

## Risk Factors Comparison 2025-02-19 to 2024-02-14 Form: 10-K

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Please carefully consider the following discussion of significant factors, events, and uncertainties that make an investment decision regarding our securities risky. The factors, events, uncertainties, and consequences discussed in these risk factors could, in circumstances we may not be able to accurately predict, recognize, or control, have a material adverse effect on our business, reputation, prospects, financial condition, operating results, cash flows, liquidity, and share price. These risk factors do not identify all risks that we face. We could also be affected by factors, events, or uncertainties that are not presently known to us or that we currently do not consider to present material risks. Risk Factor Summary This risk factor summary contains a high-level summary of certain of the principal factors, events and uncertainties that make an investment in our securities risky, including risks related to our business and industry, risks related to regulatory and legal matters, risks related to our international operations, risks related to our indebtedness and risks related to our common shares. The following summary is not complete and should be read together with the more detailed discussion of these and the other factors, events, and uncertainties set forth below before making an investment decision regarding our securities. The principal factors, events, and uncertainties that make an investment in our securities risky include the following: Risks Related to Our Business and Industry • Our failure to establish and maintain Member and sales leader relationships could negatively impact sales of our products and materially harm our business, financial condition, and operating results. • Because we cannot exert the same level of influence or control over our Members as we could if they were our employees, our Members could fail to comply with applicable law or our rules and procedures, which could result in claims against us that could materially harm our business, financial condition, and operating results. • Adverse publicity associated with our Company or the direct-selling industry could materially harm our business, financial condition, and operating results. • Our failure to compete successfully could materially harm our business, financial condition, and operating results. • Our contractual obligation to sell our products only through our Member network and to refrain from changing certain aspects of our Marketing Plan may limit our growth. • Our failure to appropriately respond to changing consumer trends, preferences, and demand for new products and product enhancements could materially harm our Member relationships, Members' customer relationships, and product sales or otherwise materially harm our business, financial condition, and operating results. • If we fail to further penetrate existing markets, the growth in sales of our products, along with our operating results, could be negatively impacted. • Since one of our products constitutes a significant portion of our net sales, significant decreases in consumer demand for this product or our failure to produce a suitable replacement could materially harm our business, financial condition, and operating results. • Our business could be materially and adversely affected by natural disasters, other catastrophic events, acts of war or terrorism, cybersecurity incidents, pandemics, and / or other acts by third parties. • We depend on the integrity and reliability of our information technology infrastructure, and any related interruptions or inadequacies may have a material adverse effect on our business, financial condition, and operating results. • Disruption of supply, shortage, or increases in the cost of ingredients, packaging materials, and other raw materials as well as climate change could materially harm our business, financial condition, and operating results. • If any of our manufacturing facilities or third-party manufacturers fail to reliably supply products to us at required levels of quality or fail to comply with applicable laws, our financial condition and operating results could be materially and adversely impacted. • If we lose the services of members of our senior management team, our business, financial condition, and operating results could be materially harmed. • Our share price may be adversely affected by third parties who raise allegations about our Company. • ESG matters, including those related to climate change and sustainability, may have an adverse effect on our business, financial condition, and operating results and may damage our reputation. Risks Related to Regulatory and Legal Matters • Our products are affected by extensive regulations and our failure or our Members' failure to comply with any regulations could lead to significant penalties or claims, which could materially harm our financial condition and operating results. • Our network marketing program is subject to extensive regulation and scrutiny and any failure to comply, or alteration to our compensation practices in order to comply, with these regulations could materially harm our business, financial condition, and operating results. • We are subject to the Consent Order with the FTC, the effects of which, or any failure to comply therewith, could materially harm our business, financial condition, and operating results. • Our actual or perceived failure to comply with privacy and data protection laws, rules, and regulations could materially harm our business, financial condition, and operating results. • We are subject to material product liability risks, which could increase our costs and materially harm our business, financial condition, and operating results. • If we fail to protect our intellectual property, our ability to compete could be negatively affected, which could materially harm our financial condition and operating results. • If we infringe the intellectual property rights of others, our business, financial condition, and operating results could be materially harmed. • We may be held responsible for additional compensation, certain taxes, or assessments relating to the activities of our Members, which could materially harm our financial condition and operating results. Risks Related to Our International Operations • A substantial portion of our business is conducted in foreign jurisdictions, exposing us to the risks associated with international operations. • We are subject to the anti-bribery laws, rules, and regulations of the United States and the other foreign jurisdictions in which we operate. • If we do not comply with transfer pricing, income tax, customs duties, VAT, and similar regulations, we may be subject to additional taxes, customs duties, interest, and penalties in material amounts, which could materially harm our financial condition and operating results. • Our business in China is subject to general, as well as industry-specific, economic, political, and legal developments and risks and requires that we utilize a modified version of the business model we use elsewhere in the world. Risks Related to Our Indebtedness • The terms and covenants in our existing indebtedness could limit our discretion with respect to certain

business matters, which could harm our business, financial condition, and operating results. • The conversion or maturity of our convertible notes may adversely affect our financial condition and operating results, and their conversion into common shares could have a dilutive effect that could cause our share price to go down. Risks Related to Our Common Shares • Holders of our common shares may face difficulties in protecting their interests because we are incorporated under Cayman Islands law. • Certain provisions in our convertible senior notes and the related indentures, as well as Cayman Islands law and our articles of association, could delay or prevent an otherwise beneficial takeover or takeover attempt of us. • There is uncertainty as to shareholders' ability to enforce certain foreign civil liabilities in the Cayman Islands. • U. S. Tax Reform may adversely impact certain U. S. shareholders of the Company. We distribute our products exclusively to and through our independent Members, and we depend on them directly for substantially all of our sales. To increase our revenue, we must increase the number and productivity of our Members. Accordingly, our success depends in significant part on our relationships with our sales leaders and our ability to recruit, retain, and motivate a large base of Members, including through an attractive compensation plan, the quality of our reputation, the maintenance of an attractive product portfolio, the breadth and quality of our Member services, and other incentives. The loss of a significant number of Members, changes to our network marketing program, our inability to respond to Member demand or generate sufficient interest in our business opportunities, products, or services, decreases in Member engagement, loss of Member or consumer confidence, or any legal or regulatory impact to our Members' ability to conduct their business could negatively impact sales of our products and our ability to attract and retain Members, each of which could have a material adverse effect on our business, financial condition, and operating results. In our efforts to attract and retain Members, we compete with other direct- selling organizations. In addition, our Member organization has a high turnover rate, which is common in the direct- selling industry, in part because our Members, including our sales leaders, may easily enter and exit our network marketing program without facing a significant investment or loss of capital. For example, the upfront financial cost to become a Member is low, we do not have time or exclusivity requirements, we do not charge for any required training, and, in substantially all jurisdictions, we maintain a buyback program. For additional information regarding sales leader retention rates, see Part I, Item 1, Business, of this Annual Report on Form 10- K. Our Members are independent contractors and, accordingly, we are not in a position to provide the same direction, motivation, and oversight as we could if Members were our employees. As a result, there can be no assurance that our Members will participate in our marketing strategies or plans, accept our introduction of new products, or comply with applicable legal requirements or our rules and procedures. We are subject to extensive federal, state, local, and foreign laws, rules, and regulations that regulate our business, products, direct sales channel, and network marketing program. See the Regulation section of Part I, Item 1, Business, of this Annual Report on Form 10- K for additional information. While we have implemented policies and procedures designed to govern Member conduct and to protect the goodwill associated with Herbalife, it can be difficult to enforce these policies and procedures because of our large number of Members and their status as independent contractors and because our policies and procedures differ by jurisdiction as a result of varying local legal requirements. In addition, although we train our Members and attempt to monitor our Members' marketing materials, we cannot ensure that our Members will comply with applicable legal requirements or our policies and procedures or that such marketing materials or other Member practices comply with applicable laws, rules, and regulations. It is possible that a court could hold us liable for the actions of our Members, which could materially harm our business, financial condition, and operating results. Our reputation and the quality of our brand are critical to our business, and the size and success of our Member organization, our operating results, and our share price may be significantly affected by the public' s perception of Herbalife and other direct- selling companies. This perception is dependent upon opinions concerning a number of factors, including: • the safety, quality, and efficacy of our products, as well as those of similar companies; • our Members; • our network marketing program or the attractiveness or viability of the financial opportunities it may provide; • the direct- selling business generally; • actual or purported failure by us or our Members to comply with applicable laws, rules, and regulations, including those regarding product claims and advertising, good manufacturing practices, the regulation of our network marketing program, the registration of our products for sale in our target markets, or other aspects of our business; • our commitment to ESG matters and our ESG practices; • the security of our information technology infrastructure; and • actual or alleged impropriety, misconduct, or fraudulent activity by any person formerly or currently associated with our Members or us. Adverse publicity concerning any of the foregoing whether or not accurate or resulting in investigation, enforcement, or other legal or regulatory actions or the imposition of fines, penalties, or other sanctions, could negatively impact our reputation, our ability to attract, motivate, and retain Members, and our ability to generate revenue. In addition, our Members' and consumers' perception of Herbalife and our direct- selling business as well as similar companies can be significantly influenced by media attention, publicized scientific research or findings, product liability claims, and other publicity, whether or not it is legitimate. For example, as a result of the prevalence and marked increase in the use of blogs, social media platforms, and other forms of Internet- based communications, the opportunity for dissemination of information, both accurate and inaccurate, is seemingly limitless and readily available, and often does not provide any opportunity for correction or other redress. Adverse publicity that associates use of our products or any similar products with adverse effects, questions the quality or benefits of any such products, or claims that any such products are ineffective, inappropriately labeled, or have inaccurate instructions as to their use, could lead to lawsuits or other legal or regulatory challenges and could materially and adversely impact our reputation, the demand for our products, and our business, financial condition, and operating results. Adverse publicity relating to us has had, and could again have, a negative effect on our ability to attract, motivate, and retain Members, on consumer perception of Herbalife, and on our share price. For example, the resulting adverse publicity from the 1986 permanent injunction entered in California caused a rapid, substantial loss of Members in the United States and a corresponding reduction in sales beginning in 1985. See also the risk factor titled " Our share price may be adversely affected by third parties who raise allegations about our Company. " We expect that adverse publicity will, from time to time, continue to negatively impact our business in particular markets and may adversely affect our share price. The business of developing and marketing weight management and other

nutrition and personal care products is highly competitive and sensitive to the introduction of new products and weight management plans, including various prescription drugs, which may rapidly capture a significant share of the market. Our competitors include numerous manufacturers; distributors; marketers; online, specialty, mass, and other retailers; and physicians that actively compete for the business of consumers both in the United States and abroad. Some of our competitors have longer operating histories, significantly greater resources, better-developed and more innovative sales and distribution channels and platforms, greater name recognition, and larger established customer bases than we do. Our present and future competitors may be able to offer products at lower prices or better withstand reductions in prices or other adverse economic or market conditions than we can; develop products that are comparable or superior to those we offer; adapt more quickly or effectively to new technologies, changing regulatory requirements, evolving industry trends and standards, and customer requirements than we can; and / or devote greater resources to the development, promotion, and sale of their products than we do. We are also subject to significant competition for the recruitment of Members from other direct-selling organizations, including those that market weight management products, dietary and nutritional supplements, personal care products, and other types of products, as well as those organizations in which former employees or Members are involved. In addition, because the industry in which we operate is not particularly capital intensive or otherwise subject to high barriers to entry, it is relatively easy for new competitors to emerge that will compete with us, including for our Members and their customers. Accordingly, competition may intensify **increase** and we may not be able to compete effectively in our markets. If we are not able to retain our Members and their customers or otherwise compete successfully, our business, financial condition, and operating results would be materially adversely affected. We are contractually prohibited from expanding our business by selling Herbalife products through other distribution channels that may be available to our competitors, such as over ~~the Internet~~ **third party e-commerce sites**, through wholesale sales, by establishing retail stores, or through mail order systems. To the extent legally permitted, an agreement we entered into with our Members provides assurances that we will not sell Herbalife products worldwide through any distribution channel other than our network of Members. Since this is an open-ended commitment, there can be no assurance that we will be able to take advantage of innovative new distribution channels that are developed in the future or appropriately respond to consumer preferences as they continue to evolve. In addition, this agreement with our Members provides that we will not make any material changes adverse to our Members to certain aspects of our Marketing Plan that may negatively impact our Members without their approval as described in further detail below. For example, our agreement with our Members provides that we may increase, but not decrease, the discount percentages available to our Members for the purchase of products or the applicable royalty override percentages and production and other bonus percentages available to our Members at various qualification levels within our Member hierarchy. We may not modify the eligibility or qualification criteria for these discounts, royalty overrides, and production and other bonuses unless we do so in a manner to make eligibility and / or qualification easier than under the applicable criteria in effect as of the date of the agreement. Our agreement with our Members further provides that we may not vary the criteria for qualification **in our Marketing Plan** for each Member tier within our Member hierarchy, unless we do so in such a way so as to make qualification easier. We reserved the right to make changes to our Marketing Plan without the consent of our Members in the event that changes are required by applicable law or are necessary in our reasonable business judgment to account for specific local market or currency conditions to achieve a reasonable profit on operations. In addition, we may initiate other changes that are adverse to our Members based on an assessment of what will be best for the Company and its Members. Under the agreement with our Members, these other adverse changes would then be submitted to our Member leadership for a vote. The vote would require the approval of at least 51 % of our Members then at the level of President's Team earning at the production bonus level of 6 % who vote, provided that at least 50 % of those Members entitled to vote do in fact vote. While we believe this agreement has strengthened our relationship with our existing Members, improved our ability to recruit new Members, and generally increased the long-term stability of our business, there can be no assurance that our agreement with our Members will not restrict our ability to adapt our Marketing Plan or our business to the evolving requirements of the markets in which we operate. As a result, our growth may be limited. Our business is subject to rapidly changing consumer trends and preferences and product introductions, especially with respect to our nutrition products. Our continued success depends in part on our ability to anticipate and respond to these changes and introductions, and we may not respond or develop new products or product enhancements in a cost-effective, timely, or commercially appropriate manner, or at all. Current consumer trends and preferences have evolved and will continue to evolve as a result of, among other things, changes in consumer tastes; health, wellness, and nutrition considerations; competitive product and pricing pressures; changes in consumer preferences for certain sales channels; shifts in demographics; and concerns regarding the environmental and sustainability impact of the product manufacturing process. The success of our response to changing consumer trends and preferences and product introductions, including any new product offerings and enhancements, depends on a number of factors, including our ability to: • accurately anticipate consumer needs; • innovate and develop new products and product enhancements that meet these needs; • successfully commercialize new products and product enhancements; • price our products competitively; • manufacture and deliver our products in sufficient volumes, at our required levels of quality, and in a cost-effective and timely manner; and • differentiate our product offerings from those of our competitors and successfully respond to other competitive pressures, including technological advancements, evolving industry standards, and changing regulatory requirements. Our failure to accurately predict changes in consumer demand and technological advancements could negatively impact consumer opinion of our products or our business, which in turn could harm our Member relationships and the Members' relationships with their customers, and cause a loss of sales. In addition, if we do not introduce new products or make enhancements to meet the changing needs of our Members and their customers in a cost-effective, timely, and commercially appropriate manner, or if our competitors release new products or product enhancements before we do, some of our product offerings could be rendered obsolete, which could cause our market share to decline and negatively impact our business, financial condition, and operating results. The success of our business is to a large extent contingent on our ability to further

penetrate existing markets, which is subject to numerous factors, many of which are out of our control. Our ability to increase market penetration may be limited by the finite number of persons ~~in a given country~~ inclined to pursue a direct- selling business opportunity or consumers aware of, or willing to purchase, Herbalife products. Moreover, our growth in existing markets will depend upon increased brand awareness and improved training and other activities that enhance Member retention in our markets. While we have recently experienced significant growth in certain of our foreign markets, we cannot assure you that such growth levels will continue in the immediate or long- term future. Furthermore, our efforts to support growth in such foreign markets could be hampered to the extent that our infrastructure in such markets is deficient when compared to our infrastructure in our more developed markets, such as the United States. For example, ~~managing there--~~ **the can be no** ~~assurances that we will be able to successfully manage~~ expansion of manufacturing operations in **foreign** ~~China, or in any other market, if those markets~~ **remains uncertain** ~~were to experience significant growth~~. If we are unable to effectively scale our supply chain and manufacturing infrastructure to support future growth in ~~China or other~~ foreign markets, our operations in such markets may be adversely impacted. Therefore, we cannot assure you that our general efforts to increase our market penetration and Member retention in existing markets will be successful. If we are unable to further penetrate existing markets, our business, financial condition, and operating results could materially suffer. Our Formula 1 Healthy Meal, which is our best-selling product line, approximated 26 % of our net sales for the year ended December 31, ~~2023~~ **2024**. If consumer demand for this product decreases significantly or we cease offering this product without a suitable replacement, or if the replacement product fails to gain market acceptance, our business, financial condition, and operating results could be materially harmed. We depend on the ability of our business to run smoothly, including the ability of Members to engage in their day- to- day selling and business building activities. In coordination with our suppliers, third- party manufacturers, and distributors, our ability to make and move our products reasonably unimpeded around the world is critical to our success. Any material disruption to our collective operations or supply, manufacturing, or distribution capabilities caused by unforeseen or catastrophic events, such as (i) natural disasters or severe weather conditions, including droughts, fires, floods, hurricanes, volcanic eruptions, and earthquakes; (ii) power loss or shortages; (iii) telecommunications or information technology infrastructure failures; (iv) acts or threats of war, terrorism, or other armed hostilities, such as the wars in Ukraine and the Middle East; (v) outbreaks of contagious diseases, epidemics, and pandemics, such as the COVID- 19 pandemic; (vi) cybersecurity incidents, including intentional or inadvertent exposure of content perceived to be sensitive data; (vii) employee misconduct or error; and / or (viii) other actions by third parties and other similar disruptions, could materially adversely affect our ability to conduct business and our Members' selling activities. For example, our operations in Turkey were impacted in February 2023 when an earthquake struck the southern and central parts of the country. The earthquake disrupted our supply chain transportation network and our ability to import product. Furthermore, our headquarters and one of our distribution facilities and manufacturing facilities are located in Southern California, an area susceptible to fires and earthquakes. Although the event in Turkey did not have a material negative impact on our operations, we cannot make assurances that any future catastrophic events will not adversely affect our ability to operate our business or our financial condition and operating results. In addition, catastrophic events may result in significant cancellations or cessations of Member orders; contribute to a general decrease in local, regional, or global economic activity; directly impact our marketing, manufacturing, financial, or logistics functions; impair our ability to meet Member demands; harm our reputation; and expose us to significant liability, losses, and legal proceedings, any of which could materially and adversely affect our business, financial condition, and operating results. Our business, including our ability to provide products and services to and manage our Members, depends on the performance and availability of our information technology infrastructure, including our core transactional systems. The most important aspect of our information technology infrastructure is the system through which we record and track Member sales, Volume Points, royalty overrides, bonuses, and other incentives. The failure of our information systems to operate effectively, or a breach in security of these systems, could adversely impact the promptness and accuracy of our product distribution and transaction processing. While we continue to invest in our information technology infrastructure, **including leveraging artificial intelligence (AI) to enhance operational efficiency and improve services for our Members**, there can be no assurance that there will not be any significant interruptions to such systems, that the systems will be adequate to meet all of our business needs, or that the systems will keep pace with continuing changes in technology, legal and regulatory standards. ~~Further~~ **Our information technology infrastructure**, ~~as including our digital technology platforms like Herbalife One~~ discussed in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, ~~we recently commenced a Digital Technology Program to develop Herbalife One, a new enhanced platform to provide enhanced digital capabilities and experiences to our Members. Our information technology infrastructure~~, as well as that of our Members and the other third parties with which we interact, may be damaged, disrupted, or breached or otherwise fail for a number of reasons, including power outages, computer and telecommunication failures, internal design, manual or usage errors, workplace violence or wrongdoing, or catastrophic events such as natural disasters, severe weather conditions, or acts of war or terrorism. In addition, numerous and evolving cybersecurity threats, including advanced and persistent cyberattacks, such as unauthorized attempts to access, disable, improperly modify, exfiltrate, or degrade our information technology infrastructure, or the introduction of computer viruses, malware, " phishing " emails, and other destructive software, ~~and~~ **social engineering schemes**, **and emerging cyber threats from advanced AI and quantum computing**, could compromise the confidentiality, availability, and integrity of our information technology infrastructure as well as those of the third parties with which we interact. These attacks may come from external sources, such as governments or hackers, or may originate internally from an employee or a third party with which we interact. We have been the target of, and may be the target of in the future, malicious cyberattacks, although to date none of these attacks have had a meaningful adverse impact on our business, financial condition, or operating results. The potential risk of cyberattacks may increase as we introduce new technology systems and services. Additionally, many of our employees work remotely, which may increase our exposure to significant systems interruptions, cybersecurity attacks, and otherwise

compromise the integrity and reliability of our information technology infrastructure and our internal controls. Any disruptions to, or failures or inadequacies of, our information technology infrastructure that we may encounter in the future may result in substantial interruptions to our operations, expose us to significant liability, and may damage our reputation and our relationships with, or cause us to lose, our Members, especially if the disruptions, failures, or inadequacies impair our ability to track sales and pay royalty overrides, bonuses, and other incentives, any of which would harm our business, financial condition, and operating results. Any such disruptions, failures, or inadequacies could also create compliance risks under the Consent Order and result in penalties, fines, or sanctions under any applicable laws, regulations or impact our internal control over financial reporting. Furthermore, it may be expensive or difficult to correct or replace any aspect of our information technology infrastructure in a timely manner, if at all, and we may have little or no control over whether any malfunctioning information technology services supplied to us by third parties are appropriately corrected, if at all. We have encountered, and may encounter in the future, errors in our software and our enterprise network, and inadequacies in the software and services supplied by certain of our vendors, although to date none of these errors or inadequacies have had a meaningful adverse impact on our business, financial condition or operating results. In addition, developments in technology are continuing to evolve and affecting all aspects of our business, including how we effectively manage our operations, interact with our Members and their customers, and commercialize opportunities that accompany the evolving digital and data driven economy. Therefore, one of our top priorities is to modernize our technology and data infrastructure by, among other things, creating more relevant and more personalized experiences wherever our systems interact with Members and their customers; and developing ways to create more powerful digital tools and capabilities for Members to enable them to grow their businesses. These initiatives to modernize our technology and data infrastructure are expected to be implemented over the course of many years and to require significant investments. If these initiatives are not successful, our ability to attract and retain Members and their customers, increase sales, and reduce costs may be negatively affected. Further, these initiatives may be subject to cost overruns and delays, may not operate as designed and may cause disruptions in our operations. These cost overruns and delays and disruptions could adversely impact our business, financial condition, and operating results. We and our third- party contract manufacturers depend on third- party suppliers to supply us with the various ingredients, packaging materials, and other raw materials that we use in the manufacturing and distribution of our products. Our business could be materially harmed if we experience operational difficulties with our third- party suppliers, such as increases in costs, reductions in the availability of materials or production capacity, errors in complying with specifications or applicable law, insufficient quality control, and failures to meet production or shipment deadlines. If we fail to develop or maintain our relationships with our third- party suppliers or if such suppliers cease doing business with us or go out of business, we could face difficulties in finding or transitioning to alternative suppliers that meet our standards. Many of the ingredients, packaging materials, and other raw materials we use are subject to fluctuations in availability and price due to a number of factors beyond our control, including crop size, ingredient, water, and land scarcity, market demand for raw materials, commodity market speculation, energy costs, currency fluctuations, supplier and logistics service capacities, import and export requirements, tariffs, and other government policies, and drought, excessive rain, temperature extremes, and other severe weather events. If we experience supply shortages, price increases, or supplier or regulatory impediments with respect to any of the materials we use in our products or packaging, we may need to seek alternative supplies or suppliers and may experience difficulties in finding replacements that are comparable in quality and price. Further, the risks related to our ability to adequately source the materials required to meet our needs may be exacerbated by the effects of climate change and the legal, regulatory, or market measures that may be implemented to address climate change. There is growing concern that carbon dioxide and other greenhouse gases in the atmosphere have had and are expected to continue to have an adverse impact on global temperatures, weather patterns, and the frequency and severity of extreme weather and natural disasters. If climate change has a negative effect on agricultural productivity, we may be subject to decreased availability or less favorable pricing for certain raw materials that are necessary for our products, such as soybeans, wheat, tea leaves, and nuts. Severe weather conditions and natural disasters can reduce crop size and crop quality, which in turn could reduce our supplies of raw materials, lower recoveries of usable raw materials, increase the prices of our raw materials, increase our cost of storing and transporting our raw materials, or disrupt production schedules. The impacts of climate change may also cause unpredictable water availability or exacerbate water scarcity. In addition, the increasing concern over climate change and related sustainability matters may also result in more federal, state, local, and foreign legal and regulatory requirements relating to climate change, which may significantly increase our costs of operation and delivery. We operate manufacturing facilities in the United States and around the world and also rely on third- party contract manufacturers to manufacture and supply products. Any significant interruption of production at any of our manufacturing facilities or third- party contract manufacturers, or other interruption in our supply chain, may materially harm our business, financial condition, and operating results. Events such as natural disasters, including droughts, earthquakes, fires, hurricanes, or floods, technical issues, work stoppages, or other unforeseen or catastrophic events, that result in significant interruption of production at any of our facilities or third- party contract manufacturers or suppliers could impede our ability to conduct business. For example, during the COVID- 19 pandemic, our suppliers experienced some delays in receiving and delivering certain ingredients and packaging components. While we have business continuity programs for our manufacturing facilities which plan for such events, any event resulting in the temporary, partial, or complete shutdown of one of these manufacturing facilities, could require us to transfer manufacturing to a surviving facility and / or third- party contract manufacturers if suitable, although no such alternatives may be available. Conversion to a different facility or a new manufacturer can be expensive and time- consuming, resulting in delays in production or shipping, reduction of our net sales, damage our relationship with Members, and damage our reputation, any of which could harm our business, financial condition, and operating results. Additionally, we risk that our third- party contract manufacturers will not continue to reliably supply products at the quality levels, or in the quantities we require, and be in compliance with applicable laws. Our product supply contracts generally have three- year terms. Except for force majeure events, such as natural

disasters and other acts of God, and non-performance by Herbalife, our contract manufacturers generally cannot unilaterally terminate these contracts. These contracts can generally be extended by us at the end of the relevant time-period and we have exercised this right in the past. Globally, we have over 50 contract manufacturers, with Fine Foods (Italy) being a major supplier for meal replacements, protein powders and nutritional supplements. Our contract manufacturers are also located in countries such as the United States, India, Brazil, South Korea, ~~Taiwan~~, Germany, and the Netherlands. If any of our contract manufacturers were to become unable or unwilling to continue to provide us with products in required volumes, at suitable quality levels, or in a cost-effective manner, we would be required to identify and obtain replacement manufacturing sources. There is no assurance that we would be able to obtain acceptable alternative manufacturing sources on a cost-effective or timely basis, or at all. An extended interruption in the supply of our products, would result in the loss of sales, which could have a material adverse effect on our business, financial condition, or operating results. In addition, our business depends in large part on our ability to maintain consumer confidence in the safety and quality of our products. We have rigorous product safety and quality standards, which our manufacturing facilities as well as our contract manufacturers are required to meet. Despite our commitment to managing product safety and quality, manufacturers may not always meet these standards, particularly as we expand our manufacturing footprint and product diversity. Manufacturing operations are subject to regulations, including food compliance, environmental, occupational, safety and labor regulations, which continue to evolve sometimes resulting in substantial expenditures to meet compliance standards. If our manufacturers fail to comply with product safety and quality standards or applicable laws, (or if our products are or become contaminated, damaged, adulterated, mislabeled, or misbranded), we may be required to undertake costly remediation efforts. It can result in product recall, the rejection / destruction of inventory, temporarily facility closings, and supply chain interruption, and result in negative publicity, regulatory fines, and product liability claims, which in turn could materially harm our reputation, business, financial condition, and operating income results. Further, significant product quality issues can have an adverse effect on sales or result in increased product returns and buybacks. We depend on the continued services of our senior management team as it works closely with the senior Member leadership to create an environment of inspiration, motivation, and entrepreneurial business success. Although we have entered into employment agreements with certain members of our senior management team, and do not believe that any of them are planning to leave or retire in the near term, we cannot assure you that all members of our senior management team will remain with us. The loss or departure of any member of our senior management team, or our failure to adequately develop succession plans, could adversely impact our Member relations and operating results. Also, the loss of key personnel, including our regional and country managers, could negatively impact our ability to implement our business strategy. Further, to the extent we are required to replace members of senior management or key personnel, any significant leadership change or transition involves inherent risk and any failure to ensure a smooth transition could hinder our strategic planning and execution, adversely impact our Member relations, or cause our business to suffer. While we strive to mitigate any negative impact associated with changes to our senior management team or key personnel, there may be uncertainty among investors, employees, Members, and others concerning our future direction and performance. Any disruption in our operations or uncertainty could have a material adverse effect on our business, financial condition, and operating results. Our continued success also depends on our ability to hire, develop, and retain qualified and diverse personnel with the requisite skills to meet our business needs. Identifying, recruiting, integrating, training, and retaining qualified personnel may require significant time, expense, and attention, and we may compete for such personnel with companies that have significant financial resources or recognized brands or that are able to offer more attractive or lucrative employment opportunities. If we are not able to hire, develop, and retain personnel, our business, financial, condition, and operating results may be adversely affected. Short sellers and others who raise allegations regarding our business activities, some of whom are positioned to profit if our share price declines, can negatively affect our share price. For example, in late 2012, a hedge fund manager publicly raised allegations regarding the legality of our network marketing program, our product safety, our accounting practices, and other matters, and announced that his fund had taken a significant short position regarding our common shares, leading to intense public scrutiny and significant share price volatility. Following this public announcement, our share price dropped significantly. Additionally, from time to time we are subject to various legal proceedings, including governmental and regulatory inquiries and inquiries from legislators, that may adversely affect our share price. Significant volatility of our share price may cause the value of a shareholder's investment to decline rapidly. Companies across all industries are facing increasing scrutiny relating to their environmental, social, and governance practices. ~~In particular, we expect many consumers will continue to put an increased priority on purchasing products that are sustainably and responsibly grown and made.~~ Investors ~~may impose~~ are also increasingly imposing additional standards and expectations on companies in these areas. Changing consumer preferences and investor focus may result in increased demands regarding the source of origin of our ingredients, the recyclability of, and amount of recycled content contained in, our packaging containers, and other components of our products and supply chain and their respective environmental impact, including on sustainability. These ~~consumer~~ demands, along with regulatory requirements, could require additional transparency, due diligence, and reporting and could ~~have cause caused~~ us to incur additional costs or to make changes to our operations to comply with such demands. We may also determine that certain changes are required in anticipation of further evolution of consumer preferences and demands. ~~We operate~~ Increased focus and activism related to ESG may also result in ~~95~~ ~~markets worldwide~~ investors reconsidering their investment decisions as a result of their assessment of a company's ESG practices. Further, ~~and~~ concern over climate change and other environmental sustainability matters, has and may in the future result in new or increased legal and regulatory requirements to reduce or mitigate impacts to the environment, including greenhouse gas emissions regulations, alternative energy policies, and sustainability initiatives, such as single use plastics, ~~which~~ Increased regulatory requirements may be more aggressive than any sustainability measures we may be currently undertaking or may implement in the future and may cause disruptions in the supply and manufacture of our products or an increase in operating and compliance costs. ~~At the same time, stakeholders and regulators in many markets where we~~

**operate have increasingly expressed or pursued opposing views, legislation and investment expectations with respect to sustainability initiatives, including the enactment or proposal of “ Anti- ESG ” legislation or policies, which may lead to risks that are counter to the above sustainability requirements and initiatives.** If we fail **or succeed, or are perceived to fail or succeed,** to achieve any goals, targets, or objectives we may set with respect to ESG matters, if we do not meet or comply with new regulations or evolving consumer, investor, industry, or stakeholder expectations and standards, including those related to reporting, or if we are perceived to have not responded appropriately to the growing concern for ESG matters **or are unable to satisfy all stakeholders**, we may face legal or regulatory actions, the imposition of fines, penalties, or other sanctions, adverse publicity, and decreased demand from consumers who may stop purchasing our products, or the price of our common shares could decline, any of which could materially harm our reputation or have a material adverse effect on our business, financial condition, or operating results. The majority of our products are classified as foods, dietary supplements, and cosmetics. In both domestic and foreign markets, the formulation, manufacturing, packaging, labeling, distribution, advertising, importation, exportation, licensing, sale, and storage of our products are subject to extensive government regulation. This regulation takes the form of laws, governmental regulations, administrative determinations, court decisions, and other similar constraints and exists at the federal, state, and local levels in the United States and at all levels of government in foreign jurisdictions. There can be no assurance that we or our Members are, or will remain, in compliance with all of these regulations. Our failure or our Members’ failure to comply with applicable regulations could disrupt the manufacturing of our products, our marketing activity, our Members’ sale of our products, or lead to increased costs, legal or regulatory proceedings, the imposition of significant penalties, or harm our reputation, any of which could adversely impact our business, financial condition, and operating results. In addition, regulatory authorities periodically review legislative and regulatory policies and initiatives, and may promulgate new or revised, or adopt changes in the interpretation and enforcement of existing, regulations at any time. The adoption of new regulations or changes in the interpretations of existing regulations, such as those relating to genetically modified foods, may result in significant compliance costs or discontinuation of impacted product sales and may negatively impact the marketing of our products or require us to change or cease aspects of our business, any of which could result in significant loss of sales and harm our business, financial condition, and operating results. For example, we are subject to the rules of the FDA, including for CGMPs. Any failure by us or our contract manufacturers to comply with the CGMPs could negatively impact our reputation and ability to sell our products even after the situation has been rectified and, in the case of our contract manufacturers, even though we are not directly liable under the CGMPs for their compliance. In complying with the dietary supplement CGMPs, we have experienced increases in production costs due to increases in required testing of raw ingredients, work in process, and finished products. In addition, regulators and other governmental authorities limit the types of claims that we and our Members can make about our products, including nutrition content claims, health claims, and therapeutic claims and otherwise regulate the marketing of our products. For example, the FTC’ s Guides explain how the FTC interprets prohibitions on unfair or deceptive acts or practices. Consequently, the FTC could bring an enforcement action based on practices that are inconsistent with the Guides. The Consent Order entered into with the FTC in 2016 also includes restrictions regarding the marketing of our products. It is possible that our use, and that of our Members, of marketing materials, including testimonials about our products, may be significantly impacted by laws, rules, and regulations governing the marketing of our products and therefore might negatively impact our sales. From time to time, we receive inquiries from regulators and third parties requesting information concerning our products. We fully cooperate with these inquiries including, when requested, by the submission of detailed technical documents addressing product composition, manufacturing, process control, quality assurance, and contaminant testing. We are confident in the safety of our products when used as directed. However, there can be no assurance that regulators, including in countries where we plan to commence or expand operations, will not take actions that may adversely affect our business and our sales, including preventing or delaying entry into markets or the introduction of new products or requiring the reformulation or the temporary or permanent withdrawal of certain of our existing products from their markets. Any such regulatory action, regardless of whether it results in a final determination adverse to us, could create negative publicity, with detrimental effects on the motivation and recruitment of Members and, consequently, on sales. For example, the Chinese government carried out a 100- day review, or the Review, in 2019 to investigate the unlawful promotion and sales of health products, which resulted in negative media attention to the health products industry and materially and adversely impacted our business in China in 2019 as Members significantly reduced activities and sales meetings during and following the Review. Additionally, in response to the COVID- 19 pandemic, the FTC has increased its scrutiny of claims being made by companies and issued hundreds of warning letters to, and initiated enforcement actions against, companies making health claims related to the ability of their products to treat, cure, or prevent COVID- 19 or business opportunity claims related to COVID- 19. Our network marketing program, like the compensation practices of other direct- selling organizations, is subject to a number of federal, state, and foreign regulations administered by the FTC and other federal, state, and foreign agencies. Regulations applicable to network marketing organizations generally are directed at preventing fraudulent or deceptive schemes, sometimes referred to as “ pyramid ” or “ chain sales ” schemes, by ensuring that product sales ultimately are made to consumers and that advancement within an organization is based on genuine demands and sales of the organization’ s products rather than investments in the organization or other non- retail sales- related criteria. For example, in certain foreign countries, compensation to distributors in the direct- selling industry may be limited to a certain percentage of sales. The regulatory requirements concerning network marketing programs do not include “ bright line ” rules and are inherently fact- based and, thus, we are subject to the risk that these regulations or the enforcement or interpretation of these regulations by regulators or courts can change. Regulatory authorities also periodically review legislative and regulatory policies and initiatives and may promulgate new or revised regulations. For example, in 2018, the FTC released its nonbinding Business Guidance Concerning Multi- Level Marketing **which it further updated in 2024**, and in December 2021, India’ s Ministry of Consumer Affairs, Food and Public Distribution, Government promulgated the Consumer Protection (Direct Selling) Rules, 2021 under the

Consumer Protection Act, 2019. The adoption of new regulations, or changes in the interpretations or enforcement of existing regulations, may result in significant compliance costs or require us to change or cease aspects of our network marketing program. In addition, the ambiguity surrounding these regulations can also affect the public perception of the Company and our business model. For example, in the past, allegations regarding the legality of our network marketing program have been raised, which led to intense public scrutiny and significant share price volatility. From time to time, we are a party to various regulatory proceedings related to compliance with regulations applicable to our network marketing program. We are also subject to the risk of private party challenges to the legality of our network marketing program, and similar programs of other companies have been successfully challenged in the past. Legal proceedings may cause us to incur significant expenses, including legal fees and costs for remediation efforts, and result in fines, penalties, sanctions, adverse judgments, or negative publicity, any of which could materially harm our business, financial condition, and operating results and impact our share price. For example, in one or more markets, our network marketing program could be found not to be in compliance, or a court could issue an adverse determination with respect to our network marketing program specifically or with respect to network marketing practices generally in proceedings not involving us, any of which may require us to alter our compensation practices under our network marketing program and adversely impact our ability to recruit and maintain Members or to obtain or maintain a license, permit, or similar certification. As previously disclosed, the Consent Order entered into with the FTC in 2016 and the 1986 permanent injunction entered in California required us to make changes to our network marketing program and our business operations. There can be no assurances that federal, state, or foreign regulators or courts will not require similar actions in the future. While we believe we are in compliance with regulations applicable to our network marketing program, including those enforced by the Consent Order and the permanent injunction in California, there is no assurance that any federal, state, or foreign courts or regulators or the independent compliance auditor under the Consent Order would agree. The failure of our network marketing program to comply with current or newly adopted laws, rules, and regulations, the Consent Order, or the California injunction, or any allegations or charges to that effect brought by federal, state, or foreign regulators, could have a material adverse impact on our business in a particular market or in general and may adversely affect our share price. As previously disclosed, in July 2016, we entered into the Consent Order with the FTC. As part of the Consent Order, we agreed ~~to make a payment of \$ 200 million and~~ to implement, and continue to enhance, certain procedures in the United States. We also agreed, among other things, to (i) be subject to certain audits by an independent compliance auditor, or the ICA, for a period of seven years; (ii) requirements regarding compliance certification and record creation and maintenance; (iii) a prohibition on misrepresentations and misleading claims made by us or our Members regarding our network marketing program, including the income potential of participants in our network marketing program and misleading depictions of lavish lifestyles; and (iv) restrictions on distributors' ability to open Nutrition Clubs in the United States. **On May 28, 2024, the ICA's term ended.** The FTC ~~and ICA continues to~~ have the right to inspect Company records and request additional compliance reports for purposes of conducting audits pursuant to the Consent Order. The terms of the Consent Order are described in greater detail in our Current Report on Form 8-K filed on July 15, 2016. The Consent Order, including our compliance therewith and the procedures implemented as a result thereof, has impacted, and may continue to impact, our business operations, including our net sales and profitability. For example, the Consent Order includes a number of restrictions and requirements, including regarding the verification and receipting of sales, and therefore creates compliance risks and costs. As a result, we have implemented a number of enhanced procedures regarding, among other things, tracking retail sales and internal consumption by distributors. We have also instituted controls and procedures and developed technology solutions that we believe address our Consent Order requirements, including tools and software used by distributors to document their sales and more efficiently track and manage their customer base. However, there can be no assurances that some or all of these controls and procedures and technology solutions will continue to operate as expected. These controls and procedures and technology solutions have been, and may continue to be, costly. These extensive costs or any amounts in excess of our cost estimates could have a material adverse effect on our financial condition and operating results. In addition, any failure of these systems to operate as designed could cause us to fail to maintain the records required under, or otherwise violate terms of, the Consent Order. Further, management and our board of directors have been, and may continue to be, required to focus a substantial amount of time on Consent Order compliance activities, which could divert their attention from running and growing our business. At any time, we may also be required to suspend or defer ~~some many or all~~ of our current or anticipated business development, capital deployment, and other projects unrelated to compliance with the Consent Order to allow resources to be focused on our compliance efforts, which could cause us to fall short of any guidance or analyst or investor expectations. In addition, while we believe the Consent Order has set new standards within the direct-selling industry, our competitors are not required to comply with the Consent Order and may not be subject to similar actions, which could limit our ability to effectively compete for Members, consumers, and ultimately sales. **Compliance** ~~A number of our Members disagreed with our decision to enter into the Consent Order, whether because they disagreed with certain terms thereof, they believed it would negatively impact their personal business, or they would not have settled the investigation on any terms. Compliance with the Consent Order, however,~~ requires the cooperation of our Members and, while we have updated our training programs and policies to address the Consent Order and expect our Members to cooperate, we do not have the same level of influence or control over our Members as we would if they were our employees. Failure by our Members to comply with the relevant aspects of the Consent Order could be a violation of the Consent Order and impact our ability to comply. In addition, the Consent Order provides that if the total eligible U. S. sales on which compensation may be paid falls below 80 % of the Company's total U. S. sales for a given year, compensation payable to distributors on eligible U. S. sales will be capped at 41.75 % of the Net Rewardable Sales amount as defined in the Consent Order. Because our business is dependent on our Members, our business operations and net sales could be adversely affected if U. S. distributor compensation is restricted or if any meaningful number of Members are dissatisfied, choose to reduce activity levels, or leave our business altogether. Member dissatisfaction may also negatively impact the willingness of new Members to join Herbalife as a distributor. The Consent Order

also creates additional third- party risks. The Consent Order does not prevent other third parties from bringing actions against us, whether in the form of other federal, state, or foreign regulatory proceedings or private litigation, any of which could lead to monetary settlements, fines, penalties, or injunctions. ~~Although we neither admitted nor denied the allegations in the FTC's complaint (except as to the Court having jurisdiction over the matter), third parties may use specific statements or other matters addressed in the Consent Order as the basis for their action.~~ The Consent Order has caused, and any subsequent legal or regulatory claim may also lead to, negative publicity, whether because some view it as a condemnation of the Company or our direct- selling business model or because other third parties use it as justification to make unfounded and baseless assertions against us, our business model, or our Members. An increase in the number, severity or scope of third- party claims, actions or public assertions may result in substantial costs and harm to our reputation. The Consent Order may also impact third parties' willingness to work with us as a company. We believe we have complied with the Consent Order and we will continue to do so. However, the FTC ~~or ICA~~ may not agree now or in the future. In the event we are found to be in violation of the Consent Order, the FTC could take corrective actions such as initiating enforcement actions, seeking an injunction or other restrictive orders and imposing civil monetary penalties against us and our officers and directors. Further, the impact of the Consent Order on our business, including the effectiveness of the controls, procedures, and technology solutions implemented to comply therewith, and on our Member base could be significant. If our business or Member base is adversely impacted, it is uncertain as to whether, or how quickly, we would be able to restructure or rebuild, irrespective of market conditions. Our financial condition and operating results could be materially harmed if we fail to comply with the Consent Order, if costs related to compliance exceed our estimates, if it has a negative impact on net sales, or if it leads to further legal, regulatory, or compliance claims, proceedings, or investigations or litigation. Our business requires the collection, transmission, and retention of large volumes of confidential and proprietary information, including personal information of our Members, customers, leads, vendors, and employees in various information technology systems that we maintain and in those maintained by third parties with which we interact. Anyone who is able to circumvent our security measures or those of our third- party service providers could misappropriate such confidential or proprietary information, including that of third parties such as our Members, cause interruption in our operations, damage our information technology infrastructure, damage our reputation, or otherwise damage our business. We may need to expend significant resources to protect against security breaches or to address problems caused by such breaches, and the potential risk of security breaches may increase as we introduce new technology systems and services. Any actual security breaches could result in legal and financial exposure, including litigation and other potential liability, and a loss of confidence in our security measures, which could have a material adverse effect on our business, financial condition, and operating results and our reputation as a brand, business partner, and employer. In addition, employee error or malfeasance or other errors in the storage, use, or transmission of any such information could result in disclosure to third parties. If this should occur, we could incur significant expenses addressing such problems. Since we collect and store Member, customer, and vendor information, including credit card and banking information, these risks are heightened. In addition, our role as a credit card merchant may also put us at a greater risk of being targeted by hackers and requires us to comply with certain regulatory requirements. See also the risk factor titled " We depend on the integrity and reliability of our information technology infrastructure, and any related interruptions or inadequacies may have a material adverse effect on our business, financial condition, and operating results. " In addition, the use and handling of certain types of information, including personal and financial information, is regulated by evolving and increasingly demanding laws, rules, and regulations, such as the **Vietnam Personal Data Protection Decree, the India Digital Personal Data Protection Act, the** European Union General Data Protection Regulation, ~~which became effective in May 2018,~~ the Brazil Law on General Data Protection, ~~which became effective in September 2020,~~ the California Consumer Privacy Act, or the CCPA, ~~which became effective in January 2020 and was~~ ~~as~~ amended by the California Privacy Rights Act ~~effective January 2023,~~ the European Union Payment Services Directive 2, which ~~became effective in January 2021 and~~ requires stronger customer authentication for online transactions in that region, and the China Personal Information Protection Law ~~, which became effective in November 2021.~~ These laws impose continuing, and at times new, responsibilities on our operations, including, among other things, the collection, deletion, disclosure, and maintenance of personal and financial information of our Members and their customers and could present technological challenges and negatively impact our sales. Compliance with these laws, rules, and regulations and potential and actual conflicts amongst them in the various jurisdictions in which we operate have resulted in greater compliance burden and risk and increased costs for us. **Furthermore, as we expand our use of AI, we face additional regulatory risks due to the evolving legal landscape relating to AI, with various jurisdictions, including Europe and certain U. S. states, proposing or enacting AI- related laws. As such, it remains uncertain how AI laws and regulations will impact our business, or the associated cost or risks related to compliance therewith or with respect to embedding compliance mechanisms appropriately and effectively into our operations.** If we fail to comply with these privacy ~~and,~~ data security ~~,~~ and AI laws, rules, and regulations, we could be subject to significant litigation, monetary damages, and regulatory enforcement actions or fines in one or more jurisdictions, which could have a material adverse effect on our operating results. Our ingestible products include vitamins, minerals, botanicals, and other ingredients and are classified as foods or dietary supplements and are not subject to pre- market regulatory approval in the United States. Our products could contain contaminated substances, and some of our products contain ingredients that do not have long histories of human consumption or use. Although we rely upon published and unpublished safety information, including clinical studies on ingredients used in our products, and conduct limited clinical studies on some key products, unknown adverse reactions resulting from human consumption or use of these ingredients could occur. We have been, and may again be, subjected to various product liability claims **regarding our ingestible and other products**, including claims that the products contain contaminants, include inadequate instructions as to their uses, and **/ or** include inadequate warnings concerning side effects and interactions with other substances. It is possible that widespread product liability claims could increase our costs and materially adversely affect our business, financial condition, and operating

results. Even claims without merit could subject us to adverse publicity and require us to incur significant legal fees. Moreover, product liability claims may increase our costs through higher insurance premiums and deductibles, and may make it more difficult to secure adequate insurance coverage in the future. In addition, our product liability insurance may not cover all product liability claims, which may require us to pay substantial monetary damages. Finally, even if our insurance covers a claim, given the level of self-insured retentions that we have accepted under our current product liability insurance policies, which is \$ 12.5 million, in certain cases we may be subject to the full amount of liability associated with any claims, which could be substantial. Our success and the market for our products depend to a significant extent upon the goodwill associated with our trademark and tradenames and our ability to protect our proprietary rights in our innovative products and product enhancements. We own, or have licenses to use, the material trademark and trade name rights used in connection with the packaging, marketing, and distribution of our products in the markets where those products are sold. Therefore, trademark and trade name protection is important to our business. Although most of our trademarks are registered in the United States and in certain foreign countries in which we operate, we may not be successful in asserting trademark or trade name protection or obtaining new trademark registrations. We permit the limited use of our trademarks by our Members to assist them in marketing our products. It is possible that doing so may increase the risk of unauthorized use or misuse of our trademarks in markets where their registration status differs from that asserted by our Members, or they may be used in association with claims or products in a manner not permitted under applicable laws, rules, and regulations. Were these to occur, it is possible that this could diminish the value of these marks or otherwise impair our further use of these marks. We attempt to protect our innovative products and product enhancements under a combination of copyright, trademark, and trade secret laws, confidentiality procedures, and contractual provisions. However, our products are generally not patented domestically or abroad, and the legal protections afforded by common law and contractual proprietary rights in our products provide only limited protection. Monitoring infringement or misappropriation of intellectual property can be difficult and expensive, and we may not be able to detect every infringement or misappropriation of our proprietary rights or to prevent third parties from infringing upon or misappropriating our proprietary rights or from independently developing non-infringing products that are competitive with, equivalent to, or superior to our products. In addition, our actions to monitor our intellectual property rights may not prevent counterfeit reproductions of our products or products bearing confusingly similar trademarks from entering the markets in which we operate. Even if we do detect infringement or misappropriation of our proprietary rights, litigation to enforce these rights could cause us to divert financial and other resources away from our business operations and may result in the impairment or loss of all or portions of our proprietary rights. Further, the laws of some foreign countries do not protect our intellectual property to the same extent as do the laws of the United States. For example, there is limited protection of intellectual property available under Chinese law. Accordingly, we face an increased risk in China that unauthorized parties may attempt to copy or otherwise obtain or use our trademarks, copyrights, product formulations, or other intellectual property or sell counterfeit reproductions, including on popular e-commerce platforms. Further, because Chinese commercial law is relatively undeveloped, we may have limited legal recourse in the event we encounter significant difficulties with intellectual property theft or infringement. As a result, we cannot assure you that we will be able to adequately protect our intellectual property in any jurisdictions. The loss or infringement of our trademarks or tradenames or other proprietary rights could impair the goodwill associated with our brands and, with respect to the sale of counterfeit reproductions, could pose safety risks due to the lower quality of such products, divert sales from us, reduce the demand for our products, or damage our brand integrity. Any of the foregoing could materially harm our reputation, business, financial condition, and operating results. Third parties may claim that products or marks that we have independently developed or licensed, or which bear certain of our trademarks, infringe upon their intellectual property rights and there can be no assurance that one or more of our products or marks will not be found to infringe upon third-party intellectual property rights in the future and we may need to settle disputes on terms that are unfavorable to us, or we may be subject to an unfavorable judgment. Defending these and other intellectual property infringement claims can be time-consuming and costly and require the attention of management. The terms of any settlement or judgment may require us to pay substantial amounts to the other party or cease, or seek a license to continue, using products or marks found to be in violation of third-party intellectual property rights. A license may not be available on reasonable terms, or at all, and we may be required to develop alternative non-infringing products or marks or discontinue use of such products or marks. Any development efforts could require significant effort and expense. Any of the foregoing could have a material adverse effect on our business, financial condition, and operating results. Our Members are subject to certain taxation, and in some instances, we are required to collect taxes from our Members, such as value-added tax, or VAT, and social contributions, and to maintain appropriate records. In addition, if local laws, rules, and regulations or their interpretation change to require us to treat our Members as employees, or if our Members are deemed by regulatory authorities to be our employees rather than independent contractors, in any such jurisdictions we may be held responsible for additional compensation, social security, or similar contributions, withholding, and related taxes, and workers' compensation insurance, plus any related assessments and penalties, which could materially harm our financial condition and operating results. Our Members could face similar risks with respect to other Members in their sales organizations who may claim they are employees of that Member rather than independent contractors or independent business owners, which could impact their sales operations or lead them to cease their participation in our network marketing program. California and several other states have passed legislation, which seeks to expand the classification of employees. Other state and federal authorities, including the U. S. Department of Labor, also may prescribe differing or expanded standards for worker classification. Although the California legislation provides an exemption for direct sellers, there can be no assurance that other jurisdictions or authorities will provide such an exemption or that judicial or regulatory authorities will not assert interpretations that would mandate that we change our classification. See Note 7, Contingencies, to the Consolidated Financial Statements included in Part IV, Item 15, Exhibits, Financial Statement Schedules, of this Annual Report on Form 10-K for a more specific discussion of contingencies related to the activities of our Members. Approximately ~~78~~**79** % of our net sales for the year ended

December 31, ~~2023~~ **2024** were generated outside the United States, exposing our business to risks associated with international operations. We have invested significant resources in our international operations and expect to continue to do so in the future. However, there are certain risks inherent in doing business in international markets, particularly in the direct- selling industry, which is regulated in many jurisdictions. For example, a foreign government may impose trade restrictions or increased tariffs, require compliance with trade and economic sanctions laws, rules, or regulations, such as those administered by U. S. Customs and Border Protection ~~;~~ **and** the U. S. Treasury Department’ s Office of Foreign Assets Control, implement new or change existing trade policies, impose sanctions or counter sanctions or otherwise limit or restrict our ability to import or export products in a cost- effective manner, or at all, any of which could negatively impact our operations. Additionally, we may be negatively impacted by conflicts with or disruptions caused or faced by our third- party importers, as well as conflicts between such importers and local governments or regulators. Our operations in some jurisdictions also may be adversely affected by political, economic, legal, regulatory, and social conditions, or instability, **including unfavorable foreign currency impacts**, as well as by economic and political tensions between governments. **Changes in United States administrative policy may lead to increases in tariffs for imported goods, and, in some cases, already imposed tariffs against certain countries, among other possible changes. The imposition of such tariffs may strain international trade relations and increase the risk that foreign governments implement retaliatory tariffs on goods imported from the United States, which could adversely affect our sales to those countries.** For example, **tariffs and counter** tariffs enacted by ~~the United States and other~~ foreign governments, such as China , **Canada** or Mexico, that apply to our products or our ingredients may have an adverse impact on the ~~costs-~~ **cost** and **availability of certain ingredients, any of which could adversely affect** future sales of our products, particularly if we deem it necessary to increase product prices. **These measures may also cause us to discontinue a previously profitable item in one or more markets, including because it is no longer practicable or feasible to produce or sell the product. These actions could also have a disproportionately adverse effect on particular markets in which we operate, such as our Mexico market, which receives a significant amount of its products from our U. S. manufacturing operations.** New or continued geopolitical conflicts may also adversely affect our business, including the Russia / Ukraine conflict as discussed in Part II, Item 7, Management’ s Discussion and Analysis of Financial Condition and Results of Operations and Certain Factors Impacting Results, of this Annual Report on Form 10- K, and the recent conflict in the Middle East. In addition, our compliance with our code of conduct and anti- bribery laws, rules, and regulations may conflict with local customs and practices in certain of the jurisdictions in which we operate. See the risk factor titled “ We are subject to the anti- bribery, laws, rules, and regulations of the United States and the other foreign jurisdictions in which we operate. ” We are also exposed to risks associated with foreign currency fluctuations, foreign exchange controls, limitations on the repatriation of funds, and changes in currency policies or practices. For instance, purchases from suppliers are generally made in U. S. dollars while sales to Members are generally made in local currencies. Accordingly, any strengthening of the U. S. dollar versus a foreign currency could have a negative impact on us. Although we engage in transactions to protect against risks associated with foreign currency fluctuations, we cannot be certain any hedging activity will effectively reduce our exchange rate exposure. In addition, due to the possibility of government restrictions on transfers of cash out of a country and control of exchange rates, we may not be able to immediately repatriate cash at the official exchange rate. If this should occur, or if the official exchange rate devalues, it may have a material adverse effect on our business, assets, financial condition, liquidity, operating results, or cash flows. For example, currency restrictions enacted by the Venezuelan , **Argentinian, and Bolivian government governments** continue to impact the ability of our ~~subsidiary~~ **subsidiaries** in **such countries** ~~Venezuela, or Herbalife Venezuela,~~ to obtain U. S. dollars in exchange for ~~Venezuelan Bolivars~~ **local currencies** at the official foreign exchange rate and limit ~~our Herbalife Venezuela’ s~~ ability to import U. S. dollar denominated raw materials and finished goods, both of which have significantly negatively impacted our ~~Venezuelan~~ operations. We may be required to fundamentally change or cease operations in **Venezuela these jurisdictions** or any other jurisdiction that may be similarly affected in the future. If these restrictions intensify or do not improve and impact our ability to control our ~~Venezuelan~~ operations ~~;~~ **in those countries** we may be required to deconsolidate ~~Herbalife Venezuela~~ **one or more of our subsidiaries through which we operate in those countries** for U. S. GAAP purposes and would be subject to the risk of further impairments. Our overall success depends, in part, on our ability to anticipate and effectively manage these risks, and to coordinate the various legal and regulatory requirements of multiple jurisdictions that are constantly evolving and subject to change, and there can be no assurance that we will be able to do so without incurring unexpected or increased costs or at all. In certain regions, the degree of these risks may be higher due to more volatile economic, political, or social conditions; less developed and predictable legal and regulatory regimes; and increased potential for various types of adverse governmental action. As we continue to focus on expanding our existing international operations, these and other risks associated with international operations will likely increase, which could materially harm our business, financial condition, and operating results. We are subject to a variety of anti- bribery laws, rules, and regulations, including the U. S. Foreign Corrupt Practices Act, or the FCPA, the U. K. Bribery Act of 2010, and similar anti- bribery laws, rules, and regulations in the other foreign jurisdictions in which we operate. These regimes generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business as well as require companies to maintain accurate books and records. ~~There has been a substantial increase in anti- bribery law enforcement activity with more frequent and aggressive investigations and criminal and civil enforcement proceedings brought against companies and individuals by regulators, including the Department of Justice, or DOJ, and the SEC. Our policies mandate compliance with these anti- bribery laws, rules, and regulations, including the requirements to maintain accurate information and internal controls.~~ We operate in many parts of the world that have experienced governmental corruption to some degree and in certain circumstances, strict compliance with anti- bribery laws, rules, and regulations may conflict with local customs and practices. Notwithstanding our compliance programs, which include annual training and certification requirements, there is no assurance that our internal policies and procedures will protect us from acts committed by our employees or agents. **For example, as previously disclosed,**

**in 2020 we entered into a deferred prosecution agreement with the U. S. Department of Justice regarding criminal charges, which were ultimately dismissed with prejudice in 2024, for violations in China of the FCPA's books and records provisions.** Additionally, we cannot predict the nature, scope, or effect of future anti-bribery requirements or the manner in which existing or new requirements might be administered or interpreted. Alleged or actual violations of any such existing or future laws, rules, or regulations, whether due to our own acts or inadvertence or to the acts or inadvertence of others, may result in criminal or civil sanctions, including fines, penalties, contract cancellations, or debarment, increased compliance costs, changes to our activities, and loss of reputation, any of which could have a material adverse effect on ~~our business, financial condition, and operating results.~~ As previously disclosed, the SEC and the DOJ conducted investigations into our compliance with the FCPA in China. Also, as previously disclosed, we conducted our own review and implemented remedial and improvement measures based upon this review, including replacement of certain employees and enhancements of our policies and procedures in China. We cooperated with the SEC and the DOJ and have now reached separate resolutions with each of them. On August 28, 2020, the SEC accepted the Offer of Settlement and issued an administrative order finding that we violated the books and records and internal controls provisions of the FCPA. In addition, on August 28, 2020, we and the DOJ separately entered into a court-approved deferred prosecution agreement, or DPA, under which the DOJ deferred criminal prosecution of the Company for a period of three years related to a conspiracy to violate the books and records provisions of the FCPA. Among other things, we were required to undertake compliance self-reporting obligations for the three-year terms of the agreements with the SEC and the DOJ. The DPA's three-year term expired on August 28, 2023. If it is determined by the DOJ that we have remained in compliance throughout the term, the deferred charge against us will be dismissed with prejudice. ~~We believe that we have remained in Compliance and fulfilled our obligations under the SEC and DOJ agreements. In addition, we paid the SEC and the DOJ aggregate penalties, disgorgement, and prejudgment interest of approximately \$ 123 million in September 2020. Any failure to comply with these agreements, or any resulting further government action, could result in a material and adverse impact to our business, financial condition, and operating results.~~ As a multinational corporation operating in many countries, we are subject to transfer pricing, income tax, and other tax regulations designed to ensure that our intercompany transactions are consummated at prices that have not been manipulated to produce a desired tax result, that appropriate levels of income are reported as earned by our United States and local entities, and that we are taxed appropriately on such transactions. In addition, our operations are subject to regulations designed to ensure that appropriate levels of customs duties are assessed on the importation of our products. If the United States Internal Revenue Service, or the IRS, or the taxing authorities of any other jurisdiction were to successfully challenge our transfer pricing practices or our positions regarding the payment of income taxes, customs duties, value added taxes, withholding taxes, and sales and use and other taxes, we could become subject to higher taxes and may increase product prices in certain jurisdictions accordingly. The imposition of new taxes, even pass-through taxes such as VAT could result in increased product prices in certain jurisdictions. Any increases in prices could adversely affect product demand and therefore could have a negative impact on our business, financial condition, and operating results. From time to time, we are a party to various regulatory proceedings related to compliance with applicable tax regulations, including audits, examinations, and investigations. We are currently subject to ongoing audits that are at various levels of review, assessment, or appeal in a number of jurisdictions involving issues of transfer pricing, income taxes, customs duties, value added taxes, withholding taxes, and sales and use and other taxes. In some circumstances, additional taxes, interest, and penalties have been assessed. We have reserved in our consolidated financial statements an amount that we believe represents the most likely outcome of the resolution of these audits, but if we are incorrect in our assessment, we may have to pay additional amounts, which could potentially be material. Ultimate resolution of these ongoing audits may take several years, and the outcome is uncertain. See Note 7, Contingencies, to the Consolidated Financial Statements included in Part IV, Item 15, Exhibits, Financial Statement Schedules, of this Annual Report on Form 10-K for further information on contingencies relating to tax matters. In addition, any change in applicable tax laws, rules, treaties, or regulations, or their interpretation, could result in a higher effective tax rate on our worldwide earnings. For example, the Organisation for Economic Co-operation and Development, or OECD, has released guidance covering various international tax standards as part of its "base erosion and profit shifting," or BEPS, initiative. The anticipated implementation of BEPS by non-U. S. jurisdictions in which we operate could result in changes to tax laws, rules, and regulations, including with respect to transfer pricing, that could materially increase our effective tax rate. On October 8, 2021, the OECD issued a statement announcing that 137 of its 140 members had agreed upon two groups of proposals for global tax reform, labeled "Pillar One" and "Pillar Two." Pillar One is focused on providing a mechanism for taxing rights more closely aligned with market engagement (generally where people or consumers are located). Pillar Two is focused on establishing a global minimum tax rate and would apply when a country's income tax rate is below a minimum tax rate of at least 15%. On December 20, 2021, the OECD published model rules consistent with the two Pillars announced in its October 2021 statement, and the model rules included the 15% global minimum tax rate previewed as part of Pillar Two in the OECD's October 2021 statement. In December 2022, the EU member states agreed to implement the OECD framework in their domestic tax laws with a target effective date for the 15% global minimum tax rate in 2024. ~~Although we~~ **The OECD has issued additional guidance in 2023 and 2024, and intends to issue more rules in 2025. We** continue to evaluate and assess the potential impact of the OECD framework on the Company, ~~the minimum tax rules could result in tax increases in the jurisdictions where we operate or have a presence.~~ No assurances can be given that future legislative, regulatory, or judicial developments will not result in an increase in the amount of taxes payable by us. If any such developments occur, our business, financial condition, and operating results could be materially and adversely affected. Our business and operations in China, which generated approximately ~~7~~ **6.0** % of our net sales for the year ended December 31, ~~2023~~ **2024**, are subject to unique risks and uncertainties related to general economic, political, and legal developments. The Chinese government exercises significant control over the Chinese economy, including by controlling capital investments, allocating resources, setting monetary policy, controlling and monitoring foreign exchange rates, implementing and overseeing

tax regulations, providing preferential treatment to certain industry segments or companies, and issuing necessary licenses to conduct business. Accordingly, any adverse change in the Chinese economy, the Chinese legal system, or Chinese governmental, economic, or other policies could have a material adverse effect on our business and operations in China and our prospects generally. China has published regulations governing direct selling, prohibiting pyramid promotional schemes, governing food safety, and regulating e-commerce, and a number of related administrative methods and proclamations have been issued. To operate under these regulations, we created and introduced a modified business model specific to China based on our understanding of how Chinese regulators interpret and enforce these regulations, our own interpretation of applicable regulations and the enforcement thereof, and our understanding of the practices of other licensed direct-selling organizations in China. In China, we sell our products to and through independent service providers and sales representatives, to preferred customers and other customers, as well as through Company-operated retail platforms when necessary. We also have a social e-commerce business in China, which enables our sales representatives who are also individual e-commerce promoters and independent service providers to promote our products and provide services to customers in China through virtual online stores. Our independent service providers must meet requirements to operate their own business under Chinese law, which prohibits fraudulent or misleading claims and engaging in any pyramid sales schemes, as well as our policies. In China, our independent service providers receive compensation for marketing, sales support, and other services instead of the Member allowances and royalty overrides utilized in our network marketing program outside China. The service hours and related fees eligible to be earned by the independent service providers are based on a number of factors, including the sales generated through them and through others to whom they may provide marketing, sales support and other services, the quality of their service, and other factors. Total compensation available to our independent service providers in China can generally be comparable to the total compensation available to other sales leaders globally. The Company does this by performing an analysis in our worldwide system to estimate the potential compensation available to the service providers, which can generally be comparable to that of sales leaders in other countries. After adjusting such amounts for other factors and dividing by each service provider's hourly rate, we then notify each independent service provider the maximum hours of work for which they are eligible to be compensated in the given month. In order for a service provider to be paid, the Company requires each service provider to invoice the Company for their services and submit a timesheet of such services and, upon the Company's request, service providers may be required to submit additional supporting documents for the Company's further verification. These and other business model features in China are not common to the business model we employ elsewhere in the world, and we expect our business model in China will continue to incorporate some or all of these features, and any failure of this model or our business or our service providers to comply with Chinese law could materially and negatively impact our business, financial condition, and operating results. Direct-selling regulations in China require us to apply for various approvals to conduct direct selling in China. The process for obtaining the necessary licenses to conduct direct selling is protracted and cumbersome and involves multiple layers of Chinese governmental authorities and numerous governmental employees at each layer. While direct-selling licenses are centrally issued, such licenses are generally valid only in the jurisdictions within which related approvals have been obtained, and such approvals are generally awarded on local and provincial bases. Accordingly, there can be no assurance that we will obtain additional, or maintain our existing, direct-selling licenses and approvals in China that are important to our business, which could materially and negatively impact our business, financial condition, and operating results. The approval process, like other aspects of our operations in China, is guided by distinct Chinese practices and customs, and is subject to applicable laws of China and the other jurisdictions in which we operate our business, including the United States, as well as our internal policies, such as our code of ethics. There is a risk that in attempting to comply with local customs and practices in China, including during the application process or otherwise, we will fail to comply with our policies, applicable requirements in China, or violate the laws of another jurisdiction, any of which could materially harm our business in China, prevent us from obtaining direct-selling licenses or other approvals, or result in adverse publicity or legal or regulatory proceedings. Furthermore, we rely on certain key personnel in China, including to assist us during the approval process and to maintain our licenses, and the loss of any such key personnel could delay or hinder our ability to obtain or maintain licenses or related approvals or otherwise negatively impact our operations in China. Additionally, there continues to be uncertainty regarding the interpretation and enforcement of Chinese regulations. The regulatory environment in China continues to evolve, and officials at all levels of the Chinese, provincial, and local government exercise broad discretion in deciding how to interpret, apply, and enforce regulations as they deem appropriate. Regulators in China may modify existing, or introduce new, regulations or interpretations. There can be no guarantee that changes in regulations, or their interpretation or enforcement, will not negatively impact our business in China, create industry reputational risk, result in regulatory proceedings, or lead to fines or penalties against us or our independent service providers. If our business practices or those of our independent service providers are deemed to be in violation of applicable regulations, in particular with respect to the factors used in determining the services a service provider is eligible to perform and service fees they are eligible to earn and receive, we could be sanctioned and / or required to change our business model, either of which could have a significant adverse impact on our business in China. In addition, the Chinese government rigorously monitors markets, including the direct-selling market, in China and in the past has taken serious action against companies engaged in activities that the government regarded as in violation of applicable law, including shutting down their businesses and imposing substantial fines, such as the Review, which investigated unlawful promotion and sales within the health products industry. There is no guarantee the government will not revisit its focus on health products, expand its investigation to cover direct-selling business models, or otherwise launch into a new investigation or multiple investigations that may result in a material adverse effect to our business in China. Our senior secured credit facility, or the **2018-2024 Credit Facility**, and the indentures governing the senior notes due September 1, 2025, or the 2025 **Notes**, the **senior secured notes due April 15, 2029, or the 2029 Secured Notes**, and the senior notes due June 1, 2029, or the 2029 Notes, have restrictive covenants that limit our and our subsidiaries' ability to, among other things: • pay dividends, redeem

share capital or capital stock, and make other restricted payments and investments; • sell assets or merge, consolidate, or transfer all or substantially all of our subsidiaries' assets; • incur or guarantee additional debt; • impose dividend or other distribution restrictions on our subsidiaries; and • create liens on our and our subsidiaries' assets. In addition, the **2018-2024** Credit Facility requires us to meet certain financial ratios and financial conditions. These covenants could limit our ability to grow our business, take advantage of attractive business opportunities, successfully compete, obtain future financing, withstand future downturns in our business or the economy in general, or otherwise conduct necessary corporate activities. Our ability to comply with these covenants may be affected by events beyond our control, including prevailing economic, financial and industry conditions. Failure to comply with these covenants could result in an event of default. Upon the occurrence of an event of default under any of our debt agreements, the lenders or noteholders, as applicable, could cause all outstanding amounts under such agreements to become due and payable, and it could trigger a cross- default with respect to other outstanding indebtedness under certain circumstances. The **2018-2024** Credit Facility ~~is~~ **and 2029 Secured Notes are** secured by the equity interests of certain of our subsidiaries and substantially all of the assets of the domestic loan parties, and the lenders thereunder could proceed to foreclose on such assets if we are unable to repay or refinance any accelerated debt under the **2018-2024** Credit Facility **or the 2029 Secured Notes**. Following an event of default, the lenders under our revolving credit facility would also have the right to terminate any commitments they have to provide further borrowings. We ~~issued convertible senior notes due on March 15, 2024, or the 2024 Convertible Notes, in the aggregate principal amount of \$ 550.0 million. Prior to December 15, 2023, under certain circumstances, holders of our 2024 Convertible Notes may convert their notes at their option. On and after December 15, 2023, holders may convert their 2024 Convertible Notes at any time. Additionally, we issued convertible senior notes due on June 15, 2028, or the 2028 Convertible Notes, in the aggregate principal amount of \$ 277.5 million. Prior to March 15, 2028, under certain circumstances, holders of our 2028 Convertible Notes may convert their notes at their option. On and after March 15, 2028, holders may convert their 2028 Convertible Notes at any time. The 2024 Convertible Notes and 2028 Convertible Notes may be settled, at our option, in cash or a combination of cash and common shares, so long as the principal amount of the 2024 Convertible Notes and 2028 Convertible Notes is settled in cash. If one or more holders elect to convert their 2024 Convertible Notes or 2028 Convertible Notes when conversion is permitted, we would be required to make cash payments, for the respective convertible senior notes, to satisfy the principal amount due at conversion and could elect to make cash payments to satisfy our full conversion obligations, which could adversely affect our liquidity. In addition, even if holders do not elect to convert their 2024 Convertible Notes or 2028 Convertible Notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal amount of our 2024 Convertible Notes or 2028 Convertible Notes as a current rather than long- term liability, which could result in a material reduction of our net working capital. Payment of cash upon conversion of the 2024 Convertible Notes or 2028 Convertible Notes, or any adverse change in the accounting treatment of the 2024 Convertible Notes or 2028 Convertible Notes, may adversely affect our financial condition and operating results, each of which could in turn adversely impact the amount or timing of future potential share repurchases or the payment of dividends to our shareholders. In addition, if a portion of the 2024 Convertible Notes or 2028 Convertible Notes are converted into common shares, our existing shareholders will experience immediate dilution of voting rights and our share price may decline. Furthermore, the perception that such dilution could occur may cause our share price to decline. Because the conversion rate of the 2024 Convertible Notes or 2028 Convertible Notes adjusts upward upon the occurrence of certain events, existing shareholders may experience further dilution if a portion of the 2024 Convertible Notes or 2028 Convertible Notes are converted into common shares and the currently effective adjusted conversion rate is further adjusted. For more information regarding the conversion features of our 2024 Convertible Notes and 2028 Convertible Notes, including the events that allow for early conversion and the current conversion rate, see Note 5, Long- Term Debt, to the Consolidated Financial Statements included in Part IV, Item 15, Exhibits, Financial Statement Schedules, of this Annual Report on Form 10- K. Our corporate affairs are governed by our amended and restated memorandum and articles of association, the Cayman Islands Companies Act (as revised), or the Companies Act, and the common law of the Cayman Islands. The rights of our shareholders and the fiduciary responsibilities of our directors under Cayman Islands law are not as clearly defined as and may be different from those under statutes or judicial precedent in existence in jurisdictions in the United States. In particular, the Cayman Islands has a less prescriptive body of corporate laws compared to the United States, and certain states, such as Delaware, may have more fulsome and judicially interpreted bodies of corporate law. Therefore, shareholders may have more difficulty in protecting their interests in the face of actions by our management or board of directors than would shareholders of a corporation incorporated in a jurisdiction in the United States. For example, shareholders of Cayman Islands exempted companies such as Herbalife Ltd. have no general rights under Cayman Islands law to inspect corporate records and accounts or to obtain copies of lists of shareholders. Our directors have discretion under our articles of association to determine whether, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest. A shareholder may have a direct right of action against us where its individual rights have been, or are about to be, infringed. Our Cayman Islands counsel, Maples and Calder (Cayman) LLP, is not aware of any reported class action having been brought in a Cayman Islands court. Derivative actions have been brought in the Cayman Islands courts, and the Cayman Islands courts have confirmed the availability of such actions. In most cases, however, we would be the proper plaintiff where an action is brought to redress any loss or damage suffered by us, or based on a breach of duty owed to us, and a claim, for example, against our officers or directors, usually may not be brought by a shareholder. However, based on **Cayman Islands authorities together with** English authorities, **the latter of** which would likely be of persuasive authority and be applied by a court in the Cayman Islands, exceptions to the foregoing principle may apply where: • a company is acting or proposing to act illegally or outside the scope of its corporate authority; • the act complained of, although not beyond the scope of the company' s corporate authority, could be effected only if authorized by~~

more than the number of votes of the shareholders of the company actually obtained; or • those who control the company are perpetrating a “ fraud on the minority. ” Certain provisions in our convertible senior notes and the related indentures, as well as certain provisions of Cayman Islands law and our articles of association, could make it more difficult or more expensive for a third party to acquire us. For example, if an acquisition event constitutes a fundamental change in respect of either or both classes of convertible senior notes, holders of the notes will have the right to require us to purchase their notes in cash. In addition, if an acquisition event constitutes a make- whole fundamental change under either or both indentures, we may be required to increase the conversion rate for holders who convert their notes in connection with such make- whole fundamental change. Our articles of association contain certain provisions which could have an effect of discouraging a takeover or other transaction or preventing or making it more difficult for shareholders to change the direction or management of our Company. For example, our articles of association permit our board of directors to issue preference shares from time to time, with such rights and preferences as they consider appropriate. Our board of directors could authorize the issuance of preference shares with terms and conditions and under circumstances that could have an effect of discouraging a takeover or other transaction. In addition, our articles of association prohibit the ability of shareholders to act by written consent, limit the ability of shareholders to call special meetings of shareholders, and contain advance notice provisions. As a result, our shareholders may have less input into the management of our Company than they might otherwise have if these provisions were not included in our articles of association. The Companies Act contains provisions to facilitate mergers and consolidations between Cayman Islands companies and non- Cayman Islands companies (provided that is facilitated by the laws of such other jurisdiction). These provisions, contained within Part XVI of the Companies Act, are broadly similar to the merger provisions provided for under Delaware law. There are, however, important differences that could impede a takeover. For example, the threshold for approval of the merger plan by shareholders is higher. The threshold is a special resolution of the shareholders (being 66 ⅔ % of those present in person or by proxy and voting) together with such other authorization, if any, as may be specified in the articles of association. Additionally, the consent of each holder of a fixed or floating security interest is required to be obtained unless the Grand Court of the Cayman Islands waives such requirement. The Companies Act contains separate statutory provisions that provide for the merger, reconstruction, and amalgamation of companies pursuant to court approved arrangements. These are commonly referred to in the Cayman Islands as “ schemes of arrangement. ” The procedural and legal requirements necessary to consummate a scheme of arrangement are more rigorous and take longer to complete than the procedures typically required to consummate a merger in the United States. Under Cayman Islands law and practice, a scheme of arrangement in relation to a solvent Cayman Islands company must be approved at a shareholders’ meeting by at least 75 % of the value of each relevant class of the company’ s shareholders present and voting at the meeting. The convening of these meetings and the terms of the arrangement must also be sanctioned by the Grand Court of the Cayman Islands. Although there is no requirement to seek the consent of the creditors of the parties involved in the scheme of arrangement, the Grand Court typically seeks to ensure that the creditors have consented to the transfer of their liabilities to the surviving entity or that the scheme of arrangement does not otherwise materially adversely affect creditors’ interests. Furthermore, the court will only approve a scheme of arrangement if it is satisfied that: • the company is not proposing to act illegally or beyond the scope of its corporate authority and the statutory provisions as to majority vote have been complied with; • the shareholders who voted at the meeting in question fairly represent the relevant class of shareholders to which they belong; • the scheme of arrangement is such as a businessman would reasonably approve; and • the scheme of arrangement is not one that would more properly be sanctioned under some other provision of the Companies Act or that would amount to a “ fraud on the minority. ” If the scheme of arrangement is approved, dissenting shareholders would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of U. S. corporations, providing rights to receive payment in cash for the judicially determined value of the shares. In addition, if an offer by a third party to purchase shares has been approved by the holders of at least 90 % of the issued and outstanding shares (not including shares held by such third party) within four months of the third party making such offer, the third party may, during the two months following expiration of the four- month period, require the holders of the remaining shares to transfer their shares on the same terms on which the purchaser acquired the first 90 % of the issued and outstanding shares. An objection can be made to the Grand Court of the Cayman Islands, but this is unlikely to succeed unless there is evidence of fraud, bad faith, collusion or inequitable treatment of the shareholders. Further, transactions similar to a merger, reconstruction and / or an amalgamation may in some cases be achieved through means other than these statutory provisions, such as a share capital exchange, asset acquisition or control, or through contractual arrangements of an operating business. We are incorporated as an exempted company with limited liability under the laws of the Cayman Islands. A material portion of our assets are located outside of the United States. Herbalife Ltd. has been advised by its Cayman Islands legal counsel, Maples and Calder (Cayman) LLP, that the courts of the Cayman Islands are unlikely (i) to recognize or enforce against Herbalife Ltd. judgments of courts of the United States predicated upon the civil liability provisions of the securities laws of the United States or any state; and (ii) in original actions brought in the Cayman Islands, to impose liabilities against Herbalife Ltd. predicated upon the civil liability provisions of the securities laws of the United States or any state, so far as the liabilities imposed by those provisions are penal in nature. In those circumstances, although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, the courts of the Cayman Islands will recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without retrial on the merits based on the principle that a judgment of a competent foreign court imposes upon the judgment debtor an obligation to pay the sum for which judgment has been given provided certain conditions are met. For a foreign money judgment to be enforced in the Cayman Islands, such judgment must be final and conclusive and for a liquidated sum, and must not be in respect of taxes or a fine or penalty, inconsistent with a Cayman Islands judgment in respect of the same matter, impeachable on the grounds of fraud, or obtained in a manner, or be of a kind the enforcement of which is, contrary to natural justice or the public policy of the Cayman Islands (awards of punitive or multiple damages may well be held to be contrary to public policy). A Cayman Islands court may stay enforcement proceedings if

concurrent proceedings are being brought elsewhere. Mail addressed to the Company and received at its registered office will be forwarded unopened to the forwarding address supplied by the Company. None of Herbalife Ltd., its directors, officers, advisors or service providers (including the organization that provides registered office services in the Cayman Islands) will bear any responsibility for any delay caused in mail reaching the forwarding address. If a U. S. shareholder owns 10 % or more of our common shares, it may be subject to increased U. S. federal income taxation under the “ controlled foreign corporation, ” or CFC, rules. A non- U. S. corporation will be classified as a CFC for any particular taxable year, if U. S. persons (including individuals and entities) who own (directly, indirectly, or constructively) 10 % or more of the voting power or value of shares, or 10 % U. S. Shareholders, own, in the aggregate, more than 50 % of the total combined voting power or value of the shares. In determining whether a shareholder is treated as a 10 % U. S. Shareholder, the voting power of the shares and any special voting rights, such as to appoint directors, may also be taken into account. In addition, certain constructive ownership rules apply, which attribute share ownership among certain family members and certain entities and their owners. Such constructive ownership rules may also attribute share ownership to persons that are entitled to acquire shares pursuant to an option, such as the holders of our 2024 Convertible Notes or 2028 Convertible Notes. As a result of certain changes to the CFC constructive ownership rules introduced by the Tax Cuts and Jobs Act of 2017, or U. S. Tax Reform, one or more of our non- U. S. corporate subsidiaries that were not previously classified as CFCs are now classified as CFCs, including on a retroactive basis. For 10 % U. S. Shareholders, this may result in adverse tax consequences. Generally, 10 % U. S. Shareholders of a CFC are required to include currently in gross income their respective shares of (i) the CFC’ s “ Subpart F income ” (e. g. items of passive income and certain income resulting from inter- company sales and services), (ii) the CFC’ s earnings (that have not been subject to tax under the Subpart F rules) to the extent the CFC holds certain U. S. property, and (iii) the CFC’ s global intangible low- taxed income pursuant to the U. S. Tax Reform. Such 10 % U. S. Shareholders are subject to current U. S. federal income tax with respect to the foregoing income items, even if the CFC has not made an actual distribution to such shareholders. While we do not believe that Herbalife Ltd. is classified as a CFC, such entity and one or more of our non- U. S. corporate subsidiaries not already classified as CFCs could become classified as CFCs either as a result of (i) additional changes to tax laws, rules, or regulations, including future pronouncements or other guidance from the IRS or (ii) an increase in the percentage ownership of our common shares by shareholders who hold, or in the future may hold, 10 % or more of our common shares, whether as a result of future share acquisitions, the impact of any share repurchases we may undertake, or otherwise. Shareholders who own, or contemplate owning, 10 % or more of our shares (taking into account the impact of any share repurchases we may undertake and the constructive ownership rules) are urged to consult their tax advisors. No assurances can be given that future legislative, administrative, or judicial developments will not result in an increase in the amount of U. S. taxes payable by an investor in our shares. If any such developments occur, such developments could have a material and adverse effect on an investment in our shares.