

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):
April 22, 2025

USANA HEALTH SCIENCES, INC.

(Exact name of registrant as specified in its charter)

Utah
(State or other jurisdiction of incorporation)

001-35024
(Commission File No.)

87-0500306
(IRS Employer
Identification No.)

3838 West Parkway Boulevard
Salt Lake City, Utah 84120
(Address of principal executive offices, Zip Code)
Registrant's telephone number, including area code: (801) 954-7100

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	USNA	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On April 22, 2025, USANA Health Sciences, Inc. (the “Company” or “USANA”) issued a press release announcing its financial results for the first quarter ended March 29, 2025. The release also announced that the Company will post a document titled “Management Commentary” on the Company’s website and that executives of the Company will hold a conference call with investors, to be broadcast over the World Wide Web and by telephone and provided access information, date and time for the conference call. The Company noted that the call will consist of brief remarks by the Company’s management team, before moving directly into questions and answers. A copy of the press release, and the Management Commentary, are furnished herewith as Exhibits 99.1 and 99.2 to this Current Report on Form 8-K and are incorporated herein by reference. These documents will be posted on the Company’s corporate website, www.usana.com.

The information in this Current Report is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Current Report, including the exhibits, shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended. The furnishing of the information in this Current Report is not intended to, and does not, constitute a representation that such furnishing is required by Regulation FD or that the information this Current Report contains is material investor information that is not otherwise publicly available.

Item 7.01 Regulation FD Disclosure

The information disclosed above under Item 2.02, as well as the exhibits attached under Item 9.01 below are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press release issued by USANA Health Sciences, Inc. dated April 22, 2025 (furnished herewith).
99.2	Management Commentary provided by USANA Health Sciences, Inc. dated April 22, 2025 (furnished herewith).
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

USANA HEALTH SCIENCES, INC.

By: /s/ G. Douglas Hekking
G. Douglas Hekking, Chief Financial Officer

Date: April 22, 2025



USANA Health Sciences Reports First Quarter 2025 Results and Reiterates Full-Year Outlook

SALT LAKE CITY, April 22, 2025 (BUSINESS WIRE)—USANA Health Sciences, Inc. (NYSE: USNA) today announced financial results for its fiscal first quarter ended March 29, 2025.

Key Financial Results

First Quarter 2025 vs. First Quarter 2024

- Net sales of \$250 million versus \$228 million, representing year-over-year growth of 10% and 12% in constant currency.
- Net earnings of \$9.4 million versus \$16.5 million.
- Diluted EPS of \$0.49 as compared with \$0.86.
- Adjusted diluted EPS⁽¹⁾ of \$0.73 as compared with \$0.86.
- Adjusted EBITDA⁽²⁾ of \$30 million versus \$33 million.
- Direct selling Active Customers of 459,000 versus 494,000.
- Hiya Active Monthly Subscribers of 224,000.
- Company reiterates fiscal year 2025 outlook.

Q1 2025 Financial Performance

Consolidated Results			
		Year-over-Year	Sequentially
Net Sales	\$250 million	+10% (-\$6 million or -2% FX impact)	+17%
Net Earnings	\$9.4 million	-43%	+111%
Diluted EPS	\$0.49	-43%	+113%
Adjusted Diluted EPS ⁽¹⁾	\$0.73	-15%	+15%
Adjusted EBITDA ⁽²⁾	\$30 million	-10%	+17%

Net earnings, EPS and EBITDA figures represent amounts attributable to USANA and excludes the noncontrolling interest of 21.15% in Hiya

“USANA is off to a solid start to the year as we continue to execute our growth strategy through our core direct sales business and our recently acquired direct-to-consumer business, Hiya. We are seeing encouraging signs in our direct sales business with net sales and Active Customers growing modestly on a sequential basis for the second consecutive quarter,” said Jim Brown, President and Chief Executive Officer.

“Hiya delivered strong growth in net sales and Active Monthly Subscribers. Hiya’s momentum remains strong and should continue building as their team executes their plans to launch several new products this year, unveil another strategic partnership, and expand to additional channels. We continue to be confident in the growth trajectory of this business that is reaching a new customer demographic for us. On a consolidated basis, constant currency net sales grew 12% year-over-year and we are reiterating our full-year outlook.

“While the global macroeconomic environment has become less certain since the beginning of the year due to volatility in international trade, tariffs, and consumer sentiment, the underlying demand for our products has remained strong. Operationally, our manufacturing facilities in the United States and mainland China uniquely position us to deliver the best possible shopping experience and value to our customers in every market around the world. Our supply chain team has actively managed our inventory levels and sourcing, and will continue to work with our stakeholders in each of our markets to navigate the increasingly dynamic operating environment.”

Q1 2025 Direct Selling Regional Results:

Asia Pacific Region				
		Year-Over-Year	Year-over-Year (Constant Currency)	Sequentially
Net Sales	\$174 million	-6%	-4%	+4%
Active Customers	374,000	-5%	n.a.	+4%

Asia Pacific Sub-Regions					
			Year-Over-Year	Year-over-Year (Constant Currency)	Sequentially
Greater China	Net Sales	\$119 million	-7%	-5%	+5%
	Active Customers	254,000	-7%	n.a.	+3%
North Asia	Net Sales	\$19 million	-12%	-4%	+15%
	Active Customers	45,000	Flat	n.a.	+18%
Southeast Asia Pacific	Net Sales	\$36 million	-1%	No material FX impact	-6%
	Active Customers	75,000	-1%	n.a.	-3%

Americas and Europe Region				
		Year-Over-Year	Year-over-Year (Constant Currency)	Sequentially
Net Sales*	\$39 million	-9%	-4%	-11%
Active Customers	85,000	-14%	n.a.	-9%

*Includes \$2 million of 'Other' as reported in the tables to this release

Q1 2025 Hiya Direct to Consumer Results:

Hiya	
Net Sales	\$37 million
Active Monthly Subscribers	224,000

Balance Sheet and Share Repurchase Activity

During the first quarter, the Company generated \$15 million in operating cash flow and ended the quarter with \$180 million in cash and cash equivalents and \$23 million of debt. The Company repurchased 399,000 shares during the first quarter for an investment of \$12 million with approximately \$49 million remaining under the current share repurchase authorization as of the end of the first quarter.

Fiscal Year 2025 Outlook

The Company is reiterating its outlook for fiscal year 2025, as follows:

Fiscal Year 2025 Outlook	
	Range
Consolidated net sales	\$920 million to \$1.0 billion
Net earnings	\$29 million to \$41 million
Diluted EPS	\$1.50 to \$2.20
Adjusted Diluted EPS ⁽¹⁾	\$2.35 to \$3.00
Adjusted EBITDA ⁽²⁾	\$107 million to \$123 million

Net earnings, EPS and EBITDA figures represent amounts attributable to USANA and excludes the noncontrolling interest of 21.15% in Hiya

“First quarter operating results were in line with internal expectations and reflected solid contributions from our direct selling business and strong top line growth from Hiya,” said Doug Hekking, Chief Financial Officer. “We are reiterating our 2025 outlook and continue to anticipate consolidated top line growth of 8% to 17%. The impact of potential trade policies and tariffs remains highly uncertain at this time. As such, we have not reflected any potential impact in our financial guidance. Our primary focus, for now, is on the potential tariff impact associated with importing certain raw materials from China into the U.S. and importing certain raw materials from the U.S. into China. Our supply chain team continues to actively manage our exposure through efforts to selectively build inventory on exposed positions and seeking alternative sourcing relationships. Our team will continue to evaluate and pursue these strategies in an effort to mitigate the impact from tariffs or trade policies which become certain, and we will provide additional information as we gain greater visibility.”

The Company’s outlook reflects:

- Net sales from the direct selling business of \$775 to \$840 million, which includes an expected unfavorable currency exchange rate impact of approximately \$30 million, or -4% on net sales;
- Net sales from Hiya of \$145 to \$160 million, reflecting a year-over-year range of +29% to +42%;
- Effective tax rate of 41.5% to 45.0%; and
- Fiscal 2025 is a 53-week year and includes one additional week of sales compared to fiscal 2024. Prior to 2025, the last 53-week year was in fiscal 2020.

(1) Adjusted Diluted Earnings Per Share is a non-GAAP financial measure. The Company excludes acquisition-related costs, such as business transaction costs, integration expense and amortization expense from acquisition related intangible assets in calculating Adjusted Diluted Earnings Per Share. Please refer to “Non-GAAP Financial Measures” and “Reconciliation of Diluted Earnings Per Share (GAAP) to Adjusted Diluted Earnings Per Share (Non-GAAP)” in this press release for an explanation and reconciliation of this non-GAAP financial measure.

(2) Adjusted EBITDA is a non-GAAP financial measure. Please refer to “Non-GAAP Financial Measures” and “Reconciliation of Net Earnings (GAAP) to Adjusted EBITDA (Non-GAAP)” in this press release for an explanation and reconciliation of this non-GAAP financial measure.

Non-GAAP Financial Measures

This press release contains the non-GAAP financial measures Adjusted EBITDA and Adjusted diluted EPS. Adjusted EBITDA is a Non-GAAP financial measure of earnings before interest, taxes, depreciation, and amortization that also excludes certain adjustments as indicated below in the reconciliation from net earnings. Adjusted diluted EPS is a Non-GAAP financial measure of diluted earnings per share that excludes certain adjustments as indicated below in the reconciliation from diluted EPS.

Adjusted EBITDA (non-GAAP) is net earnings (loss) (its most directly comparable GAAP financial measure) adjusted for interest expense, net, (benefit from) provision for income taxes, depreciation and amortization, non-cash share-based compensation, and transaction-related expenses and integration costs for the Hiya acquisition. Adjusted EBITDA attributable to USANA (non-GAAP) is Adjusted EBITDA (non-GAAP) further adjusted to exclude the Adjusted EBITDA attributable to non-controlling interest related to Hiya.

Adjusted diluted earnings per share (non-GAAP) is diluted earnings (loss) per share (its most directly comparable GAAP financial measure) adjusted for amortization of intangible assets, transaction-related expenses, and integration costs related to the Hiya acquisition.

Management believes that Adjusted EBITDA (non-GAAP), Adjusted EBITDA attributable to USANA (non-GAAP), and Adjusted diluted earnings per share (non-GAAP), along with GAAP measures used by management, most appropriately reflect how the Company measures the business internally.

The Company prepares its financial statements using U.S. generally accepted accounting principles (“GAAP”) and investors should not directly compare with or infer relationship from any of the Company’s operating results presented in accordance with GAAP to Adjusted EBITDA and Adjusted diluted earnings per share. Non-GAAP financial measures have limitations in their usefulness to investors because they have no standardized meaning prescribed by GAAP and are not prepared under any comprehensive set of accounting rules or principles. In addition, other companies, including companies in our industry, may calculate similarly titled non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of non-GAAP financial information as a tool for comparison. As a result, the non-GAAP financial information is presented for supplemental informational purposes only and should not be considered in isolation from, or as a substitute for financial information presented in accordance with GAAP.

Reconciliation of Net Earnings (GAAP) to Adjusted EBITDA (non-GAAP)

	Quarter Ended	
	29-Mar-25	30-Mar-24
Net earnings attributable to USANA (GAAP)	\$ 9,402	\$ 16,537
Net earnings attributable to noncontrolling interest	(112)	-
Net earnings	\$ 9,290	\$ 16,537
Adjustments:		
Income taxes	7,449	10,574
Interest (income) expense	(312)	(2,624)
Depreciation and amortization	5,790	5,084
Amortization of intangible assets - Hiya	4,455	-
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	26,672	29,571
Add EBITDA adjustments:		
Non-cash share-based compensation	2,880	3,669
Transaction costs - Hiya	577	-
Inventory step-up - Hiya	582	-
Consolidated adjusted EBITDA	30,711	33,240
Less: Adjusted EBITDA attributable to noncontrolling interest	(954)	-
Adjusted EBITDA attributable to USANA	\$ 29,757	\$ 33,240

Reconciliation of Diluted Earnings Per Share (GAAP) to Adjusted Diluted Earnings Per Share (non-GAAP)

	Quarter Ended	
	29-Mar-25	30-Mar-24
Net earnings attributable to USANA (GAAP)	\$ 9,402	\$ 16,537
Earnings per common share - Diluted (GAAP)	\$ 0.49	\$ 0.86
Weighted Average common shares outstanding - Diluted	19,085	19,302
Adjustment to net earnings:		
Transaction costs - Hiya	\$ 577	\$ -
Inventory step-up - Hiya	582	-
Amortization of intangible assets - Hiya	4,455	-
Adjustments to net earnings attributable to noncontrolling interest	(1,066)	-
Income tax effect of adjustments to net earnings	(4)	-
Adjusted net earnings attributable to USANA	\$ 13,946	\$ 16,537
Adjusted earnings per common share - Diluted	\$ 0.73	\$ 0.86
Weighted average common shares outstanding - Diluted	19,085	19,302

Management Commentary Document and Conference Call

For further information on the USANA's operating results, please see the Management Commentary document, which has been posted on the Company's website (<http://ir.usana.com>) under the Investor Relations section. USANA's management team will hold a conference call and webcast to discuss today's announcement with investors on Wednesday, April 23, 2025 at 11:00 AM Eastern Time. **Investors may listen to the call by accessing USANA's website at <http://ir.usana.com>.** The call will consist of brief opening remarks by the Company's management team, followed by a questions and answers session.

Safe Harbor

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act. These forward-looking statements are based on current plans, expectations, estimates, forecasts, and projections as well as the beliefs and assumptions of management. Words such as "expect," "enhance," "drive," "anticipate," "intend," "improve," "promote," "should," "believe," "continue," "plan," "goal," "opportunity," "estimate," "predict," "may," "will," "could," and "would," and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Such forward-looking statements include, but are not limited to, statements regarding Hiya's strong growth in 2025 and continued growth in the future; statements about the Company's long-term growth; and the statements under the sub-heading "Fiscal Year 2025 Outlook." Our actual results could differ materially from those projected in these forward-looking statements, which involve a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control, including: risks relating to global economic conditions generally, including continued inflationary pressure around the world and negative impact on our operating costs, consumer demand and consumer behavior in general; reliance upon our network of independent Associates; risk that our Associate compensation plan, or changes that we make to the compensation plan, will not produce desired results, benefit our business or, in some cases, could harm our business; risk associated with our launch of new products or reformulated existing products; risks related to governmental regulation of our products, manufacturing and direct selling business model in the United States, China and other key markets; potential negative effects of deteriorating foreign and/or trade

relations between or among the United States, China and other key markets, including potential adverse impact from tariffs, trade policies or other international disputes by and among the United States, China, or other markets that are important to the Company; potential negative effects from geopolitical relations and conflicts around the world, including the Russia-Ukraine conflict and the conflict in Israel; compliance with data privacy and security laws and regulations in our markets around the world; 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; adverse publicity risks globally; risks associated with early stage operations in India and future international expansion and operations; uncertainty relating to the fluctuation in U.S. and other international currencies; the potential for a resurgence of COVID-19, or another pandemic, in any of our markets in the future and any related impact on consumer health, domestic and world economies, including any negative impact on discretionary spending, consumer demand, and consumer behavior in general; risk that the Hiya acquisition disrupts each company's current plans and operations; the diversion of the attention of the management teams of USANA and Hiya from ongoing business operations; the ability of to retain key personnel of Hiya; the ability to realize the benefits of the acquisition, including efficiencies and cost synergies; the ability to successfully integrate Hiya's business with USANA's business, at all or in a timely manner; and the amount of the costs, fees, expenses and charges related to the acquisition. 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.

About USANA

USANA develops and manufactures high-quality nutritional supplements, functional foods and personal care products that are sold directly to Associates and Preferred Customers throughout the United States, Canada, Australia, New Zealand, Hong Kong, China, Japan, Taiwan, South Korea, Singapore, Mexico, Malaysia, the Philippines, the Netherlands, the United Kingdom, Thailand, France, Belgium, Colombia, Indonesia, Germany, Spain, Romania, Italy, and India.

More information on USANA can be found at www.usana.com. USANA also owns a 78.8% controlling ownership stake in Hiya Health Products, a children's health and wellness company with a variety of clean-label products. More information on Hiya can be found at www.hiyahealth.com.

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USANA HEALTH SCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

	Quarter Ended	
	March 29, 2025	March 30, 2024
Net sales	\$ 249,539	\$ 227,800
Cost of sales	52,445	43,069
Gross profit	197,094	184,731
Operating expenses:		
Associate incentives	89,985	95,758
Selling, general and administrative	91,438	64,300
Total operating expenses	181,423	160,058
Earnings from operations	15,671	24,673
Other income (expense):		
Interest income	723	2,676
Interest expense	(411)	(52)
Other, net	756	(186)
Other income (expense), net	1,068	2,438
Earnings before income taxes	16,739	27,111
Income taxes	7,449	10,574
Net earnings	9,290	16,537
Less: Net earnings (loss) attributable to redeemable noncontrolling interest	(112)	—
Net earnings attributable to USANA	<u>\$ 9,402</u>	<u>\$ 16,537</u>
Earnings per common share attributable to USANA		
Basic	\$ 0.49	\$ 0.86
Diluted	\$ 0.49	\$ 0.86
Weighted average common shares outstanding		
Basic	19,049	19,174
Diluted	19,085	19,302

USANA HEALTH SCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)
(unaudited)

	As of March 29, 2025	As of December 28, 2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 179,613	\$ 181,768
Inventories	73,557	69,735
Prepaid expenses and other current assets	28,224	27,684
Total current assets	281,394	279,187
Property and equipment, net	94,245	94,565
Goodwill	144,218	144,168
Intangible assets, net	147,157	151,823
Deferred tax assets	18,843	19,644
Other assets*	60,739	58,806
Total assets	\$ 746,596	\$ 748,193
LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST, AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 13,974	\$ 11,984
Line of credit	23,000	23,000
Other current liabilities	100,409	104,641
Total current liabilities	137,383	139,625
Deferred tax liabilities	4,801	4,073
Other long-term liabilities	20,539	18,163
Redeemable noncontrolling interest	54,111	54,223
Stockholders' equity attributable to USANA	529,762	532,109
Total liabilities, redeemable noncontrolling interest, and stockholders' equity	\$ 746,596	\$ 748,193

**Includes noncurrent inventories of \$2,864 and \$2,688 as of 29-Mar-25 and 28-Dec-24, respectively. Total inventories were \$76,421 and \$72,423 as of 29-Mar-25 and 28-Dec-24, respectively.*

USANA HEALTH SCIENCES, INC. AND SUBSIDIARIES
SALES BY REGION
(in thousands)
(unaudited)

	Quarter Ended				Change from prior year	Percent change	Currency impact on sales	% change excluding currency impact				
	March 29, 2025		March 30, 2024									
Direct Selling:												
Asia Pacific												
Greater China	\$	118,746	47.6 %	\$	127,615	56.0 %	\$	(8,869)	(6.9 %)	\$	(2,015)	(5.4 %)
Southeast Asia Pacific		35,720	14.3 %		36,065	15.9 %		(345)	(1.0 %)		(118)	(0.6 %)
North Asia		18,941	7.6 %		21,421	9.4 %		(2,480)	(11.6 %)		(1,709)	(3.6 %)
Asia Pacific Total		173,407	69.5 %		185,101	81.3 %		(11,694)	(6.3 %)		(3,842)	(4.2 %)
Americas and Europe		37,044	14.8 %		41,047	18.0 %		(4,003)	(9.8 %)		(1,749)	(5.5 %)
Direct Selling total		210,451	84.3 %		226,148	99.3 %		(15,697)	(6.9 %)		(5,591)	(4.5 %)
Hiya		37,089	14.9 %		—	— %		37,089	N/A		—	N/A
Other		1,999	0.8 %		1,652	0.7 %		347	21.0 %		—	21.0 %
Consolidated total	\$	249,539	100.0 %	\$	227,800	100.0 %	\$	21,739	9.5 %	\$	(5,591)	12.0 %

USANA HEALTH SCIENCES, INC. AND SUBSIDIARIES
DIRECT SELLING ACTIVE ASSOCIATES AND ACTIVE PREFERRED CUSTOMERS BY REGION
(unaudited)

Direct Selling Active Associates by Region⁽¹⁾
(unaudited)

	As of March 29, 2025		As of March 30, 2024	
Asia Pacific:				
Greater China	65,000	35.3 %	71,000	36.1 %
Southeast Asia Pacific	48,000	26.1 %	51,000	25.9 %
North Asia	33,000	17.9 %	30,000	15.2 %
Asia Pacific Total	146,000	79.3 %	152,000	77.2 %
Americas and Europe	38,000	20.7 %	45,000	22.8 %
	184,000	100.0 %	197,000	100.0 %

Direct Selling Active Preferred Customers by Region⁽²⁾
(unaudited)

	As of March 29, 2025		As of March 30, 2024	
Asia Pacific:				
Greater China	189,000	68.7 %	203,000	68.3 %
Southeast Asia Pacific	27,000	9.8 %	25,000	8.4 %
North Asia	12,000	4.4 %	15,000	5.1 %
Asia Pacific Total	228,000	82.9 %	243,000	81.8 %
Americas and Europe	47,000	17.1 %	54,000	18.2 %
	275,000	100.0 %	297,000	100.0 %

(1) Associates are independent distributors of our products who also purchase our products for their personal use. We only count as active those Associates who have purchased from us any time during the most recent three-month period, either for personal use or resale.

(2) Preferred Customers purchase our products strictly for their personal use and are not permitted to resell or to distribute the products. We only count as active those Preferred Customers who have purchased from us any time during the most recent three-month period. China utilizes a Preferred Customer program that has been implemented specifically for that market.

USANA HEALTH SCIENCES, INC. AND SUBSIDIARIES
OPERATING RESULTS AS A PERCENTAGE OF NET SALES

	Quarter Ended					
	29-Mar-25			30-Mar-24		
	Direct Selling & Other	Hiya	Consolidated	Direct Selling & Other	Hiya	Consolidated
Net Sales	100.0%	100.0%	100.0%	100.0%	N/A	100.0%
Cost of Sales	18.1%	38.0%	21.0%	18.9%	N/A	18.9%
Gross Profit	81.9%	62.0%	79.0%	81.1%	N/A	81.1%
Operating Expenses						
Associate Incentives	42.4%	0.0%	36.1%	42.0%	N/A	42.0%
SG&A	32.0%	63.4%	36.6%	28.3%	N/A	28.3%
Total operating expenses	74.3%	63.4%	72.7%	70.3%	N/A	70.3%
Earnings from operations	7.6%	-1.4%	6.3%	10.8%	N/A	10.8%
Amortization of acquired intangible assets	0.1%	12.0%	1.9%	0.1%	N/A	0.1%



USANA Health Sciences, Inc.
Q1 2025 Management Commentary

April 22, 2025

Key Financial Results

	Three Months Ended		Year-over-Year
	March 29, 2025	March 30, 2024	
Net Sales	\$250	\$228	+10%
Net Earnings	\$9.4	\$16.5	-43%
Diluted EPS	\$0.49	\$0.86	-43%
Adjusted Diluted EPS ⁽¹⁾	\$0.73	\$0.86	-15%
Adjusted EBITDA ⁽²⁾	\$30	\$33	-10%
Direct Selling Active Customers	459,000	494,000	-7%
Hiya Active Monthly Subscribers	224,000	n.a.	n.a.

Figures in millions, except per share, Active Customer and Active Monthly Subscriber data

Net earnings, EPS and EBITDA figures represent amounts attributable to USANA and excludes the noncontrolling interest of 21.15% in Hiya

Overview

We are off to a solid start to the year with consolidated constant currency net sales growing 12% year-over-year. While consumer sentiment in many of our markets remains cautious, and the international trade and tariff environment remains volatile, we see encouraging signs in our direct selling business, and strong growth in our newly acquired Hiya business, and are reiterating our full year guidance.

During the first quarter we continued to prioritize our Associate engagement efforts in our direct selling business and held several leadership events across various markets, with a focus on business-building strategy, leadership recognition and USANA's Associate-first commitment. Our commercial team successfully expanded our product offering in several markets with the rollout of additional existing products during the first quarter. Simultaneously, the team

continued to increase their efforts on several new product launches that are planned to be announced in the second half of the year.

Hiya delivered robust results with strong growth in net sales and Active Monthly Subscribers. Momentum remains strong and should continue building as the management team executes their plans to launch several new products this year, unveil another strategic partnership, and expand to additional channels. We remain confident in the growth trajectory of this business and are proud to be reaching a new customer demographic in children's health and wellness. Note that Hiya has a seasonality pattern to their business, which entails heavier investment in customer acquisition in the first and third quarters, which are typically followed by declines in customer acquisition investment in the second and fourth quarters.

While the global macroeconomic environment has become less certain since the beginning of the year due to volatility in international trade, tariffs, and consumer sentiment, the underlying demand for our products has remained strong. Operationally, our manufacturing facilities in the United States and mainland China uniquely position us to reliably deliver the best quality products to our customers in every market around the world. In total, we manufacture approximately 69% of our products in-house. Our supply chain team has been actively engaged in building targeted inventory levels both domestically and abroad over the last several quarters and are focused on strategic sourcing efforts that allow us to better support key stakeholders in each of our markets in an increasingly dynamic operating environment.

Our strategic initiatives in our direct selling business this year will continue to focus on the following: (i) a higher cadence of new product launches and improved existing products tailored to local markets, (ii) strategic enhancements and modifications to our Associate incentive offering, which are intended to incent customer growth and improve pay for performance, (iii) strengthening our brand messaging, story, and value proposition, and (iv) accelerating Associate engagement activities in our regions around the world. We remain confident that the successful

execution of these strategies will position USANA's direct selling business to return to growth and deliver sustainable operating results.

Hiya's strategic priorities for this year continue to include capitalizing on recent product launches to drive further growth in its direct-to-consumer model, expanding strategic partnerships, and laying the groundwork for channel expansion. From an integration standpoint, our focus remains on the implementation of new systems and controls to ensure that Hiya is fully operating as a subsidiary of a public company. Simultaneously, we continue to work closely with the Hiya team to identify both long and short-term synergy opportunities.

Q1 2025 Financial Performance

Consolidated Results			
		Year-over-Year	Sequentially
Net Sales	\$250 million	+10% (-\$6 million or -2% FX impact)	+17%
Net Earnings	\$9.4 million	-43%	+111%
Diluted EPS	\$0.49	-43%	+113%
Adjusted Diluted EPS ⁽¹⁾	\$0.73	-15%	+15%
Adjusted EBITDA ⁽²⁾	\$30 million	-10%	+17%

Net earnings, EPS and EBITDA figures represent amounts attributable to USANA and excludes the noncontrolling interest of 21.15% in Hiya

Balance Sheet and Share Repurchase Activity

We generated \$15 million in operating cash flow during the first quarter and ended the quarter with \$180 million in cash and cash equivalents and \$23 million of debt.

As of March 29, 2025, inventories were \$76 million, or 6% higher compared to the year-end balance in fiscal 2024. We've modestly increased inventory in certain markets to manage risks related to potential tariffs. Our in-house sourcing and manufacturing capabilities provide us with better control of inventory levels and help to mitigate supply chain risks while providing a meaningful contribution to delivering the highest quality nutritional products.

We repurchased 399,000 shares for an investment of \$12 million during the quarter. As of March 29, 2025, we had approximately \$49 million remaining under the current share repurchase authorization.

Quarterly Income Statement Discussion

As part of the reorganization of our commercial team that took place over the last year, there has been a shift in how we recognize certain expenses. For example, certain activities and individuals were repurposed into new areas of focus and, as a result, those expenses that had historically been captured as a component of cost of sales are now included in selling, general and administrative expense. This change totaled an estimated \$1.7 million shift from COGS to SG&A during the first quarter.

Gross margin decreased 210 basis points from the prior year to 79.0% of net sales. The decrease is largely attributed to an approximate 300 basis point unfavorable impact on consolidated results from Hiya, which carries lower gross margins relative to the direct selling business. Gross margin in the direct selling business improved 90 basis points from the prior year to 81.9% of segment net sales. The increase is largely attributable to the previously mentioned change in cost attribution related to the reorganization of the commercial team. Lastly, a modest benefit from price increases was partially offset by the negative impact of FX rates.

Associate Incentives decreased 590 basis points from the prior year to 36.1% of net sales. The decrease is largely attributable to an approximate 630 basis point impact on consolidated results from Hiya, which does not payout Associate Incentives. For the direct selling business, Associate Incentives increased 40 basis points from the prior year to 42.4% of segment net sales, reflecting higher incentive and promotional expenses in the current year quarter.

Selling, General and Administrative expenses increased 830 basis points from the prior year to 36.6% as a percentage of net sales. The increase reflects an approximate 460 basis point unfavorable impact on consolidated results from Hiya, which has a higher mix of SG&A compared to the direct selling business. A notable component of our higher consolidated SG&A is the amortization of intangible assets attributable to our acquisition of Hiya. Additionally,

Hiya's first quarter SG&A expense reflects typical seasonality with higher investment in marketing spend directed toward customer acquisition. SG&A expenses for the direct selling business increased 370 basis points from the prior year to 32.0% of segment net sales. The increase is primarily due to a loss of leverage on lower year-over-year net sales and also reflects the change in the activities and organization of the commercial team.

The year-to-date effective tax rate increased to 44.5% from the 39.0% reported in the comparable period of 2024. The higher effective tax rate can be attributed primarily to the change in the market mix of pre-tax income.

Q1 2025 Direct Selling Regional Results:

Asia Pacific Region				
		Year-Over-Year	Year-over-Year (Constant Currency)	Sequentially
Net Sales	\$174 million	-6%	-4%	+4%
Active Customers	374,000	-5%	n.a.	+4%

Asia Pacific Sub-Regions					
			Year-Over-Year	Year-over-Year (Constant Currency)	Sequentially
Greater China	Net Sales	\$119 million	-7%	-5%	+5%
	Active Customers	254,000	-7%	n.a.	+3%
North Asia	Net Sales	\$19 million	-12%	-4%	+15%
	Active Customers	45,000	Flat	n.a.	+18%
Southeast Asia Pacific	Net Sales	\$36 million	-1%	No material FX impact	-6%
	Active Customers	75,000	-1%	n.a.	-3%

Greater China: Net sales and local currency sales in mainland China decreased 7% and 5% year-over-year, respectively. Active Customers in this market decreased 7% year-over-year. The year-over-year declines reflect a lower cadence of promotional activity. Sequentially, the improved

regional performance was driven by our mainland China market where net sales and Active Customers increased 6% and 4%, respectively. This was primarily the result of an incentive offering at the beginning of the year.

North Asia: Net sales and local currency sales in South Korea declined 12% and 4% year-over-year, respectively, and Active Customers increased 2%. The year-over-year sales declines reflect lower average spend per customer. On a sequential basis, net sales and local currency sales increased 15% and 20%, respectively, while Active Customers grew 19%. The primary driver of sequential performance during the quarter was attributable to a positive response to an incentive offering.

Southeast Asia Pacific: Net sales in Malaysia increased 4% year-over-year while local currency sales declined 2%. Active Customers increased 4% year-over-year. Sequentially, net sales and local currency in Malaysia increased 7% and 8%, respectively, while Active Customers were flat. Year-over-year results reflect a favorable comparison compared to last year's first quarter while sequential results reflect positive response to a regional incentive offering. In the Philippines, net sales and local currency sales declined 5% and 1% year-over-year, respectively, while Active Customers increased 6%. Sequentially, both net sales and local currency sales in the Philippines grew 4%, while Active Customers increased 6%. Year-over-year results were impacted by lower average spend per customer while sequential results reflect positive response to a regional incentive offering.

Americas and Europe Region				
		Year-Over-Year	Year-over-Year (Constant Currency)	Sequentially
Net Sales*	\$39 million	-9%	-4%	-12%
Active Customers	85,000	-14%	n.a.	-9%

*Includes \$2 million of 'Other'

Americas and Europe Region: Net sales and local currency sales in Canada decreased 7% and 1%, respectively, while Active Customers decreased 9%. Net sales and Active Customers in the United States declined 8% and 17% year-over-year, respectively. Sequentially, net sales and local currency sales in Canada decreased 11% and 8%, respectively, while Active Customers declined 6%. In the United States, net sales declined 18% sequentially while Active Customers

were 10% lower. Year-over-year results in both markets reflect a continued challenging environment to attract new customers while sequential results are attributable to a lower cadence of promotional activity compared to the fourth quarter of 2024.

Q1 2025 Hiya Direct to Consumer Results:

Hiya	
Net Sales	\$37 million
Active Monthly Subscribers	224,000

Hiya: First quarter results reflect strong subscriber acquisition momentum and increasing subscriber adoption of new products, notably, Daily Greens which was launched in the the third quarter of 2024. As such, the year-over-year growth rate in net sales outpaced the growth rate in Active Monthly Subscribers in the first quarter. We expect this trend in year-over-year growth to remain on a similar trajectory going forward, as average order value is expected to increase. Lastly, Hiya's strongest subscriber acquisition periods typically occur in the first and third quarter, while profitability is seasonally highest in the second and fourth quarter.

Fiscal Year 2025 Outlook

The Company is reiterating its outlook for fiscal year 2025, as follows:

Fiscal Year 2025 Outlook	
	Range
Consolidated Net Sales	\$920 million to \$1.0 billion
Net Earnings	\$29 million to \$41 million
Diluted EPS	\$1.50 to \$2.20
Adjusted Diluted EPS ⁽¹⁾	\$2.35 to \$3.00
Adjusted EBITDA ⁽²⁾	\$107 million to \$123 million

Net earnings, EPS and EBITDA figures represent amounts attributable to USANA and excludes the noncontrolling interest of 21.15% in Hiya

Our outlook for the year reflects:

- Net sales from the direct selling business of \$775 to \$840 million, which includes an expected unfavorable currency exchange rate impact of approximately \$30 million, or -4% on net sales;

- Net sales from Hiya of \$145 to \$160 million, reflecting a year-over-year range of +29% to +42%;
- Effective tax rate of 41.5% to 45.0%; and
- Fiscal 2025 is a 53-week year and includes one additional week of sales compared to fiscal 2024. Prior to 2025, the last 53-week year was in fiscal 2020.

We continue to monitor and assess the evolving global trade environment, including the imposition of tariffs and other trade-related actions by the U.S. and its trading partners around the world. The impact of potential trade policies and tariffs remains highly uncertain at this time. As such, we have not reflected any potential impact in our financial guidance. Our primary focus, for now, is on the potential tariff impact associated with importing certain raw materials from China into the U.S. and importing certain raw materials from the U.S. into China. Our supply chain team continues to actively manage our exposure through efforts to selectively build inventory on exposed positions and seeking alternative sourcing relationships. Our team will continue to evaluate and pursue these strategies in an effort to mitigate the impact from tariffs or trade policies which become certain, and we will provide additional information as we gain greater visibility.

In closing, we remain committed to growing our consolidated business and are confident that the successful execution of our strategies will position us to deliver sustainable long-term growth.

Jim Brown

President and CEO

Douglas Hekking

CFO

(1) Adjusted Diluted Earnings Per Share is a non-GAAP financial measure. The Company excludes acquisition-related costs, such as business transaction costs, integration expense and amortization expense from acquisition related intangible assets in calculating Adjusted Diluted Earnings Per Share. Please refer to “Non-GAAP Financial Measures” and “Reconciliation of Diluted Earnings Per Share (GAAP) to Adjusted Diluted Earnings Per Share (Non-GAAP)” in this press release for an explanation and reconciliation of this non-GAAP financial measure.

(2) Adjusted EBITDA is a non-GAAP financial measure. Please refer to “Non-GAAP Financial Measures” and “Reconciliation of Net Earnings (GAAP) to Adjusted EBITDA (Non-GAAP)” in this press release for an explanation and reconciliation of this non-GAAP financial measure.

Non-GAAP Financial Measures

This press release contains the non-GAAP financial measures Adjusted EBITDA and Adjusted diluted EPS. Adjusted EBITDA is a Non-GAAP financial measure of earnings before interest, taxes, depreciation, and amortization that also excludes certain adjustments as indicated below in the reconciliation from net earnings. Adjusted diluted EPS is a Non-GAAP financial measure of diluted earnings per share that excludes certain adjustments as indicated below in the reconciliation from diluted EPS.

Adjusted EBITDA (non-GAAP) is net earnings (loss) (its most directly comparable GAAP financial measure) adjusted for interest expense, net, (benefit from) provision for income taxes, depreciation and amortization, non-cash share-based compensation, and transaction-related expenses and integration costs for the Hiya acquisition. Adjusted EBITDA attributable to USANA (non-GAAP) is Adjusted EBITDA (non-GAAP) further adjusted to exclude the Adjusted EBITDA attributable to non-controlling interest related to Hiya.

Adjusted diluted earnings per share (non-GAAP) is diluted earnings (loss) per share (its most directly comparable GAAP financial measure) adjusted for amortization of intangible assets, transaction-related expenses, and integration costs related to the Hiya acquisition.

Management believes that Adjusted EBITDA (non-GAAP), Adjusted EBITDA attributable to USANA (non-GAAP), and Adjusted diluted earnings per share (non-GAAP), along with GAAP measures used by management, most appropriately reflect how the Company measures the business internally.

The Company prepares its financial statements using U.S. generally accepted accounting principles (“GAAP”) and investors should not directly compare with or infer relationship from any of the Company’s operating results presented in accordance with GAAP to Adjusted EBITDA and Adjusted diluted earnings per share. Non-GAAP financial measures have limitations in their usefulness to investors because they have no standardized meaning prescribed by GAAP and are not prepared under any comprehensive set of accounting rules or principles. In addition, other companies, including companies in our industry, may calculate similarly titled non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of non-GAAP financial information as a tool for comparison. As a result, the non-GAAP financial information is presented for supplemental informational purposes only and should not be considered in isolation from, or as a substitute for financial information presented in accordance with GAAP.

Reconciliation of Net Earnings (GAAP) to Adjusted EBITDA (non-GAAP)

	Quarter Ended	
	29-Mar-25	30-Mar-24
Net earnings attributable to USANA (GAAP)	\$ 9,402	\$ 16,537
Net earnings attributable to noncontrolling interest	(112)	-
Net earnings	\$ 9,290	\$ 16,537
Adjustments:		
Income taxes	7,449	10,574
Interest (income) expense	(312)	(2,624)
Depreciation and amortization	5,790	5,084
Amortization of intangible assets - Hiya	4,455	-
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	26,672	29,571
Add EBITDA adjustments:		
Non-cash share-based compensation	2,880	3,669
Transaction costs - Hiya	577	-
Inventory step-up - Hiya	582	-
Consolidated adjusted EBITDA	30,711	33,240
Less: Adjusted EBITDA attributable to noncontrolling interest	(954)	-
Adjusted EBITDA attributable to USANA	\$ 29,757	\$ 33,240

Reconciliation of Diluted Earnings Per Share (GAAP) to Adjusted Diluted Earnings Per Share (non-GAAP)

	Quarter Ended	
	29-Mar-25	30-Mar-24
Net earnings attributable to USANA (GAAP)	\$ 9,402	\$ 16,537
Earnings per common share - Diluted (GAAP)	\$ 0.49	\$ 0.86
Weighted Average common shares outstanding - Diluted	19,085	19,302
Adjustment to net earnings:		
Transaction costs - Hiya	\$ 577	\$ -
Inventory step-up - Hiya	582	-
Amortization of intangible assets - Hiya	4,455	-
Adjustments to net earnings attributable to noncontrolling interest	(1,066)	-
Income tax effect of adjustments to net earnings	(4)	-
Adjusted net earnings attributable to USANA	\$ 13,946	\$ 16,537
Adjusted earnings per common share - Diluted	\$ 0.73	\$ 0.86
Weighted average common shares outstanding - Diluted	19,085	19,302

Management Commentary Document and Conference Call

For further information on the USANA's operating results, please see the Management Commentary document, which has been posted on the Company's website (<http://ir.usana.com>) under the Investor Relations section. USANA's management team will hold a conference call and webcast to discuss today's announcement with investors on Wednesday, April 23, 2025 at 11:00 AM Eastern Time. **Investors may listen to the call by accessing USANA's website at <http://ir.usana.com>.** The call will consist of brief opening remarks by the Company's management team, followed by a questions and answers session.

Safe Harbor

This Management Commentary contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act. These forward-looking statements are based on current plans, expectations, estimates, forecasts, and projections as well as the beliefs and assumptions of management. Words such as "expect," "enhance," "drive," "anticipate," "intend," "improve," "promote," "should," "believe," "continue," "plan," "goal," "opportunity," "estimate," "predict," "may," "will," "could," and "would," and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Such forward-looking statements include, but are not limited to, statements regarding Hiya's strong growth in 2025 and continued growth in the future; statements about the Company's long-term growth; and the statements under the sub-heading "Fiscal Year 2025 Outlook." Our actual results could differ materially from those projected in these forward-looking statements, which involve a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control, including: risks relating to global economic conditions generally, including continued inflationary pressure around the world and negative impact on our operating costs, consumer demand and consumer behavior in general; reliance upon our network of independent Associates; risk that our Associate compensation plan, or changes that we make to the compensation plan, will not produce desired results, benefit our business or, in some cases, could harm our business; risk associated with our launch of new products or reformulated existing products; risks related to governmental regulation of our products, manufacturing and direct selling business model in the United States, China and other key markets; potential negative

effects of deteriorating foreign and/or trade relations between or among the United States, China and other key markets, including potential adverse impact from tariffs, trade policies or other international disputes by and among the United States, China, or other markets that are important to the Company; potential negative effects from geopolitical relations and conflicts around the world, including the Russia-Ukraine conflict and the conflict in Israel; compliance with data privacy and security laws and regulations in our markets around the world; 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; adverse publicity risks globally; risks associated with early stage operations in India and future international expansion and operations; uncertainty relating to the fluctuation in U.S. and other international currencies; the potential for a resurgence of COVID-19, or another pandemic, in any of our markets in the future and any related impact on consumer health, domestic and world economies, including any negative impact on discretionary spending, consumer demand, and consumer behavior in general; risk that the Hiya acquisition disrupts each company's current plans and operations; the diversion of the attention of the management teams of USANA and Hiya from ongoing business operations; the ability of to retain key personnel of Hiya; the ability to realize the benefits of the acquisition, including efficiencies and cost synergies; the ability to successfully integrate Hiya's business with USANA's business, at all or in a timely manner; and the amount of the costs, fees, expenses and charges related to the acquisition. 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 Management Commentary 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.

About USANA

USANA develops and manufactures high-quality nutritional supplements, functional foods and personal care products that are sold directly to Associates and Preferred Customers throughout the United States, Canada, Australia, New Zealand, Hong Kong, China, Japan, Taiwan, South Korea, Singapore, Mexico, Malaysia, the Philippines, the Netherlands, the United Kingdom,

Thailand, France, Belgium, Colombia, Indonesia, Germany, Spain, Romania, Italy, and India. More information on USANA can be found at www.usana.com. USANA also owns a 78.8% controlling ownership stake in Hiya Health Products, a children's health and wellness company with a variety of clean-label products. More information on Hiya can be found at www.hiyahealth.com.

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