

Herbalife Ltd. (HLF)

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

Herbalife Ltd. HLF; shops	
Grade	C A B C D E middle fifth of 258 graded peers percentile 45.1; sampling error 2.9 points; lower is stronger
Rank	117 of 258
Profitability	B percentile 27.0
Solvency	C/D percentile 60.6
Growth and financing	C percentile 54.7
Reliability	0.94 AUC 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 Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over \$2.67B assets total assets \$2.8B
Standard universe	inside revenue above \$1M and assets above \$10M
Warnings	none active not computable: distress
Inputs computable	13 of 14
Graded from	filings received through Feb 18, 2026 233 days before the rescans; latest periodic filing 10-Q received Aug 5, 2026
Last close	\$12.83 2026-10-08; market equity \$1.3B
Price used in grade	None



C, the tortoise

middle fifth of its sector; letters are fifths of the 258 graded peers

Share price, twelve months to the rescans

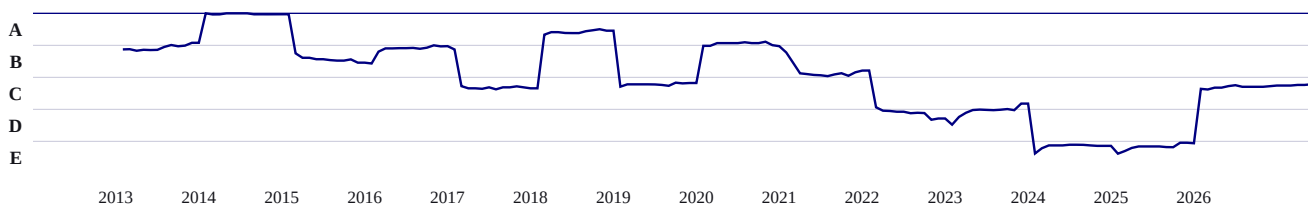
split-adjusted close; the letter is fixed at the rescans that set it



Rescans on file: D/E from Apr 21, 2024, E from Feb 21, 2025, D/E from Nov 21, 2025, C from Feb 21, 2026

Letter at every rescans

Jan 21, 2012 to Oct 9, 2026; sector percentile, 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.

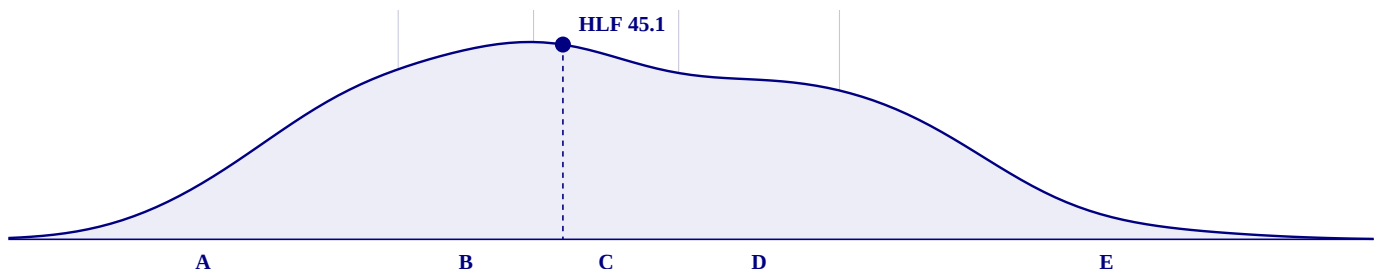
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 27.0						
Gross profitability		140.8%	42.6%	2.5	242	2025-12-31
Return on invested capital		36.7%	10.9%	13.3	84	2025-12-31
Accruals ratio		(3.8%)	(4.9%)	64.7	287	2025-12-31
Gross margin stability, five years		0.7 pts	1.2 pts	27.5	219	2025-12-31
Solvency, sleeve percentile 60.6						
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	1.92	61.8	208	2025-12-31
Net debt to EBITDA		2.82x	1.84x	64.6	100	2025-12-31
Interest coverage		2.24x	2.26x	50.8	64	2025-12-31
Current ratio		1.13x	1.37x	65.0	295	2025-12-31
Growth and financing, sleeve percentile 54.7						
Revenue growth, three-year compound		(1.1%)	1.5%	61.6	269	2025-12-31
Free cash flow growth, three-year compound		8.8%	5.6%	43.8	147	2025-12-31
Reinvestment rate		50.1%	7.3%	27.2	152	2025-12-31
Asset growth, three years		0.7%	3.4%	58.3	272	2025-12-31
Net share issuance, one year		2.1%	(0.6%)	82.9	211	2026-02-11

Among 258 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
112	H&R Block Inc. (HRB)	43.2	C	
113	TJX Companies Inc. (TJX)	43.6	C	
114	US Foods Holding Corp. (USFD)	44.0	C	
115	LKQ Corp. (LKQ)	44.4	C	
116	Cannae Holdings, Inc. (CNNE)	44.7	C	fortress balance sheet
117	Herbalife Ltd. (HLF) <	45.1	C	
118	Sonic Automotive Inc. (SAH)	45.5	C	
119	Honest Company, Inc. (HNST)	45.9	C	
120	First Watch Restaurant Group, Inc. (FWRG)	46.3	C	
121	Starbucks Corp. (SBUX)	46.7	C	
122	Universal Corp. (UVV)	47.1	C	late filer

What the price implies

at the 2026-10-08 close; none enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	30.2%	(0.1%)	78
Distance from 52-week high	(35.8%)	(24.1%)	33
EBIT to enterprise value	16.1%	5.3%	96
Free cash flow yield	18.8%	4.2%	93
Book value to price	(0.35)	0.36	6
Sales to price	3.75	1.75	75
Composite equity issuance, five years	(11.8%)	(16.7%)	58
Relative strength against the sector, log excess return	0.29	0.02	78

Diagnostics

not in 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	65 (10-Q received Aug 5, 2026)
Median daily dollar volume, 63 sessions	\$15.5M

Sources

each row links to the 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	0001193125-26-057113
2	assets	us-gaap:Assets	\$2.8B	2025-12-31	2026-02-18	10-K	0001193125-26-057113
3	operating income	us-gaap:OperatingIncomeLoss	\$481.0M	2025-12-31	2026-02-18	10-K	0001193125-26-057113
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraord	\$275.1M	2025-12-31	2026-02-18	10-K	0001193125-26-057113
5	income tax	us-gaap:IncomeTaxExpenseBenefit	\$47.3M	2025-12-31	2026-02-18	10-K	0001193125-26-057113
6	total debt	us-gaap:LongTermDebt	\$2.0B	2025-12-31	2026-02-18	10-K	0001193125-26-057113
7	book equity	us-gaap:StockholdersEquity	-\$515.1M	2025-12-31	2026-02-18	10-K	0001193125-26-057113
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$353.1M	2025-12-31	2026-02-18	10-K	0001193125-26-057113
9	total debt	us-gaap:LongTermDebt	\$2.3B	2024-12-31	2026-02-18	10-K	0001193125-26-057113
10	book equity	us-gaap:StockholdersEquity	-\$801.1M	2024-12-31	2026-02-18	10-K	0001193125-26-057113
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$415.3M	2024-12-31	2026-02-18	10-K	0001193125-26-057113
12	net income	us-gaap:NetIncomeLoss	\$228.3M	2025-12-31	2026-02-18	10-K	0001193125-26-057113
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$333.3M	2025-12-31	2026-02-18	10-K	0001193125-26-057113
14	assets	us-gaap:Assets	\$2.7B	2024-12-31	2026-02-18	10-K	0001193125-26-057113
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$5.0B	2025-12-31	2026-02-18	10-K	0001193125-26-057113
16	gross profit	us-gaap:GrossProfit	\$3.9B	2024-12-31	2026-02-18	10-K	0001193125-26-057113
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$5.0B	2024-12-31	2026-02-18	10-K	0001193125-26-057113
18	gross profit	us-gaap:GrossProfit	\$3.9B	2023-12-31	2026-02-18	10-K	0001193125-26-057113
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$5.1B	2023-12-31	2026-02-18	10-K	0001193125-26-057113
20	gross profit	us-gaap:GrossProfit	\$4.0B	2022-12-31	2025-02-19	10-K	0000950170-25-023207
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$5.2B	2022-12-31	2025-02-19	10-K	0000950170-25-023207
22	gross profit	us-gaap:GrossProfit	\$4.6B	2021-12-31	2024-02-14	10-K	0000950170-24-015266
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$5.8B	2021-12-31	2024-02-14	10-K	0000950170-24-015266

24	current assets	us-gaap:AssetsCurrent	\$1.1B	2025-12-31	2026-02-18	10-K	0001193125-26-057113
25	current liabilities	us-gaap:LiabilitiesCurrent	\$1.0B	2025-12-31	2026-02-18	10-K	0001193125-26-057113
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-\$579.7M	2025-12-31	2026-02-18	10-K	0001193125-26-057113
27	liabilities	us-gaap:Liabilities	\$3.3B	2025-12-31	2026-02-18	10-K	0001193125-26-057113
28	depreciation amortization	us-gaap:Depreciation	\$99.4M	2025-12-31	2026-02-18	10-K	0001193125-26-057113
29	interest expense	us-gaap:InterestExpense	\$214.4M	2025-12-31	2026-02-18	10-K	0001193125-26-057113
30	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$80.4M	2025-12-31	2026-02-18	10-K	0001193125-26-057113
31	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$285.4M	2024-12-31	2026-02-18	10-K	0001193125-26-057113
32	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$122.0M	2024-12-31	2026-02-18	10-K	0001193125-26-057113
33	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$357.5M	2023-12-31	2026-02-18	10-K	0001193125-26-057113
34	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$135.0M	2023-12-31	2026-02-18	10-K	0001193125-26-057113
35	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$352.5M	2022-12-31	2025-02-19	10-K	0000950170-25-023207
36	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$156.4M	2022-12-31	2025-02-19	10-K	0000950170-25-023207
37	current assets	us-gaap:AssetsCurrent	\$1.1B	2024-12-31	2026-02-18	10-K	0001193125-26-057113
38	current liabilities	us-gaap:LiabilitiesCurrent	\$1.2B	2024-12-31	2026-02-18	10-K	0001193125-26-057113
39	assets	us-gaap:Assets	\$2.8B	2023-12-31	2025-02-19	10-K	0000950170-25-023207
40	assets	us-gaap:Assets	\$2.7B	2022-12-31	2024-02-14	10-K	0000950170-24-015266
41	shares outstanding	dei:EntityCommonStockSharesOutstanding	103,365,565	2026-02-11	2026-02-18	10-K	0001193125-26-057113
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	101,197,037	2025-02-12	2025-02-19	10-K	0000950170-25-023207