

USANA

INVESTOR OVERVIEW

NYSE: USNA

November 2023



SAFE HARBOR

Forward-Looking Statements.

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act. Our actual results could differ materially from those projected in these forward-looking statements, which involve a number of risks and uncertainties, including: uncertainty related to the COVID-19 pandemic (“COVID-19”) to our business, operations and financial results; the potential for a resurgence of COVID-19 spread in any of our markets in the future; the impact of COVID-19 on the domestic and world economies, including any negative impact on discretionary spending, consumer demand, and consumer behavior in general; regulatory risk in China in connection with the health products and direct selling business models; regulatory risk in the United States in connection with the direct selling business model; potential negative effects of deteriorating foreign and/or trade relations between the United States and China; compliance with data privacy and security laws and regulations in our markets around the world; potential negative effects from geopolitical relations and conflicts, including the Russia-Ukraine conflict and the conflict in Israel; potential negative effects of material breaches of our information technology systems to the extent we experience a material breach; material failures of our information technology systems; global economic conditions generally, including increasing inflationary pressure around the world and any negative impact on our operating costs, consumer demand and consumer behavior in general; reliance upon our network of independent Associates; risk associated with governmental regulation of our products, manufacturing and direct selling business model; adverse publicity risks globally; risks associated with our international expansion and operations; and uncertainty relating to the fluctuation in U.S. and other international currencies. The contents of this release should be considered in conjunction with the risk factors, warnings, and cautionary statements that are contained in our most recent filings with the Securities and Exchange Commission. The forward-looking statements in this press release set forth our beliefs as of the date hereof. We do not undertake any obligation to update any forward-looking statement after the date hereof or to conform such statements to actual results or changes in the Company’s expectations, except as required by law.

Non-GAAP Financial Measures.

The Company prepares its financial statements using U.S. generally accepted accounting principles (“GAAP”). Constant currency net sales, earnings, EPS and other currency-related financial information (collectively, “Financial Results”) are non-GAAP financial measures that remove the impact of fluctuations in foreign-currency exchange rates (“FX”) and help facilitate period-to-period comparisons of the Company’s Financial Results that we believe provide investors an additional perspective on trends and underlying business results. Constant currency Financial Results are calculated by translating the current period’s Financial Results at the same average exchange rates in effect during the applicable prior year period and then comparing this amount to the prior-year period’s Financial Results. Free cash flow (“FCF”) is a non-GAAP financial measure that we believe provides investors an additional perspective on cash flow from operating activities in excess of amounts required for reinvestment. We believe it provides a measure of our ability to fund various discretionary business initiatives, including acquisitions and share repurchase. Free cash flow is calculated by subtracting net capital expenditures from net cash provided by operating activities. Return on invested capital (“ROIC”) is a non-GAAP financial measure that we believe provides a measure of how effectively we deploy our capital base. We calculate ROIC as net operating profit after-tax for the trailing twelve months divided by average total debt and shareholders’ equity for the trailing twelve months.

USANA At-A-Glance

USANA develops and manufactures high-quality, science based nutritional and personal care products with a primary focus on promoting long-term health and wellness.

Headquarters:
Salt Lake City, UT

Founded:
1992

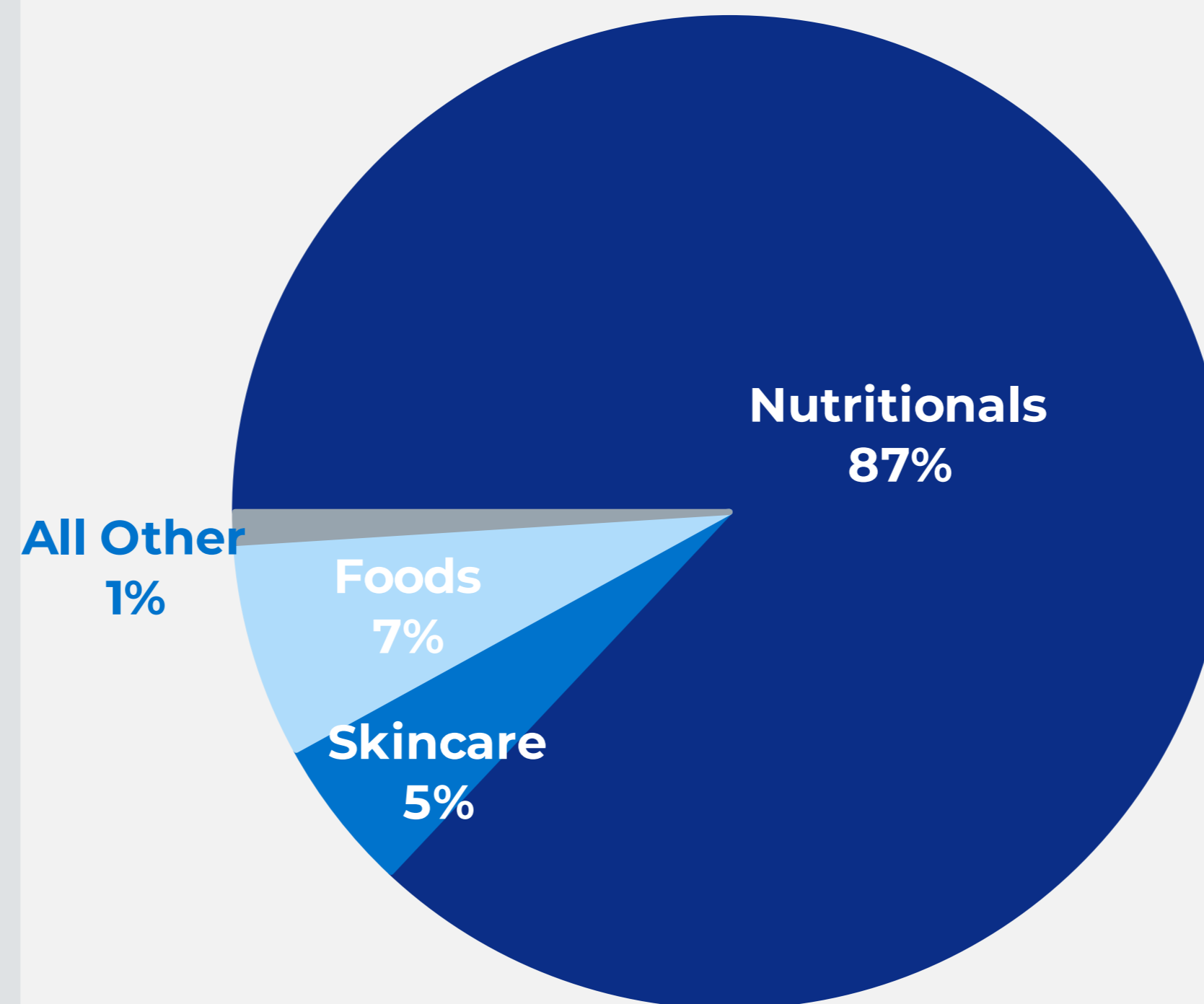
Employees:
1,978

Annual Revenue:
\$999M¹

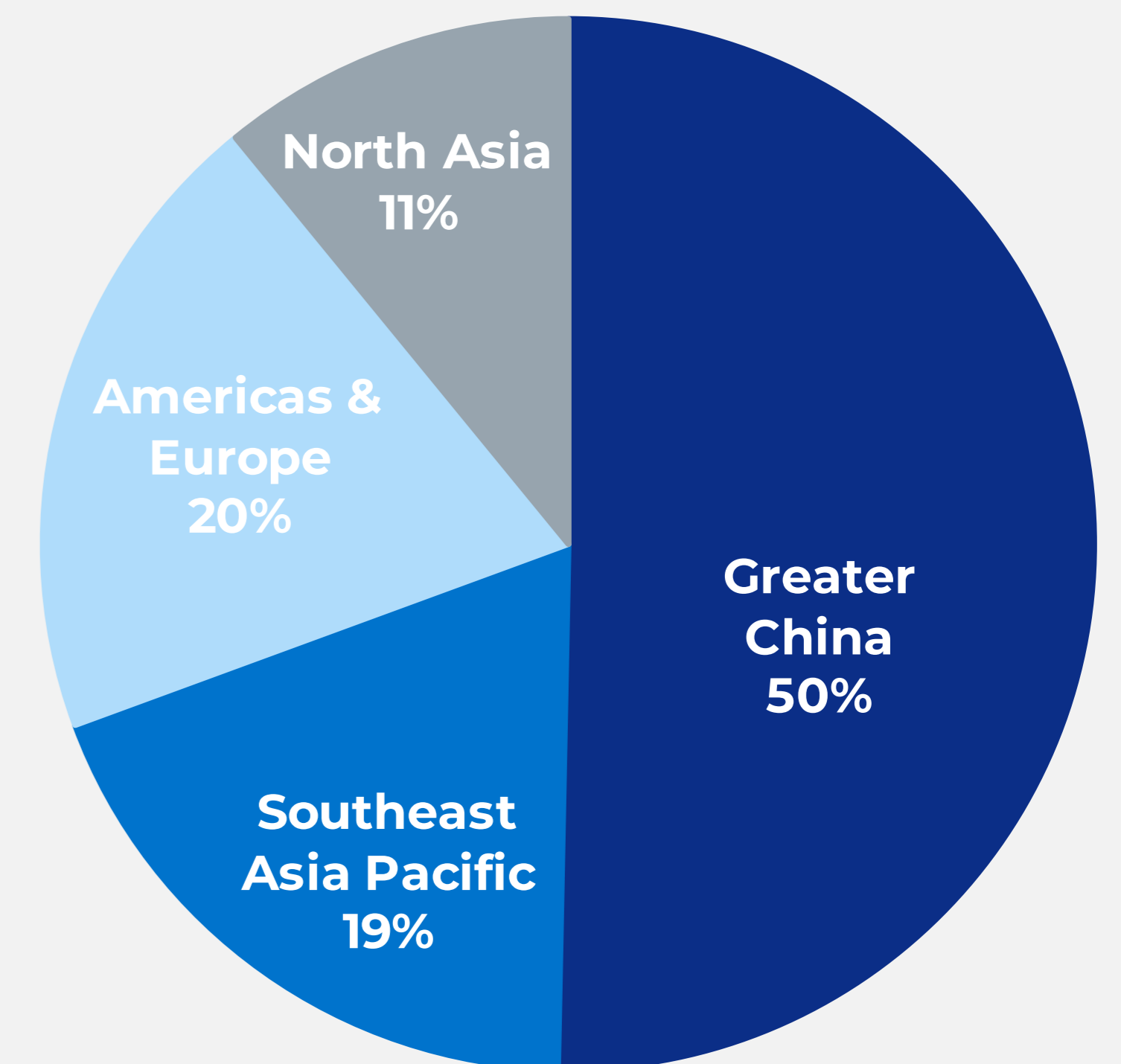
Market Cap:
\$850M²

¹ FY 2022
² As of 11/13/23

Product Mix¹



Geographic Mix¹



USANA.

OUR OPERATIONAL PROCESS

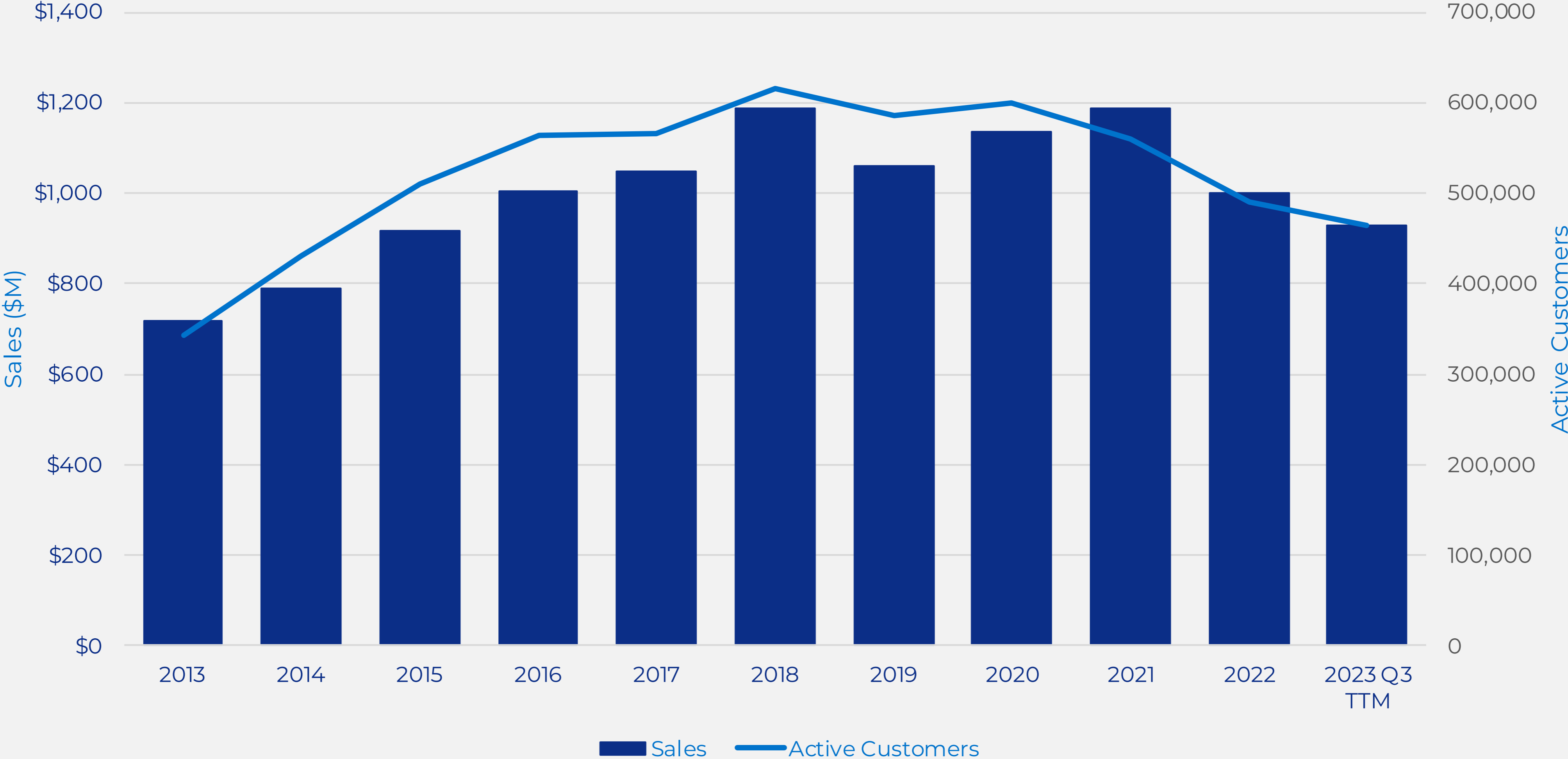


5-Pronged Approach to Profitable Growth



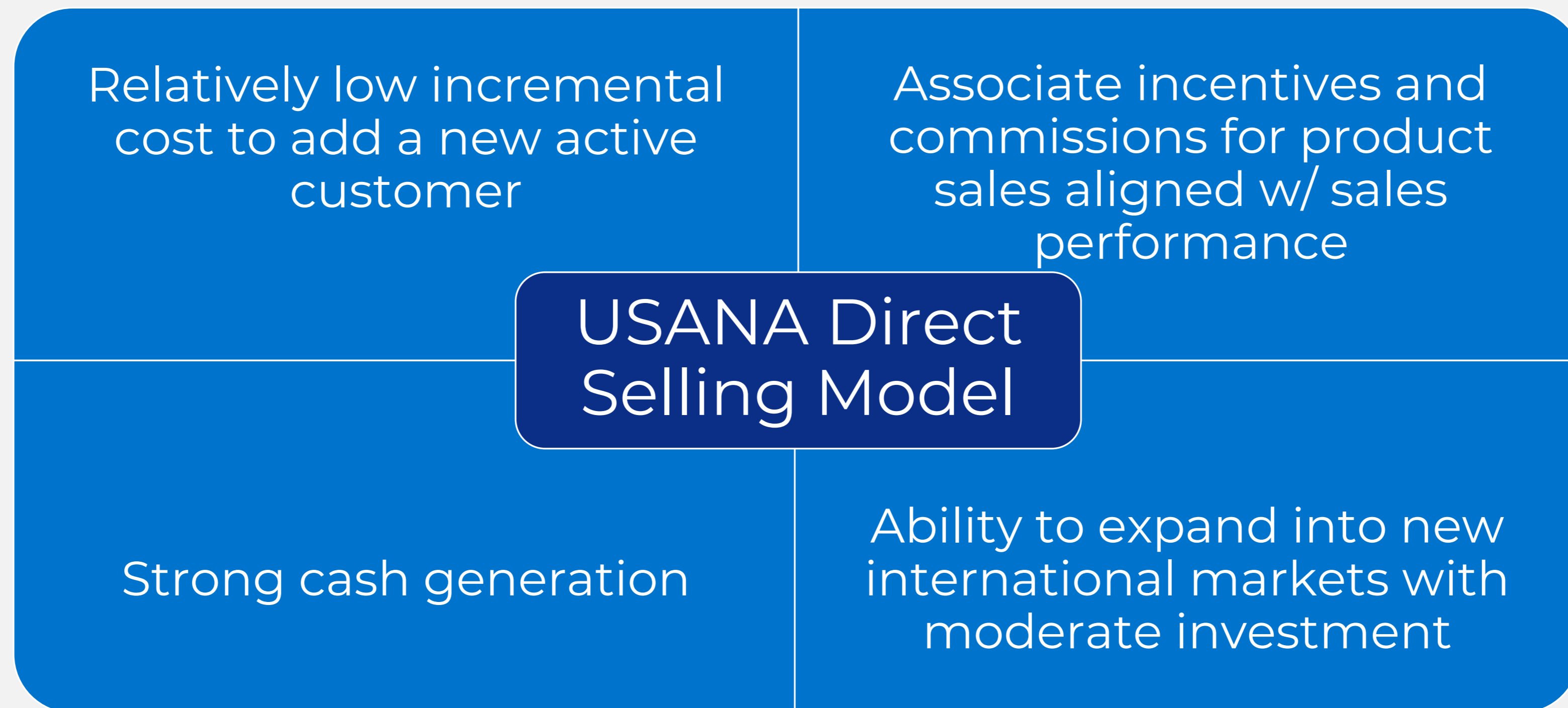
Active Customer Growth

Key leading indicator for sales growth



Direct Selling Model: A Key Driver of Operating Leverage

USANA distributes its products internationally through a direct sales network of individual business owners (Associates).



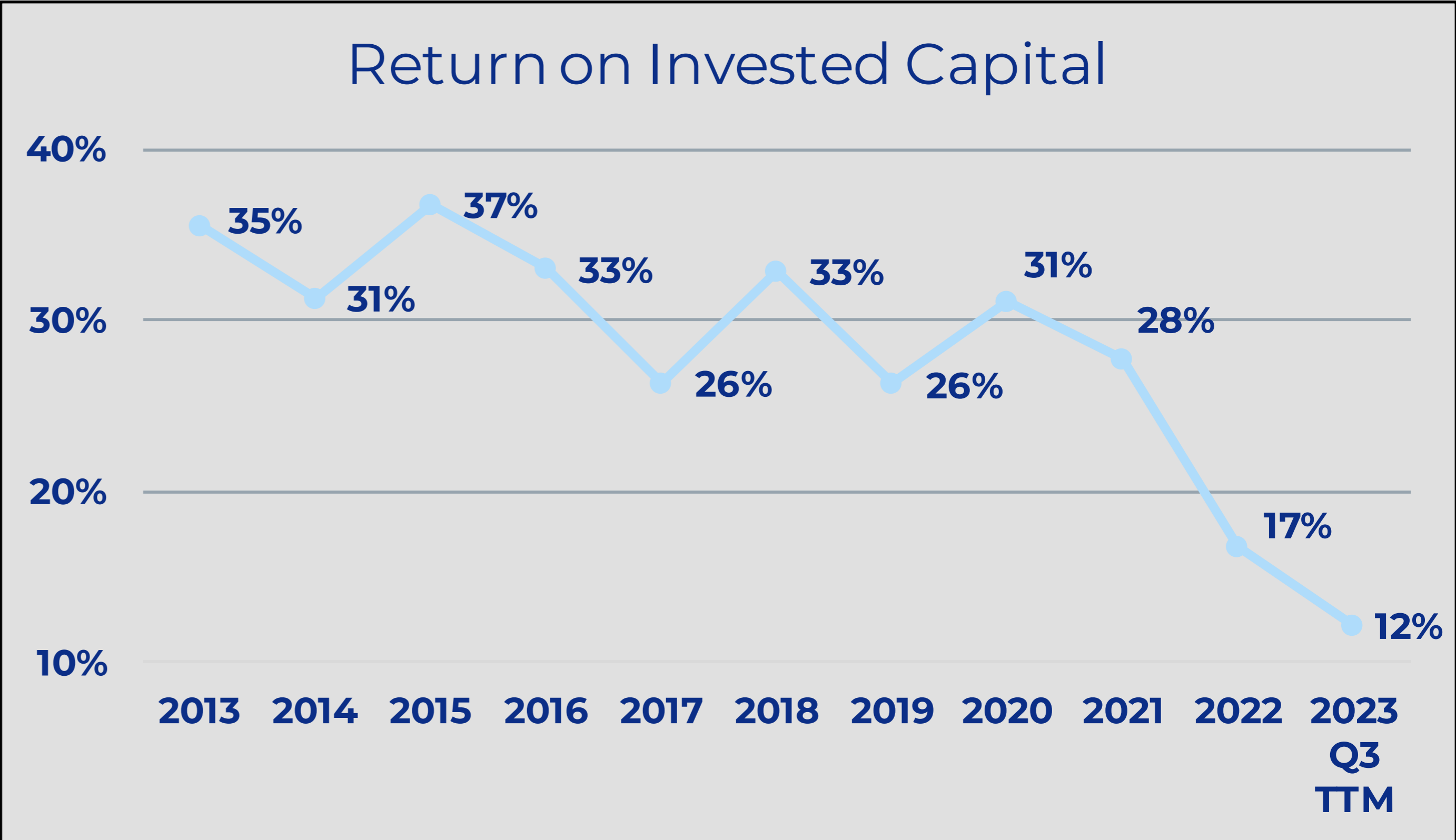
In-House Manufacturing: A Key Differentiator

63% of products are manufactured in-house

- Increased operational and financial flexibility
- Flexibility in supply chain management

GMP manufacturing facility is designed to pharmaceutical standards

- Compliant with applicable manufacturing regulations and standards, including Good Manufacturing Practices



*2017 results exclude \$11.6M adjustment for incremental expenses related to internal investigation in China, -\$4.0M income tax adjustment for incremental expenses related to internal investigation in China, and \$30.1M one-time non-cash charge related to the U.S. Tax Reform



High-Quality, Science-Based Products

Product formulations based on
the latest scientific research

- On-site R&D labs and facilities
- 60+ scientists on staff

Highest quality raw ingredients
for optimal bioavailability

Leverage brand partnerships

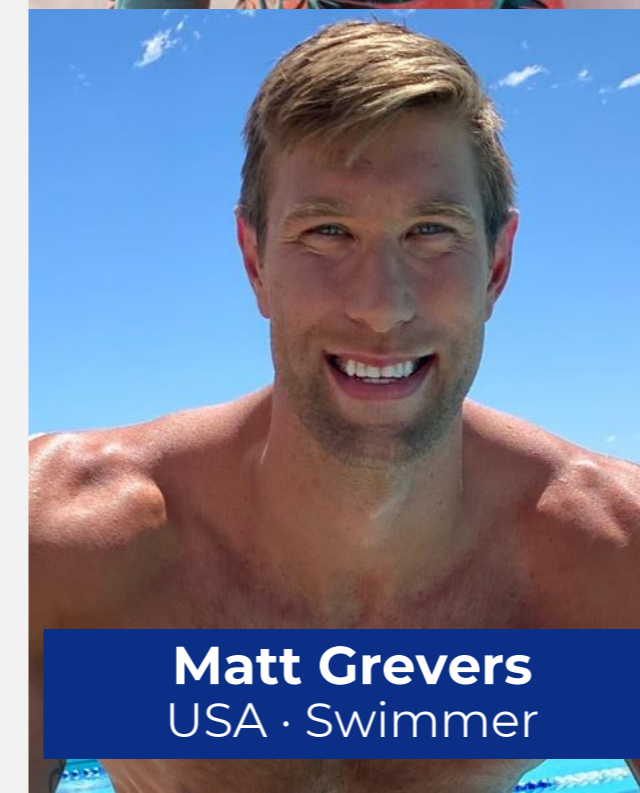


Felicity Palmateer
Australia · Surfer

**Professional
and Olympic
Athletes
Trust USANA**



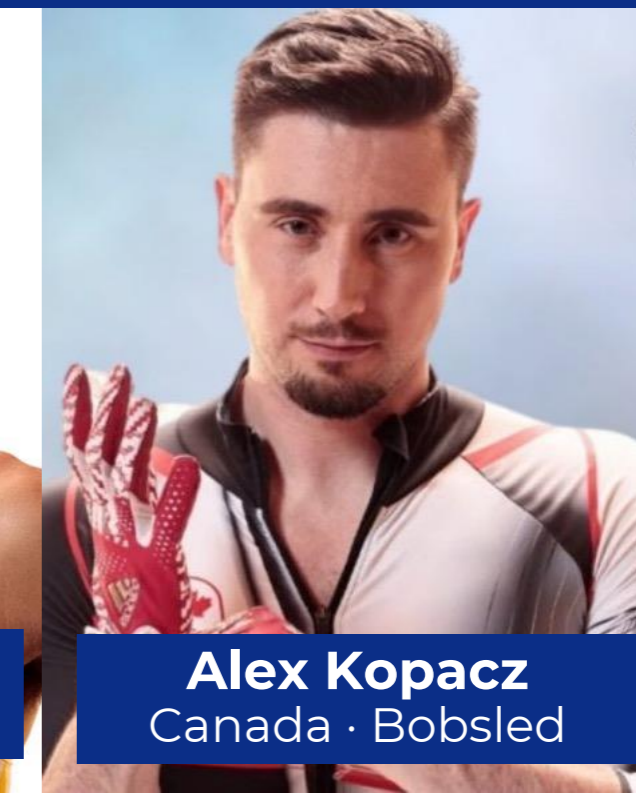
Meaghan Mikkelson
Canada · Hockey



Matt Grevers
USA · Swimmer



Nikko Huelgas
Philippines · Triathlete



Alex Kopacz
Canada · Bobsled

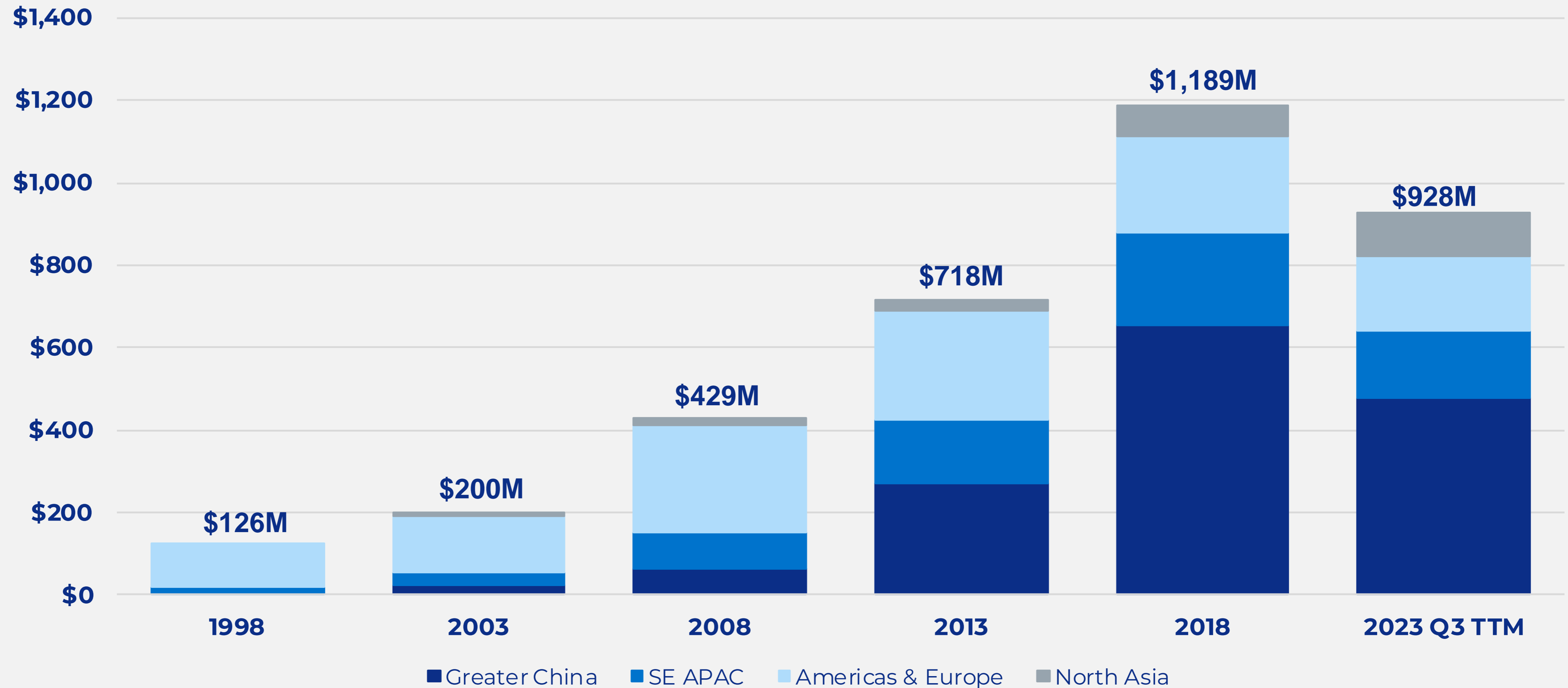


Sarah Wells
Canada · Hurdles

Expanding International Presence

Operating in 24 markets

Annual Sales (\$M)



USANA.

WHERE
WE'RE
GOING



Global Growth Strategy



Increase the Number of Individuals & Families Consuming Product on a Regular Basis



Active Customer Growth



International Expansion



Strategic collaborations and acquisitions

Active Customer Growth



Digital Investments

Ongoing enhancements to improve the customer shopping experience

Tools and training for Associates

Customer communications (text/chat)



Product Innovation

Active Nutrition rollout and category expansion continues

Holistic approach to health and wellness

Leverage foods manufacturing facility in Salt Lake City



China Growth

Enhance recently released native shopping app

Utilize in-house media studio for digital content development

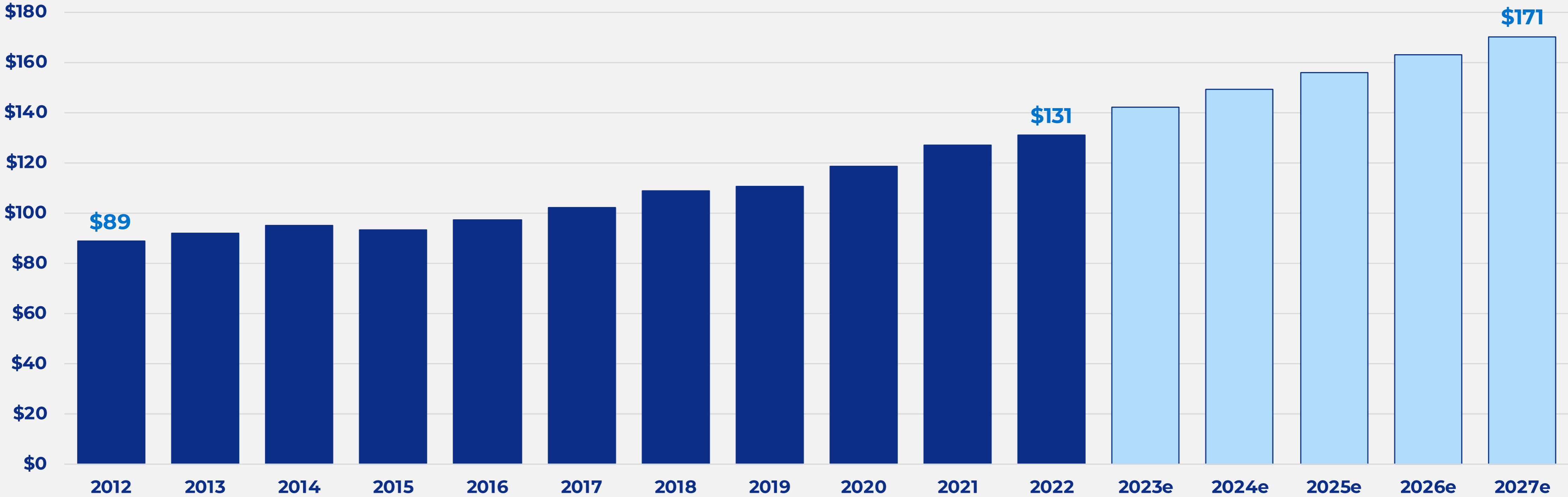
Further leverage third-party research collaborations

Branch office innovation

Significant Headroom for Further Growth

\$131B addressable global market opportunity
5% CAGR 2023e-2027e

Global Vitamins & Supplements Market (\$B)



Strategic Collaborations and Acquisitions



FOCUS AREAS



Holistic approach to health & wellness



Vertical integration



Product and category expansion



Geographic expansion



Expanding core competencies

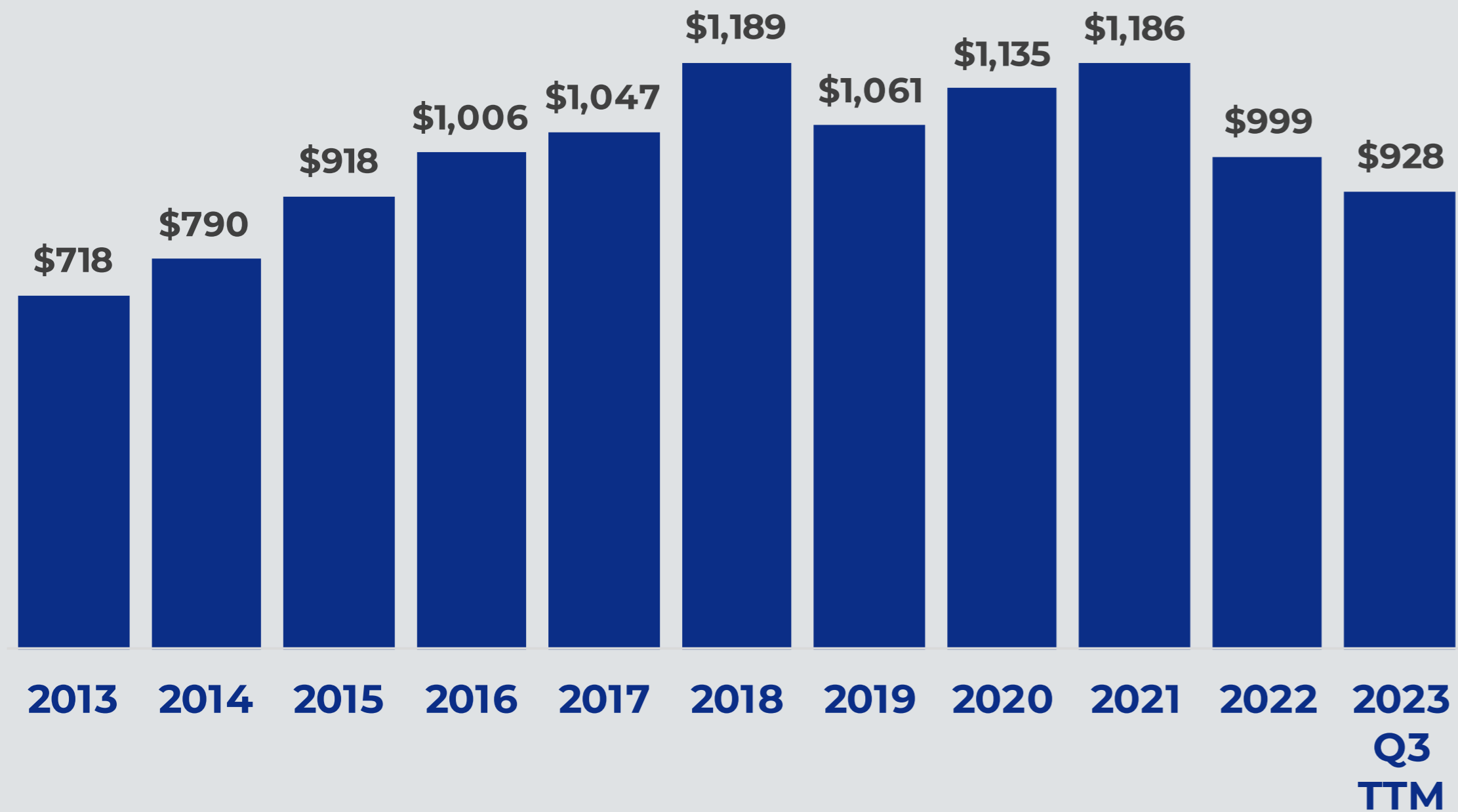
USANA

FINANCIAL HIGHLIGHTS



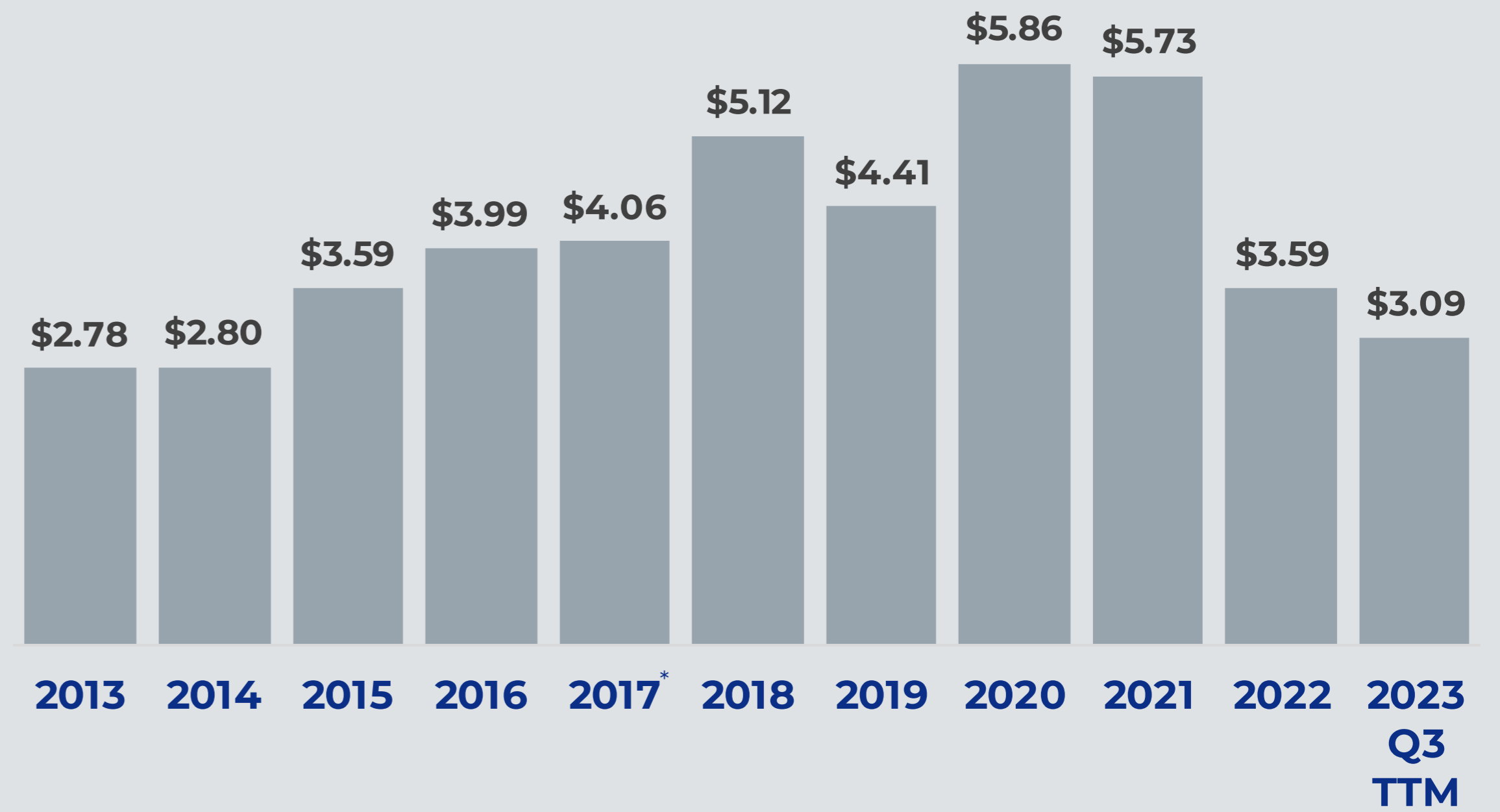
Stable and Solid Long-Term Performance

Sales



\$Millions

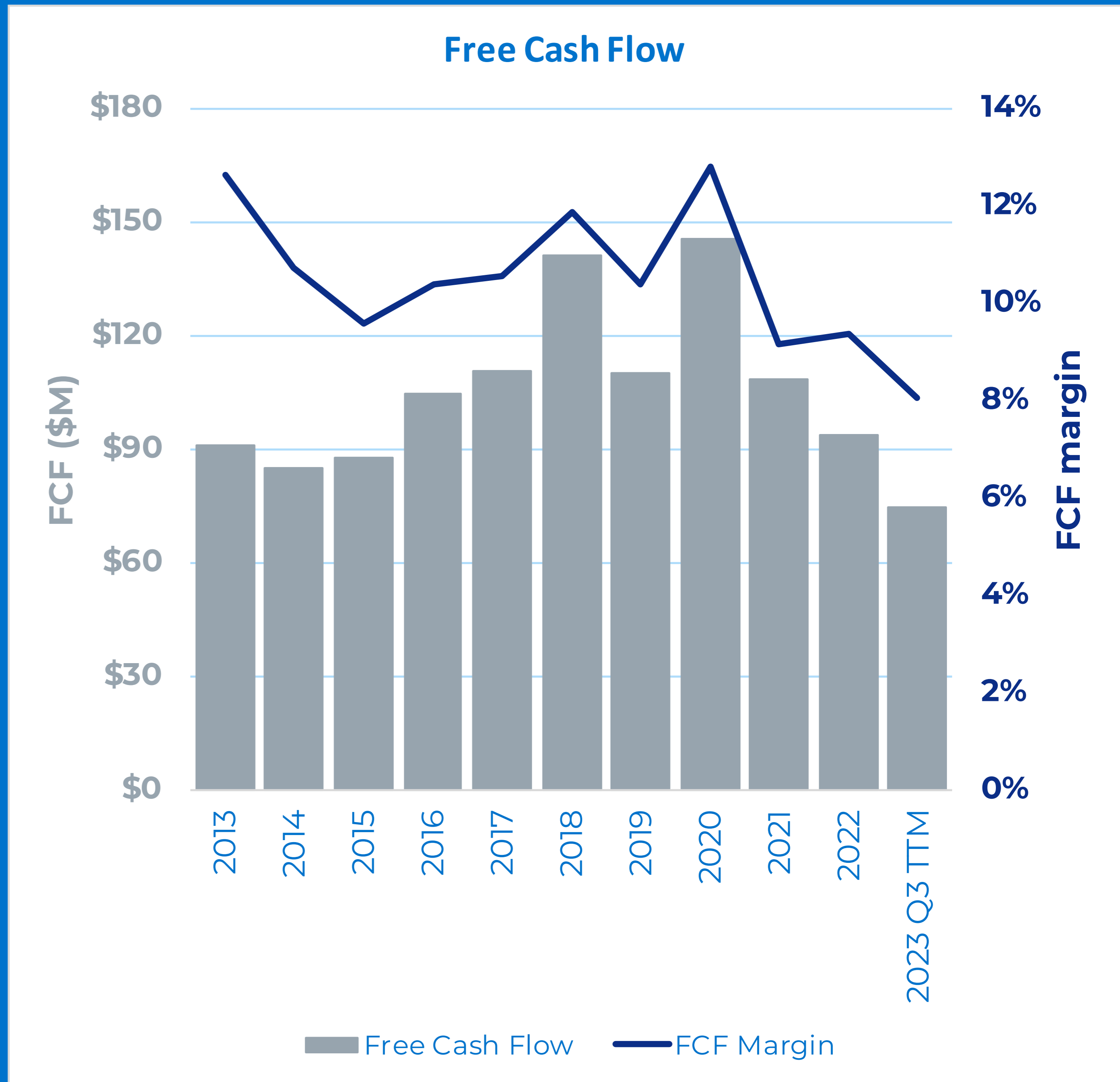
Diluted EPS



Healthy Cash Flow Generation

Low capex requirements (~1-3% of sales)

Consistent and stable FCF margin



FCF = Operating Cash Flow – Net Capex
FCF margin = FCF/Annual Sales

Capital Allocation Priorities

- Internal investment/Organic growth
- Acquisitions/Partnerships
- Buybacks

Investment Summary

- Leading, global, provider of high-quality nutritional supplements with 30 years of history
- Effective execution in our direct selling model yields strong cash generation and consistent financial performance
- Positioned to benefit from growing consumer demand for health and wellness products
- Presence in attractive growth markets and room to expand
- Debt-free balance sheet
- Experienced management team



USANA®

Thank You