# Herbalife Ltd.

**HLF**

NYSE; shops; SIC 5122, Wholesale-Drugs, Proprietaries & Druggists' Sundries; CIK 0001180262

**C**

**middle fifth of 256 graded peers in shops**

rank 116 of 256; percentile 45.1; sampling error 2.9 points; lower is stronger

A B C D E

**C, the tortoise**



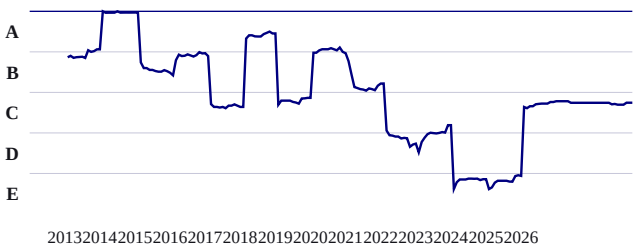
| Scoreboard | |
|---|---|
| **Profitability** | B<br>percentile 26.8 |
| **Solvency** | C/D<br>percentile 61.0 |
| **Growth and financing** | C<br>percentile 54.7 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $2.8B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 13 of 14 |
| **Graded from** | filings received through Feb 18, 2026<br>253 days before the rescan; latest periodic filing 10-Q received Aug 5, 2026 |
| **Last close** | $13.38<br>2026-10-28; market equity $1.4B; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Feb 18, 2026*

Herbalife is a global health and wellness company, that, for 46 years, has empowered millions of people to reach their nutrition, health and wellness goals using our science-backed products and the individual coaching provided by our network of independent members. We are the number one active and lifestyle nutrition brand in the world and sell the number one protein shake in the world. We provide weight management, targeted nutrition, energy, sports and fitness, and outer nutrition products in 95 markets around the world. We use a direct-selling business model to distribute and market our nutrition products to and through a global network of Members.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 26.8** | | | | | | |
| Gross profitability | 140.8% | 42.0% | | 2.5 | 240 | 2025-12-31 |
| Return on invested capital | 36.7% | 10.9% | | 13.3 | 84 | 2025-12-31 |

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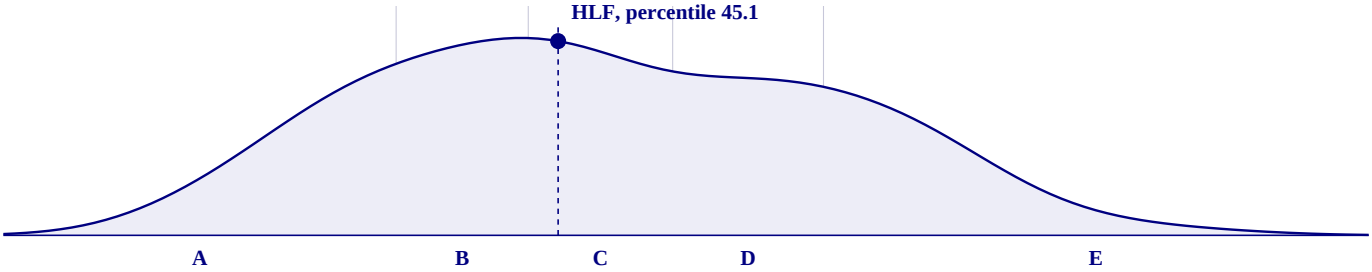
| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (3.8%) | (4.8%) | 63.7 | 285 | 2025-12-31 |
| Gross margin stability, five years | 0.7 pts | 1.2 pts | 27.6 | 218 | 2025-12-31 |
| **Solvency, sleeve percentile 61.0** | | | | | |
| Twelve-month failure probability | not computable | 0.04% | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | |
| Altman Z double-prime | 0.63 | 1.93 | 62.7 | 205 | 2025-12-31 |
| Net debt to EBITDA | 2.82x | 1.84x | 64.6 | 100 | 2025-12-31 |
| Interest coverage | 2.24x | 2.28x | 51.6 | 63 | 2025-12-31 |
| Current ratio | 1.13x | 1.38x | 65.1 | 293 | 2025-12-31 |
| **Growth and financing, sleeve percentile 54.7** | | | | | |
| Revenue growth, three-year compound | (1.1%) | 1.6% | 62.0 | 267 | 2025-12-31 |
| Free cash flow growth, three-year compound | 8.8% | 5.2% | 42.9 | 148 | 2025-12-31 |
| Reinvestment rate | 50.1% | 8.4% | 26.5 | 152 | 2025-12-31 |
| Asset growth, three years | 0.7% | 3.4% | 58.4 | 270 | 2025-12-31 |
| Net share issuance, one year | 2.1% | (0.6%) | 83.6 | 208 | 2026-02-11 |

## Among 256 peers

*shops; letters are fifths of this list*




*Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.*

| Rank | Company | Percentile | Letter | Warnings |
|---|---|---|---|---|
| 111 | Central Garden & PET Co. (CENT) | 43.3 | C | |
| 112 | Central Garden & PET Co. (CENTA) | 43.3 | C | |
| 113 | TJX Companies Inc. (TJX) | 43.9 | C | |
| 114 | US Foods Holding Corp. (USFD) | 44.3 | C | |
| 115 | Sonic Automotive Inc. (SAH) | 44.7 | C | |
| 116 | Herbalife Ltd. (HLF) | 45.1 | C | |
| 117 | Cannae Holdings, Inc. (CNNE) | 45.5 | C | fortress balance sheet |
| 118 | LKQ Corp. (LKQ) | 45.9 | C | |
| 119 | Yum China Holdings, Inc. (YUMC) | 46.3 | C | |
| 120 | First Watch Restaurant Group, Inc. (FWRG) | 46.7 | C | |
| 121 | Honest Company, Inc. (HNST) | 47.1 | C | |

## What the price implies

*at the 2026-10-28 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 30.2% | 0.7% | 78 |
| Distance from 52-week high | (33.0%) | (19.7%) | 34 |
| EBIT to enterprise value | 15.8% | 5.3% | 96 |
| Free cash flow yield | 18.0% | 4.1% | 93 |
| Book value to price | (0.34) | 0.35 | 6 |
| Sales to price | 3.59 | 1.63 | 74 |
| Composite equity issuance, five years | (11.8%) | (16.8%) | 58 |
| Relative strength against the sector, log excess return | 0.29 | 0.03 | 78 |

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## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 5 of 9, period end 2025-12-31** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | pass |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $370.5M |
| Operating cash flow, four quarters | $383.8M |
| Months of runway | not finite |
| Days since last periodic filing | 85 (10-Q received Aug 5, 2026) |
| Median daily dollar volume, 63 sessions | $17.8M |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | gross profit | us-gaap:GrossProfit | $3.9B | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 2 | assets | us-gaap:Assets | $2.8B | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $481.0M | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $275.1M | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $47.3M | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 6 | total debt | us-gaap:LongTermDebt | $2.0B | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 7 | book equity | us-gaap:StockholdersEquity | -$515.1M | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $353.1M | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 9 | total debt | us-gaap:LongTermDebt | $2.3B | 2024-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 10 | book equity | us-gaap:StockholdersEquity | -$801.1M | 2024-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $415.3M | 2024-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 12 | net income | us-gaap:NetIncomeLoss | $228.3M | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $333.3M | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 14 | assets | us-gaap:Assets | $2.7B | 2024-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.0B | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 16 | gross profit | us-gaap:GrossProfit | $3.9B | 2024-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.0B | 2024-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 18 | gross profit | us-gaap:GrossProfit | $3.9B | 2023-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.1B | 2023-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 20 | gross profit | us-gaap:GrossProfit | $4.0B | 2022-12-31 | 2025-02-19 | 10-K | 25-023207 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.2B | 2022-12-31 | 2025-02-19 | 10-K | 25-023207 |
| 22 | gross profit | us-gaap:GrossProfit | $4.6B | 2021-12-31 | 2024-02-14 | 10-K | 24-015266 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.8B | 2021-12-31 | 2024-02-14 | 10-K | 24-015266 |
| 24 | current assets | us-gaap:AssetsCurrent | $1.1B | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $1.0B | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$579.7M | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 27 | liabilities | us-gaap:Liabilities | $3.3B | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 28 | depreciation amortization | us-gaap:Depreciation | $99.4M | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 29 | interest expense | us-gaap:InterestExpense | $214.4M | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 30 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $80.4M | 2025-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 31 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $285.4M | 2024-12-31 | 2026-02-18 | 10-K | 26-057113 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 32 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $122.0M | 2024-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 33 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $357.5M | 2023-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 34 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $135.0M | 2023-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 35 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $352.5M | 2022-12-31 | 2025-02-19 | 10-K | 25-023207 |
| 36 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $156.4M | 2022-12-31 | 2025-02-19 | 10-K | 25-023207 |
| 37 | current assets | us-gaap:AssetsCurrent | $1.1B | 2024-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 38 | current liabilities | us-gaap:LiabilitiesCurrent | $1.2B | 2024-12-31 | 2026-02-18 | 10-K | 26-057113 |
| 39 | assets | us-gaap:Assets | $2.8B | 2023-12-31 | 2025-02-19 | 10-K | 25-023207 |
| 40 | assets | us-gaap:Assets | $2.7B | 2022-12-31 | 2024-02-14 | 10-K | 24-015266 |
| 41 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 103,365,565 | 2026-02-11 | 2026-02-18 | 10-K | 26-057113 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 101,197,037 | 2025-02-12 | 2025-02-19 | 10-K | 25-023207 |

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