>7.7</b>	<b>11.7</b>	<b>14.7</b>	<b>15.8</b>	<b>49.9</b>	<b>13.6</b>	<b>15.9</b>	<b>17.8</b>	<b>18.3</b>	<b>65.5</b>	
Net Income Adjustments	-	-	47.7	76.8	-	-	65.5	41.6	83.5	188.4	(96.1)	-	-	-	(96.1)	-	-	-	-	-	-	-	-	-	-	
<b>Adj. Net Income</b>	<b>133.0</b>	<b>143.1</b>	<b>177.2</b>	<b>198.7</b>	<b>173.6</b>	<b>191.4</b>	<b>212.7</b>	<b>146.3</b>	<b>92.0</b>	<b>41.8</b>	<b>11.4</b>	<b>21.1</b>	<b>17.1</b>	<b>14.5</b>	<b>64.1</b>	<b>7.7</b>	<b>11.7</b>	<b>14.7</b>	<b>15.8</b>	<b>49.9</b>	<b>13.6</b>	<b>15.9</b>	<b>17.8</b>	<b>18.3</b>	<b>65.5</b>	
<b>Basic EPS</b>	<b>\$ 2.29</b>	<b>\$ 2.58</b>	<b>\$ 2.45</b>	<b>\$ 2.21</b>	<b>\$ 3.13</b>	<b>\$ 3.86</b>	<b>\$ 2.93</b>	<b>\$ 2.10</b>	<b>\$ 0.17</b>	<b>\$ (2.95)</b>	<b>\$ 2.16</b>	<b>\$ 0.43</b>	<b>\$ 0.35</b>	<b>\$ 0.30</b>	<b>\$ 3.25</b>	<b>\$ 0.15</b>	<b>\$ 0.23</b>	<b>\$ 0.29</b>	<b>\$ 0.32</b>	<b>\$ 1.00</b>	<b>\$ 0.27</b>	<b>\$ 0.32</b>	<b>\$ 0.35</b>	<b>\$ 0.36</b>	<b>\$ 1.31</b>	
<b>Diluted EPS</b>	<b>\$ 2.25</b>	<b>\$ 2.55</b>	<b>\$ 2.36</b>	<b>\$ 2.16</b>	<b>\$ 3.10</b>	<b>\$ 3.63</b>	<b>\$ 2.86</b>	<b>\$ 2.07</b>	<b>\$ 0.17</b>	<b>\$ (2.95)</b>	<b>\$ 2.14</b>	<b>\$ 0.43</b>	<b>\$ 0.34</b>	<b>\$ 0.29</b>	<b>\$ 3.20</b>	<b>\$ 0.15</b>	<b>\$ 0.23</b>	<b>\$ 0.29</b>	<b>\$ 0.32</b>	<b>\$ 1.00</b>	<b>\$ 0.27</b>	<b>\$ 0.32</b>	<b>\$ 0.35</b>	<b>\$ 0.36</b>	<b>\$ 1.31</b>	
<b>Adj. EPS</b>	<b>\$ 2.25</b>	<b>\$ 2.55</b>	<b>\$ 3.23</b>	<b>\$ 3.52</b>	<b>\$ 3.10</b>	<b>\$ 3.63</b>	<b>\$ 4.14</b>	<b>\$ 2.90</b>	<b>\$ 1.85</b>	<b>\$ 0.84</b>	<b>\$ 0.23</b>	<b>\$ 0.43</b>	<b>\$ 0.34</b>	<b>\$ 0.29</b>	<b>\$ 1.28</b>	<b>\$ 0.15</b>	<b>\$ 0.23</b>	<b>\$ 0.29</b>	<b>\$ 0.32</b>	<b>\$ 1.00</b>	<b>\$ 0.27</b>	<b>\$ 0.32</b>	<b>\$ 0.35</b>	<b>\$ 0.36</b>	<b>\$ 1.31</b>	
WTD Shares Out - Basic	58.0	55.4	52.8	55.2	55.5	52.3	50.2	50.0	49.7	49.7	49.8	49.4	49.4	48.6	49.3	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1		
WTD Shares Out - Diluted	59.1	56.1	54.9	56.5	55.9	52.8	51.4	50.5	49.9	49.7	50.3	49.5	50.3	49.9	50.0	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	
<b>Margin Analysis</b>																										
Gross Margin	78.2%	77.3%	78.0%	76.3%	76.0%	74.5%	75.0%	71.7%	68.9%	68.2%	67.8%	68.8%	70.5%	70.7%	69.4%	69.3%	70.4%	71.3%	71.7%	70.7%	70.7%	71.0%	71.4%	71.6%	71.1%	
Operating Margin	10.9%	10.5%	12.0%	9.0%	11.0%	10.0%	8.7%	5.0%	2.5%	-8.8%	-2.7%	8.0%	5.9%	6.3%	4.4%	5.1%	6.3%	7.4%	7.7%	6.6%	7.1%	7.4%	8.1%	8.2%	7.7%	
Pre-Tax Margin	9.4%	9.6%	11.7%	8.2%	10.5%	9.9%	8.6%	4.0%	1.3%	-10.1%	36.9%	7.1%	4.4%	4.9%	13.2%	3.6%	5.0%	6.2%	6.6%	5.4%	5.8%	6.3%	7.0%	7.1%	6.6%	
Net Income Margin	5.9%	6.5%	5.7%	4.5%	7.2%	7.4%	5.5%	4.7%	0.4%	-8.5%	29.5%	5.5%	4.7%	3.9%	10.8%	2.3%	3.2%	4.0%	4.3%	3.5%	3.8%	4.1%	4.6%	4.8%	4.3%	
Adj. Net Income Margin	5.9%	6.5%	7.8%	7.2%	7.4%	7.4%	6.6%	4.7%	2.4%	3.1%	5.5%	4.7%	3.9%	4.3%	1.28	2.3%	3.2%	4.0%	4.3%	3.5%	3.8%	4.1%	4.6%	4.8%	4.3%	
Tax Rate	37.2%	32.8%	51.3%	44.5%	32.0%	25.3%	36.6%	-17.8%	67.7%	16.3%	20.1%	23.0%	-6.8%	20.3%	18.3%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	
<b>Growth Rate Y/Y</b>																										
Total Revenue	-12.5%	-1.7%	3.2%	17.5%	-9.7%	6.7%	4.4%	-17.4%	-11.5%	-12.0%	-12.7%	-12.1%	-15.3%	-16.9%	-14.3%	-9.5%	-6.5%	0.6%	0.0%	-3.9%	8.2%	7.5%	6.3%	6.8%	7.1%	
Total cost of revenues	-13.0%	-2.4%	1.8%	20.1%	-12.9%	6.0%	7.2%	-16.9%	-11.8%	1.9%	-9.9%	-45.7%	-17.0%	-28.1%	-27.6%	-17.5%	-14.4%	-0.4%	-0.7%	-5.3%	7.0%	6.4%	5.1%	5.6%	6.0%	
Operating Income	-30.5%	-5.6%	18.8%	-12.2%	11.0%	-3.7%	-9.2%	-52.6%	-56.5%	-414.0%	-212.3%	-124.5%	18.7%	-143.8%	-143.4%	-268.6%	-26.7%	24.8%	22.3%	44.0%	51.1%	28.0%	17.4%	14.3%	24.9%	
Pre-Tax Income	-29.0%	0.4%	24.8%	-17.3%	16.2%	0.4%	-9.3%	-61.7%	-70.1%	-758.6%	12125.3%	-120.8%	20.3%	-131.5%	-212.1%	-91.2%	-34.4%	41.5%	33.4%	-60.9%	75.1%	36.2%	20.7%	15.8%	31.2%	
Net Income	-29.7%	7.5%	-9.5%	-5.8%	42.4%	10.3%	-23.0%	-28.9%	-91.8%	-1805.6%	NM	-117.9%	105.7%	-140.1%	-209.3%	-92.8%	-44.6%	-13.8%	8.9%	-22.1%	75.1%	36.2%	20.7%	15.8%	31.2%	
Adj. Net Income	-29.7%	7.5%	23.8%	12.2%	-12.7%	10.3%	11.2%	-31.2%	-37.1%	-54.6%	168.1%	103.5%	105.7%	-23.2%	53.3%	-32.0%	-44.6%	-13.8%	8.9%	-22.1%	75.1%	36.2%	20.7%	15.8%	31.2%	

Source: Company Reports, Stonegate Capital Partners estimates

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