



## Herbalife Nutrition Announces \$600 Million Repurchase of Shares from Icahn Enterprises L.P.

January 4, 2021

### Icahn Representatives on Board of Directors Step Down

LOS ANGELES--(BUSINESS WIRE)--Jan. 3, 2021-- Herbalife Nutrition Ltd. (NYSE: HLF) (the "Company"), a premier global nutrition company, today announced that on January 3, 2021, it entered into an agreement to repurchase approximately \$600 million of the Company's common shares beneficially owned by Carl C. Icahn and certain of his affiliates ("Icahn Enterprises"), at a purchase price of \$48.05 per share, the closing price of Herbalife Nutrition's common shares on December 31, 2020, the last trading day prior to the execution of the purchase agreement. The purchase of the shares will be funded from Herbalife Nutrition's cash on hand and existing credit facility. The repurchase announced today is a part of the Company's 2018 share repurchase program that, including the shares to be repurchased in this transaction, will have resulted in the Company repurchasing a total of approximately \$1.5 billion in shares.

The transaction is expected to close no later than January 7, 2021, and Icahn Enterprises will then hold approximately 8 million Herbalife Nutrition common shares, representing approximately 6% of the outstanding shares.

Pursuant to a support agreement entered into in 2013, at a time when the Company was under pressure from short sellers, the Company agreed to give Icahn Enterprises five board seats for as long as it held at least 14 million Company common shares. In light of the fact that this transaction will take Icahn Enterprises's holdings under this threshold, all five director designees previously nominated by Icahn Enterprises resigned from the Company's board of directors on January 3, 2021 and the support agreement was terminated at the same time.

John Agwunobi, Chairman and CEO of Herbalife Nutrition, said, "Our decision to repurchase these shares is a testament to the strength of our business and our long-term growth prospects. I am grateful to Carl for his friendship, advice and support and deeply appreciate his unwavering faith in our company, our products and our distributors. He was certainly there when we needed him. Carl took the time to get to know us and understand the benefits of our products and our direct sales business model and we have delivered value for him and our other shareholders. I look forward to his continued contributions as he will remain one of our largest shareholders. I am also grateful for his Board representatives, who have provided invaluable guidance and insight that has contributed to our impressive growth."

Carl Icahn stated: "I made the initial investment in Herbalife Nutrition more than eight years ago, because I believed strongly in the Company's strategy, products and business model. When I began purchasing the shares, I believed it was undervalued for extraneous reasons that I thought made little sense. At the time, I believed the Company was in need of an activist and that certainly turned out to be correct. Yet, the time for activism has passed as the Company has grown, and I don't typically invest billions of dollars in companies where our role as activist is not needed. That being said, Herbalife Nutrition's products and business opportunity are needed now more than ever, and I look forward to remaining a shareholder of the Company."

About Herbalife Nutrition Ltd.

Herbalife Nutrition is a global company that has been changing people's lives with great nutrition products and a proven business opportunity for its independent distributors since 1980. The Company offers high-quality, science-backed products, sold in over 90 countries by entrepreneurial distributors who provide one-on-one coaching and a supportive community that inspires their customers to embrace a healthier, more active lifestyle. Through the Company's global campaign to eradicate hunger, Herbalife Nutrition is also committed to bringing nutrition and education to communities around the world.

For more information, please visit [IAmHerbalifeNutrition.com](http://IAmHerbalifeNutrition.com).

Herbalife Nutrition also encourages investors to visit its investor relations website at <https://ir.herbalife.com/> as financial and other information is updated and new information is posted.

### Forward-Looking Statements

*This release contains "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, many of which are beyond our control. Additionally, many of these risks and uncertainties are, and may continue to be, amplified by the COVID-19 pandemic. Important factors that could cause our actual results, performance and achievements, or industry results, to differ materially from estimates or projections contained in or implied by our forward-looking statements include, among others, the following:*

- *the potential impacts of the COVID-19 pandemic on us, our Members, and the world economy (including our customers and our supply chain);*
- *our relationship with, and our ability to influence the actions of, our Members;*
- *improper action by our employees or Members in violation of applicable law;*
- *adverse publicity associated with our products or network marketing organization, including our ability to comfort the marketplace and regulators regarding our compliance with applicable laws;*
- *changing consumer preferences and demands;*
- *the competitive nature of our business;*
- *regulatory matters governing our products, including potential governmental or regulatory actions concerning the safety or*

*efficacy of our products and network marketing program, including the direct selling markets in which we operate;*

- *legal challenges to our network marketing program;*
- *the Consent Order entered into with the FTC, the effects thereof and any failure to comply therewith;*
- *risks associated with operating internationally and the effect of economic factors, including foreign exchange, inflation, disruptions or conflicts with our third-party importers, and pricing and currency devaluation risks, especially in countries such as Venezuela;*
- *uncertainties relating to interpretation and enforcement of legislation in China governing direct selling and anti-pyramiding;*
- *our inability to obtain or maintain the necessary licenses for our direct selling business in China and elsewhere;*
- *adverse changes in the Chinese economy;*
- *our dependence on increased penetration of existing markets;*
- *any material disruption to our business caused by natural disasters, other catastrophic events, acts of war or terrorism, viral outbreaks and other similar epidemics, or cybersecurity incidents;*
- *noncompliance by us or our Members with any privacy laws or any security breach by us or a third party involving the misappropriation, loss, or other unauthorized use or disclosure of confidential information;*
- *contractual limitations on our ability to expand our business;*
- *our reliance on our information technology infrastructure and outside manufacturers;*
- *the sufficiency of our trademarks and other intellectual property rights;*
- *product concentration;*
- *our reliance upon, or the loss or departure of any member of, our senior management team which could negatively impact our Member relations and operating results;*
- *U.S. and foreign laws and regulations applicable to our operations;*
- *uncertainties relating to the United Kingdom's exit from the European Union;*
- *restrictions imposed by covenants in our existing indebtedness;*
- *risks related to our convertible notes;*
- *changes in, and uncertainties relating to, the application of transfer pricing, duties, value added taxes, and other tax laws, treaties, and regulations, or their interpretation;*
- *taxation relating to our Members;*
- *product liability claims;*
- *our incorporation under the laws of the Cayman Islands;*
- *whether we will purchase any of our shares in the open markets or otherwise, and if so, the prices paid in connection with such acquisitions;*
- *the expected timing and risks related to consummation of the share repurchase transaction described herein; and*
- *share price volatility related to, among other things, speculative trading and certain traders shorting our common shares.*

*We do not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.*

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