

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended June 30, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____.

Commission File Number: 001-34483



NATURE'S SUNSHINE PRODUCTS, INC.

(Exact name of Registrant as specified in its charter)

Utah
(State or other jurisdiction of
incorporation or organization)

87-0327982
(IRS Employer
Identification No.)

2901 Bluegrass Boulevard, Suite 100
Lehi, Utah 84043
(Address of principal executive offices and zip code)

(801) 341-7900
(Registrant's telephone number including area code)

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934

Title of each class
Common Stock, no par value

Trading Symbol(s)
NATR

Name of each exchange on which registered
Nasdaq Capital Market

Indicate by check mark whether the registrant; (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and an "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Accelerated filer ☒

Non-accelerated filer ☐

Smaller reporting company ☒

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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒.

The number of shares of Common Stock, no par value, outstanding on July 18, 2025, was 17,635,552 shares.

NATURE'S SUNSHINE PRODUCTS, INC.
FORM 10-Q

For the Quarter Ended June 30, 2025

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information included or incorporated herein by reference in this report may be deemed to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may include, but are not limited to, statements relating to our objectives, plans, strategies and financial results, including expected improvement in gross profit and gross margin. All statements (other than statements of historical fact) that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements. These statements are often characterized by terminology such as “believe,” “hope,” “may,” “anticipate,” “should,” “intend,” “plan,” “will,” “expect,” “estimate,” “project,” “positioned,” “strategy” and similar expressions, and are based on assumptions and assessments made in light of our experience and perception of historical trends, current conditions, expected future developments and other factors we believe to be appropriate. For example, information appearing under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” includes forward-looking statements. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. Important factors that could cause actual results, developments and business decisions to differ materially from forward-looking statements are more fully described in this report, including the risks set forth under “Risk Factors” in Item 1A, and in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, but include the following:

- extensive government regulations to which the Company’s products, business practices and manufacturing activities are subject, including, but not limited to, trade restrictions and export controls;
- registration of products for sale in foreign markets, or difficulty or increased cost of importing products into foreign markets;
- legal challenges to the Company’s direct selling program or to the classification of its independent consultants;
- laws and regulations regarding direct selling may prohibit or restrict our ability to sell our products in some markets or require us to make changes to our business model in some markets;
- liabilities and obligations arising from improper activity by the Company’s independent consultants;
- product liability claims;
- impact of anti-bribery laws, including the U.S. Foreign Corrupt Practices Act;
- the Company’s ability to attract and retain independent consultants;
- the loss of one or more key independent consultants who have a significant sales network;
- the effect of fluctuating foreign exchange rates;
- failure of the Company’s independent consultants to comply with advertising laws;
- changes to the Company’s independent consultants’ compensation plans;
- geopolitical issues and conflicts, including changes to U.S. trade policy resulting in new or additional tariffs;
- negative consequences resulting from difficult economic conditions, including the availability of liquidity or the willingness of the Company’s customers to purchase products;
- risks associated with the manufacturing of the Company’s products;
- supply chain disruptions, manufacturing interruptions or delays, or the failure to accurately forecast customer demand;
- failure to timely and effectively obtain shipments of products from our suppliers and contract manufacturers and deliver products to our independent consultants and customers;
- world-wide slowdowns and delays related to supply chain, ingredient shortages and logistical challenges;
- uncertainties relating to the application of transfer pricing, duties, value-added taxes, and other tax regulations, and changes thereto;
- changes in tax laws, treaties or regulations, or their interpretation;
- failure to maintain an effective system of internal controls over financial reporting;
- cybersecurity threats and exposure to data loss;
- the storage, processing, and use of data, some of which contain personal information, are subject to complex and evolving privacy and data protection laws and regulations;
- reliance on information technology infrastructure; and
- the sufficiency of trademarks and other intellectual property rights.

All forward-looking statements speak only as of the date of this report and are expressly qualified in their entirety by the cautionary statements included in or incorporated by reference into this report. Except as is required by law, we expressly disclaim any obligation to publicly release any revisions to forward-looking statements to reflect events after the date of this report. Throughout this report, we refer to Nature’s Sunshine Products, Inc., together with our subsidiaries, as “we,” “us,” “our,” “our Company” or “the Company.”

PART I FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS (Amounts in thousands) (Unaudited)

	June 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 81,345	\$ 84,700
Accounts receivable, net of allowance for doubtful accounts of \$93 and \$97, respectively	13,029	9,477
Inventories	69,320	59,443
Prepaid expenses and other	8,144	6,959
Total current assets	171,838	160,579
Property, plant and equipment, net	35,930	39,585
Operating lease right-of-use assets	14,218	12,799
Restricted investment securities - trading	1,041	915
Deferred income tax assets	21,410	17,644
Other assets	10,438	9,333
Total assets	\$ 254,875	\$ 240,855
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 9,924	\$ 8,912
Accrued volume incentives and service fees	22,583	20,563
Accrued liabilities	27,456	25,399
Deferred revenue	5,501	2,774
Income taxes payable	5,765	4,117
Current portion of operating lease liabilities	4,625	3,927
Total current liabilities	75,854	65,692
Liability related to unrecognized tax benefits	638	628
Long-term portion of operating lease liabilities	11,005	10,277
Deferred compensation payable	1,041	915
Deferred income tax liabilities	1,009	1,007
Other liabilities	1,646	1,345
Total liabilities	91,193	79,864
Shareholders' equity:		
Common stock, no par value, 50,000 shares authorized, 17,635 and 18,483 shares issued and outstanding, respectively	104,662	114,577
Retained earnings	67,487	57,407
Noncontrolling interest	6,001	5,678
Accumulated other comprehensive loss	(14,468)	(16,671)
Total shareholders' equity	163,682	160,991
Total liabilities and shareholders' equity	\$ 254,875	\$ 240,855

See accompanying notes to condensed consolidated financial statements.

NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Amounts in thousands, except per share information)
(Unaudited)

Three Months Ended June 30,	2025	2024
Net sales	\$ 114,750	\$ 110,551
Cost of sales	32,451	31,664
Gross profit	82,299	78,887
Operating expenses:		
Volume incentives	34,360	34,693
Selling, general and administrative	43,665	38,557
Operating income	4,274	5,637
Other income (loss):		
Interest and other income, net	268	412
Interest expense	(24)	(103)
Foreign exchange gains (losses), net	3,026	(1,523)
	3,270	(1,214)
Income before provision for income taxes	7,544	4,423
Provision for income taxes	2,025	2,935
Net income	5,519	1,488
Net income attributable to noncontrolling interests	186	139
Net income attributable to common shareholders	\$ 5,333	\$ 1,349
Basic and diluted net income per common share:		
Basic earnings per share attributable to common shareholders	\$ 0.29	\$ 0.07
Diluted earnings per share attributable to common shareholders	\$ 0.28	\$ 0.07
Weighted average basic common shares outstanding	18,406	18,647
Weighted average diluted common shares outstanding	18,966	19,119

See accompanying notes to condensed consolidated financial statements.

NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Amounts in thousands, except per share information)
(Unaudited)

Six Months Ended June 30,	2025	2024
Net sales	\$ 227,998	\$ 221,544
Cost of sales	64,102	63,679
Gross profit	163,896	157,865
Operating expenses:		
Volume incentives	69,204	68,263
Selling, general and administrative	84,246	79,341
Operating income	10,446	10,261
Other income (loss):		
Interest and other income, net	473	475
Interest expense	(45)	(115)
Foreign exchange gains (losses), net	3,779	(1,543)
	4,207	(1,183)
Income before provision for income taxes	14,653	9,078
Provision for income taxes	4,250	5,100
Net income	10,403	3,978
Net income attributable to noncontrolling interests	323	308
Net income attributable to common shareholders	\$ 10,080	\$ 3,670
Basic and diluted net income per common share:		
Basic earnings per share attributable to common shareholders	\$ 0.55	\$ 0.20
Diluted earnings per share attributable to common shareholders	\$ 0.54	\$ 0.19
Weighted average basic common shares outstanding	18,446	18,737
Weighted average diluted common shares outstanding	18,832	19,184

See accompanying notes to condensed consolidated financial statements.

NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in thousands)
(Unaudited)

Three Months Ended June 30,	2025	2024
Net income	\$ 5,519	\$ 1,488
Foreign currency translation gain (net of tax)	1,547	254
Total comprehensive income	<u>\$ 7,066</u>	<u>\$ 1,742</u>
Six Months Ended June 30,	2025	2024
Net income	\$ 10,403	\$ 3,978
Foreign currency translation gain (loss) (net of tax)	2,203	(1,438)
Total comprehensive income	<u>\$ 12,606</u>	<u>\$ 2,540</u>

See accompanying notes to condensed consolidated financial statements.

NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Amounts in thousands)
(Unaudited)

	Common Stock		Retained Earnings	Noncontrolling Interest	Accumulated Other Comprehensive Loss	Total
	Shares	Amount				
Balance at December 31, 2024	18,483	\$ 114,577	\$ 57,407	\$ 5,678	\$ (16,671)	\$ 160,991
Share-based compensation expense	—	1,300	—	—	—	1,300
Shares issued from the exercise of stock options and vesting of restricted stock units, net of shares exchanged for withholding tax	29	(255)	—	—	—	(255)
Repurchase of common stock	(38)	(476)	—	—	—	(476)
Net income	—	—	4,747	137	—	4,884
Other comprehensive income	—	—	—	—	656	656
Balance at March 31, 2025	18,474	\$ 115,146	\$ 62,154	\$ 5,815	\$ (16,015)	\$ 167,100
Share-based compensation expense	—	1,638	—	—	—	1,638
Shares issued from the exercise of stock options and vesting of restricted stock units, net of shares exchanged for withholding tax	134	(244)	—	—	—	(244)
Repurchase of common stock	(973)	(11,878)	—	—	—	(11,878)
Net income	—	—	5,333	186	—	5,519
Other comprehensive income	—	—	—	—	1,547	1,547
Balance at June 30, 2025	17,635	\$ 104,662	\$ 67,487	\$ 6,001	\$ (14,468)	\$ 163,682

	Common Stock		Retained Earnings	Noncontrolling Interest	Accumulated Other Comprehensive Loss	Total
	Shares	Amount				
Balance at December 31, 2023	18,875	\$ 119,694	\$ 49,711	\$ 5,482	\$ (15,347)	\$ 159,540
Share-based compensation expense	—	1,369	—	—	—	1,369
Shares issued from the exercise of stock options and vesting of restricted stock units, net of shares exchanged for withholding tax	16	(152)	—	—	—	(152)
Repurchase of common stock	(105)	(1,848)	—	—	—	(1,848)
Net income	—	—	2,321	169	—	2,490
Other comprehensive loss	—	—	—	—	(1,692)	(1,692)
Balance at March 31, 2024	18,786	\$ 119,063	\$ 52,032	\$ 5,651	\$ (17,039)	\$ 159,707
Share-based compensation expense	—	1,261	—	—	—	1,261
Shares issued from the exercise of stock options and vesting of restricted stock units, net of shares exchanged for withholding tax	70	(434)	—	—	—	(434)
Repurchase of common stock	(348)	(5,876)	—	—	—	(5,876)
Net income	—	—	1,349	139	—	1,488
Other comprehensive income	—	—	—	—	254	254
Balance at June 30, 2024	18,508	\$ 114,014	\$ 53,381	\$ 5,790	\$ (16,785)	\$ 156,400

See accompanying notes to condensed consolidated financial statements.

NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)
(Unaudited)

Six Months Ended June 30,	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 10,403	\$ 3,978
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	6,999	6,659
Non-cash lease expense	2,675	3,298
Share-based compensation expense	2,938	2,630
Deferred income taxes	(3,179)	(14)
Purchase of trading investment securities	(78)	(110)
Proceeds from sale of trading investment securities	11	40
Realized and unrealized gains on investments	(59)	(72)
Foreign exchange losses (gains)	(3,779)	1,543
Changes in assets and liabilities:		
Accounts receivable	(2,963)	(2,960)
Inventories	(7,901)	3,112
Prepaid expenses and other current assets	(1,349)	(2,162)
Other assets	(355)	(598)
Accounts payable	790	409
Accrued volume incentives and service fees	1,193	(144)
Accrued liabilities	325	(7,993)
Deferred revenue	2,583	477
Lease liabilities	(2,684)	(3,215)
Income taxes payable	824	(2,251)
Liability related to unrecognized tax benefits	429	726
Deferred compensation payable	126	142
Net cash provided by operating activities	6,949	3,495
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(2,460)	(7,040)
Net cash used in investing activities	(2,460)	(7,040)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from revolving credit facility	1,823	34,216
Principal payments of revolving credit facility	(1,823)	(34,216)
Payments related to tax withholding for net-share settled equity awards	(499)	(586)
Repurchase of common stock	(12,354)	(7,725)
Net cash used in financing activities	(12,853)	(8,311)
Effect of exchange rates on cash and cash equivalents	5,009	(1,822)
Net decrease in cash and cash equivalents	(3,355)	(13,678)
Cash and cash equivalents at the beginning of the period	84,700	82,373
Cash and cash equivalents at the end of the period	\$ 81,345	\$ 68,695
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for income taxes, net of refunds	\$ 6,211	\$ 8,144
Cash paid for interest	45	115

See accompanying notes to condensed consolidated financial statements.

NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

(1) Basis of Presentation

We are a natural health and wellness company primarily engaged in the manufacture and sale of nutritional and personal care products. We are a Utah corporation with our principal place of business in Lehi, Utah and sell our products directly to customers and to a sales force of independent consultants who use the products themselves or resell them to consumers.

Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all the information and footnotes required by U.S. GAAP for complete financial statements. The unaudited condensed consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany accounts and transactions are eliminated in consolidation. In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments (consisting of normal recurring accruals), considered necessary for a fair presentation of our financial information as of June 30, 2025, and for the three- and six-month periods ended June 30, 2025 and 2024. The results of operations of any interim period are not necessarily indicative of the results of operations to be expected for the year ending December 31, 2025.

These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2024.

Use of Estimates

The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities, in these financial statements and accompanying notes. Actual results could differ from these estimates and those differences could have a material effect on our financial position and results of operations.

The significant accounting estimates inherent in the preparation of our financial statements include estimates associated with our determination of liabilities related to independent consultant incentives, the determination of income tax assets and liabilities, certain other non-income tax and value-added tax contingencies and legal contingencies. In addition, significant estimates form the basis for allowances with respect to inventory valuations. Various assumptions and other factors enter into the determination of these significant estimates. The process of determining significant estimates takes into account historical experience and current and expected economic conditions.

Noncontrolling Interests

Noncontrolling interests changed as a result of the net income attributable to noncontrolling interests of \$0.2 million and \$0.3 million for the three and six months ended June 30, 2025, respectively. Net income attributable to the noncontrolling interests was \$0.1 million and \$0.3 million for the three and six months ended June 30, 2024, respectively. As of June 30, 2025 and December 31, 2024, noncontrolling interests were \$6.0 million and \$5.7 million, respectively.

On June 27, 2025, Shanghai Fosun Pharmaceutical (Group) Co., Ltd. ("Fosun Pharma"), through one of its affiliates, sold 2,854,607 shares of the Company's common stock and, as a result, Fosun Pharma ceased to own at least 5% of the outstanding shares of the Company's common stock. Under the terms of the operating agreements for the shared joint ventures between the Company and Fosun Pharma, if Fosun Pharma, together with its affiliates, ceases to own at least 5% of the outstanding shares of the Company's common stock, Fosun Pharma will sell to the Company, and the Company will purchase Fosun Pharma's interests in the joint ventures.

On June 30, 2025, the Company entered into share purchase agreements with Fosun Industrial Co., Ltd. (“Fosun Industrial” an affiliate of Fosun Pharma) to purchase Fosun Industrial’s interest in the Company’s two joint ventures, Nature’s Sunshine Hong Kong Limited and Shanghai Nature’s Sunshine Health Products Co., Ltd., for cash consideration in the amount of \$3.9 million and \$3.1 million, respectively. The joint venture repurchases are subject to customary closing conditions, including making applicable regulatory submissions to the People’s Republic of China (“PRC”) State Administration for Market Regulation and submitting required applications to the PRC Ministry of Commerce. Upon completion of this purchase agreement, the Company will maintain sole ownership of the joint venture’s limited liability companies.

Recent Accounting Pronouncements

In November 2023, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This ASU provides additional guidance on the improved reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses. In addition, the amendments improve interim disclosure requirements, clarify circumstances in which an entity can disclose multiple segment measures of profit or loss, provide new segment disclosure requirements for entities with a single reportable segment and contain other disclosure requirements. The amendments in this update were effective as of December 15, 2023. The adoption of this ASU did not have a significant impact on our consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This ASU provides additional guidance on the disclosure of income taxes on an annual basis and requires all public business entities to disclose specific categories in the rate reconciliation, provide additional information on reconciling items, additional information about income taxes paid and additional information about income tax expense from continuing operation. The amendments in this update are effective as of December 15, 2024. The adoption of this ASU did not have a significant impact on our consolidated financial statements.

In November 2024, the FASB issued ASU No. 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. This standard requires disclosure, in the notes to financial statements, of specific information about certain costs and expenses. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. The adoption of this ASU is not expected to have a significant impact on our consolidated financial statements.

(2) Inventories

The composition of inventories is as follows (dollar amounts in thousands):

	June 30, 2025	December 31, 2024
Raw materials	\$ 24,264	\$ 21,312
Work in progress	1,441	1,011
Finished goods	43,615	37,120
Total inventories	<u>\$ 69,320</u>	<u>\$ 59,443</u>

(3) Restricted Investment Securities - Trading

Our trading securities portfolio totaled \$1.0 million at June 30, 2025, and \$0.9 million at December 31, 2024, and generated gains of \$0.1 million and \$11,000 for the three months ended June 30, 2025 and 2024, respectively, and gains of \$0.1 million and \$0.1 million for the six months ended June 30, 2025 and 2024, respectively.

(4) Revolving Credit Facility and Other Obligations

On July 11, 2017, we entered into a revolving credit agreement with Bank of America, N.A., with a borrowing limit of \$25.0 million (the “Credit Agreement”). On June 23, 2022, the Credit Agreement was amended to extend the term to mature on July 1, 2027. On September 11, 2024, the Credit Agreement was amended to modify the calculation of interest. Interest under the amended Credit Agreement is the greater of SOFR Daily Floating Rate or the Index Floor, plus 1.50 percent (5.93 percent as of June 30, 2025), and an annual commitment fee of 0.25 percent on the unused portion of the commitment. At June 30, 2025 and December 31, 2024, there was no outstanding balance under the Credit Agreement.

The Credit Agreement contains customary financial covenants, including financial covenants relating to our solvency and leverage. In addition, the Credit Agreement restricts certain capital expenditures, lease expenditures, other indebtedness, liens on assets, guarantees, loans and advances, dividends, mergers, consolidations and transfers of assets except as permitted in the Credit Agreement. The Credit Agreement is collateralized by our manufacturing facility, accounts receivable, inventories and other assets. As of June 30, 2025, we were in compliance with the debt covenants set forth in the Credit Agreement.

(5) Net Income Per Share

Basic net income per common share ("Basic EPS"), is computed by dividing net income by the weighted average number of common shares outstanding during the period. Diluted net income per common share ("Diluted EPS") reflects the potential dilution that could occur if stock options or other contracts to issue common stock were exercised or converted into common stock. The computation of Diluted EPS does not assume exercise or conversion of securities that would have an anti-dilutive effect on net income per common share.

Following is a reconciliation of the numerator and denominator of Basic EPS to the numerator and denominator of Diluted EPS for the three and six months ended June 30, 2025 and 2024 (dollar and share amounts in thousands, except for per share information):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income attributable to common shareholders	<u>\$ 5,333</u>	<u>\$ 1,349</u>	<u>\$ 10,080</u>	<u>\$ 3,670</u>
Basic weighted average shares outstanding	18,406	18,647	18,446	18,737
Basic earnings per share attributable to common shareholders	<u>\$ 0.29</u>	<u>\$ 0.07</u>	<u>\$ 0.55</u>	<u>\$ 0.20</u>
Diluted shares outstanding:				
Basic weighted-average shares outstanding	18,406	18,647	18,446	18,737
Stock-based awards	560	472	386	447
Diluted weighted-average shares outstanding	18,966	19,119	18,832	19,184
Diluted earnings per share attributable to common shareholders	<u>\$ 0.28</u>	<u>\$ 0.07</u>	<u>\$ 0.54</u>	<u>\$ 0.19</u>
Dilutive shares excluded from diluted-per-share amounts:				
Share-based awards	753	790	753	790
Anti-dilutive shares excluded from diluted-per-share amounts:				
Share-based awards	—	—	—	—

Potentially dilutive shares excluded from diluted-per-share amounts include performance-based restricted stock units, for which certain metrics have not been achieved. Potentially anti-dilutive shares excluded from diluted-per-share amounts include both non-qualified stock options and unearned performance-based options to purchase shares of common stock with exercise prices greater than the weighted-average share price during the period and shares that would be anti-dilutive to the computation of diluted net income per share for each of the periods presented.

(6) Capital Transactions

Dividends

The declaration of future dividends is subject to the discretion of our Board of Directors and will depend upon numerous factors, including earnings, financial condition, restrictions imposed by any indebtedness that may be outstanding, cash requirements, future prospects and other factors deemed relevant by our Board of Directors.

Share Repurchase Program

On March 10, 2021, we announced a \$15.0 million common share repurchase program. On March 8, 2022, we announced an amendment to the share repurchase program allowing the repurchase of an additional \$30.0 million in common shares. On May 6, 2025 we announced an amendment to the share repurchase program allowing the repurchase of an additional \$25.0 million in common shares. The repurchases may be made from time to time as market conditions warrant and are subject to regulatory considerations. For the six months ended June 30, 2025 and 2024, we repurchased 1,011,000 and 453,000 shares of our common stock for \$12.4 million and \$7.7 million including excise taxes, respectively. At June 30, 2025, the remaining balance available for repurchases under the program was \$21.4 million.

Share-Based Compensation

Our Amended and Restated 2012 Stock Incentive Plan (“2012 Incentive Plan”) provides for the grant of incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock, restricted stock units, dividend equivalent rights, performance awards, stock awards and other stock-based awards. The Compensation Committee of the Board of Directors has authority and discretion to determine the type of award, as well as the amount, terms and conditions of each award under the 2012 Incentive Plan, subject to the limitations of the 2012 Incentive Plan. A total of 5,000,000 shares of our common stock have been reserved for issuance under the 2012 Incentive Plan. The number of shares available for awards, as well as the terms of outstanding awards, are subject to adjustment as provided in the 2012 Incentive Plan for stock splits, stock dividends, recapitalizations and other similar events.

Stock Options

Our outstanding stock options include time-based stock options, which vest over differing periods of time ranging from the date of issuance to up to 48 months from the option grant date, and performance-based stock options, which have already vested upon achieving operating income margins of six, eight and ten percent as reported in four of five consecutive quarters over the term of the options.

Stock option activity for the six-month period ended June 30, 2025, is as follows (amounts in thousands, except per share information):

	Number of Shares	Weighted Average Exercise Price Per Share	Weighted Average Grant Date Fair Value
Options outstanding at December 31, 2024	75	\$ 11.25	\$ 3.85
Granted	—	—	—
Forfeited or canceled	(25)	11.21	3.16
Exercised	(25)	9.05	3.46
Options outstanding at June 30, 2025	25	\$ 13.50	\$ 4.94

There was no share-based compensation expense for the three- and six-month periods ended June 30, 2025 and 2024. As of June 30, 2025 and December 31, 2024, there was no unrecognized share-based compensation expense related to the grants described above.

At June 30, 2025, the aggregate intrinsic value of outstanding and exercisable stock options to purchase 25,000 shares of common stock was \$29,000. At December 31, 2024, the aggregate intrinsic value of outstanding and exercisable options to purchase 75,000 shares of common stock was \$0.3 million.

For the six months ended June 30, 2025, we issued 25,000 shares of common stock upon the exercise of stock options at an average exercise price of \$9.05 per share. The aggregate intrinsic value of options exercised during the six months ended June 30, 2025, was \$0.1 million. For the six months ended June 30, 2025, we recognized \$0.1 million of tax benefits from the exercise of stock options.

For the six months ended June 30, 2024, no shares of common stock were issued upon the exercise of stock options.

As of June 30, 2025 and December 31, 2024, we did not have any unvested stock options outstanding.

Restricted Stock Units

Our outstanding restricted stock units (“RSUs”), include time-based RSUs, which vest over differing periods of time ranging from 12 months to up to 36 months from the RSU grant date, as well as performance-based RSUs, which vest upon achieving targets relating to adjusted EBITDA growth and/or stock price levels. RSUs granted to members of the Board of Directors contain a restriction period in which the shares are not issued until two years after vesting. At June 30, 2025 and December 31, 2024, there were 78,000 and 110,000 vested RSUs, respectively, granted to the Board of Directors with an accompanying restriction period.

Restricted stock unit activity for the six-month period ended June 30, 2025, is as follows (amounts in thousands, except per share information):

	Number of Shares	Weighted Average Grant Date Fair Value
Restricted Stock Units outstanding at December 31, 2024	1,248	\$ 12.29
Granted	572	14.90
Forfeited	(85)	6.52
Issued	(203)	13.35
Restricted Stock Units outstanding at June 30, 2025	1,532	13.45

During the six-month period ended June 30, 2025, we granted 572,000 RSUs under the 2012 Incentive Plan to the Board of Directors, executive officers and other employees, which were comprised of time-based RSUs, adjusted EBITDA and total shareholder return (“TSR”) performance-based RSUs. The time-based RSUs were issued with a weighted-average grant date fair value of \$13.96 per share and vest in annual installments from the grant date over a one- to three-year period from the grant date. The adjusted EBITDA performance-based RSUs were issued with a weighted-average grant date fair value of \$14.74 per share and vest upon achieving adjusted EBITDA targets and maintaining those targets over a four-quarter period from the grant date. The TSR performance-based RSUs were issued with a weighted-average grant date fair value of \$17.44 per share and vest upon achieving TSR targets at both a two- and three-year measurement date from the grant date.

Share-based compensation expense related to time-based RSUs for the three-month periods ended June 30, 2025 and 2024, was approximately \$1.1 million and \$0.9 million, respectively. Share-based compensation expense related to time-based RSUs for the six-month periods ended June 30, 2025 and 2024, was approximately \$2.0 million and \$1.9 million, respectively. As of June 30, 2025 and December 31, 2024, the unrecognized share-based compensation expense related to the grants described above, excluding incentive awards discussed below, was \$4.6 million and \$2.4 million, respectively. The remaining compensation expense is expected to be recognized over the weighted average period of approximately 0.8 years.

Share-based compensation expense related to performance-based RSUs for the three-month periods ended June 30, 2025 and 2024, was \$0.6 million and \$0.3 million, respectively. Share-based compensation expense related to performance-based RSUs for the six-month periods ended June 30, 2025 and 2024, was \$0.9 million and \$0.7 million, respectively. Should we attain all the metrics related to performance-based RSU grants, we would recognize up to \$7.6 million of potential share-based compensation expense. We currently expect to recognize an additional \$4.2 million of that potential share-based compensation expense.

The number of shares issued upon vesting of RSUs granted pursuant to our share-based compensation plans is net of the minimum statutory withholding requirements that we pay on behalf of our employees, which was 46,000 and 38,000 shares for the six-month periods ended June 30, 2025 and 2024, respectively. Although shares withheld are not issued, they are treated as common share repurchases for accounting purposes, as they reduce the number of shares that would have been issued upon vesting. These shares do not count against the authorized capacity under the repurchase program described above.

(7) Segment Information

We have four reportable business segments (Asia, Europe, North America and Latin America and Other) based primarily upon the geographic region where each segment operates, as well as the internal organization of our officers and their responsibilities. Each of the geographic segments operate under the Nature’s Sunshine Products and Synergy WorldWide® brands and sell similar products grouped into six principal categories: general health, immune, cardiovascular, digestive, personal care and weight management. The Latin America and Other segment includes our wholesale business in which we sell products to various locally-managed entities, independent of the Company, that we have granted distribution rights for the relevant market.

The Company's chief operating decision maker ("CODM") is our president and chief executive officer. The CODM assesses the performance of each segment using operating income. The CODM reviews the performance of each segment using monthly internal reports which provide variance analysis of actual results by segment compared to budget, forecast and prior year. The CODM uses this information when making decisions about the allocation of operating resources to each segment. The CODM does not evaluate reportable segments using asset or liability information.

Reportable business segment information for the three and six months ended June 30, 2025 and 2024, is as follows (dollar amounts in thousands):

Three Months Ended June 30, 2025	Asia	Europe	North America	Latin America and Other	Total
Net sales	\$ 52,664	\$ 21,741	\$ 34,977	\$ 5,368	\$ 114,750
Cost of sales	11,737	6,388	12,209	2,117	
Volume incentives	16,773	8,860	7,231	1,496	
Selling, general and administrative (1)	13,864	4,750	9,144	1,394	
Segment operating income	\$ 10,290	\$ 1,743	\$ 6,393	\$ 361	\$ 18,787
Unallocated corporate selling, general and administrative expense					(14,513)
Operating income					4,274
Interest and other income, net					268
Interest expense					(24)
Foreign exchange gains, net					3,026
Income from operations before provision for income taxes					\$ 7,544

Three Months Ended June 30, 2024	Asia	Europe	North America	Latin America and Other	Total
Net sales	\$ 49,984	\$ 21,602	\$ 33,563	\$ 5,402	\$ 110,551
Cost of sales	11,974	7,329	10,396	1,965	
Volume incentives	16,587	8,647	7,523	1,936	
Selling, general and administrative (1)	13,029	4,798	7,869	1,669	
Segment operating income (loss)	\$ 8,394	\$ 828	\$ 7,775	\$ (168)	\$ 16,829
Unallocated corporate selling, general and administrative expense					(11,192)
Operating income					5,637
Interest and other income, net					412
Interest expense					(103)
Foreign exchange losses, net					(1,523)
Income from operations before provision for income taxes					\$ 4,423

Six Months Ended June 30, 2025	Asia	Europe	North America	Latin America and Other	Total
Net sales	\$ 101,317	\$ 45,855	\$ 69,995	\$ 10,831	\$ 227,998
Cost of sales	22,632	13,536	23,774	4,160	
Volume incentives	33,142	18,512	14,470	3,080	
Selling, general and administrative (1)	26,908	9,899	17,618	2,843	
Segment operating income	\$ 18,635	\$ 3,908	\$ 14,133	\$ 748	\$ 37,424
Unallocated corporate selling, general and administrative expense					(26,978)
Operating income					10,446
Interest and other income, net					473
Interest expense					(45)
Foreign exchange gains, net					3,779
Income from operations before provision for income taxes					\$ 14,653

Six Months Ended June 30, 2024	Asia	Europe	North America	Latin America and Other	Total
Net sales	\$ 96,204	\$ 43,898	\$ 70,088	\$ 11,354	\$ 221,544
Cost of sales	22,548	14,533	22,598	4,000	
Volume incentives	31,720	17,346	15,202	3,995	
Selling, general and administrative (1)	26,726	9,410	16,169	3,251	
Segment operating income	\$ 15,210	\$ 2,609	\$ 16,119	\$ 108	\$ 34,046
Unallocated corporate selling, general and administrative expense					(23,785)
Operating income					10,261
Interest and other income, net					475
Interest expense					(115)
Foreign exchange losses, net					(1,543)
Income from operations before provision for income taxes					\$ 9,078

- (1) Service fees in China totaled \$3.4 million and \$6.3 million for the three- and six-month periods ended June 30, 2025, respectively, compared to \$3.8 million and \$6.9 million for the three- and six-month periods ended June 30, 2024. These service fees are included in selling, general and administrative expenses.

The table below reflects sales based upon the sales location where they occurred. From an individual country/region perspective, the United States, Taiwan, Japan and South Korea comprise 10 percent or more of consolidated net sales for the three- and six-month periods ended June 30, 2025 and 2024, as follows (dollar amounts in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net sales:				
United States	\$ 32,492	\$ 30,948	\$ 64,966	\$ 64,636
Taiwan	16,728	16,308	34,592	32,100
Japan	13,182	9,693	24,207	18,857
South Korea	12,536	13,449	23,317	25,070
Other	39,812	40,153	80,916	80,881
Total net sales	\$ 114,750	\$ 110,551	\$ 227,998	\$ 221,544

Net sales generated by each product line for the three and six months ended June 30, 2025 and 2024, are as follows (dollar amounts in thousands):

Three Months Ended June 30, 2025	Asia	Europe	North America	Latin America and Other	Total
General health	\$ 20,402	\$ 9,607	\$ 15,705	\$ 1,662	\$ 47,376
Immune	3,983	1,987	3,665	451	10,086
Cardiovascular	12,714	2,639	3,717	390	19,460
Digestive	10,526	5,630	9,251	2,503	27,910
Personal care	2,108	1,315	1,637	245	5,305
Weight management	2,931	563	1,002	117	4,613
Total net sales by segment	<u>\$ 52,664</u>	<u>\$ 21,741</u>	<u>\$ 34,977</u>	<u>\$ 5,368</u>	<u>\$ 114,750</u>

Three Months Ended June 30, 2024	Asia	Europe	North America	Latin America and Other	Total
General health	\$ 19,131	\$ 9,534	\$ 15,032	\$ 1,564	\$ 45,261
Immune	2,249	2,203	3,540	594	8,586
Cardiovascular	13,625	2,296	3,757	401	20,079
Digestive	7,707	5,947	8,555	2,488	24,697
Personal care	1,044	1,145	1,581	270	4,040
Weight management	6,228	477	1,098	85	7,888
Total net sales by segment	<u>\$ 49,984</u>	<u>\$ 21,602</u>	<u>\$ 33,563</u>	<u>\$ 5,402</u>	<u>\$ 110,551</u>

Six Months Ended June 30, 2025	Asia	Europe	North America	Latin America and Other	Total
General health	\$ 38,653	\$ 20,103	\$ 31,304	\$ 3,240	\$ 93,300
Immune	6,855	4,428	8,109	969	20,361
Cardiovascular	26,533	5,204	7,413	823	39,973
Digestive	20,168	12,002	18,185	5,085	55,440
Personal care	3,306	2,946	3,112	489	9,853
Weight management	5,802	1,172	1,872	225	9,071
Total net sales by segment	<u>\$ 101,317</u>	<u>\$ 45,855</u>	<u>\$ 69,995</u>	<u>\$ 10,831</u>	<u>\$ 227,998</u>

Six Months Ended June 30, 2024	Asia	Europe	North America	Latin America and Other	Total
General health	\$ 35,125	\$ 19,336	\$ 31,439	\$ 3,134	\$ 89,034
Immune	3,933	4,538	7,985	1,317	17,773
Cardiovascular	27,599	4,715	7,741	883	40,938
Digestive	16,296	11,860	17,723	5,237	51,116
Personal care	2,336	2,413	3,153	545	8,447
Weight management	10,915	1,036	2,047	238	14,236
Total net sales by segment	<u>\$ 96,204</u>	<u>\$ 43,898</u>	<u>\$ 70,088</u>	<u>\$ 11,354</u>	<u>\$ 221,544</u>

Depreciation and amortization by reportable business segment for the three and six months ended June 30, 2025 and 2024, are as follows (dollar amounts in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Depreciation and amortization:				
Asia	\$ 481	\$ 545	\$ 979	\$ 1,013
Europe	28	25	56	47
North America	2,979	2,917	5,941	5,576
Latin America and Other	12	12	23	23
Total depreciation and amortization	<u>\$ 3,500</u>	<u>\$ 3,499</u>	<u>\$ 6,999</u>	<u>\$ 6,659</u>

From an individual country perspective, only the United States has material balances of consolidated property, plant and equipment as follows (dollar amounts in thousands):

	June 30, 2025	December 31, 2024
Property, plant and equipment		
United States	\$ 31,750	\$ 34,786
Other	4,180	4,799
Total property, plant and equipment	<u>\$ 35,930</u>	<u>\$ 39,585</u>

(8) Income Taxes

For the three months ended June 30, 2025 and 2024, our provision for income taxes, as a percentage of income before income taxes was 26.8 percent and 66.4 percent, respectively, compared with a U.S. federal statutory rate of 21.0 percent. For the six months ended June 30, 2025 and 2024, our provision for income taxes, as a percentage of income before income taxes was 29.0 percent and 56.2 percent, respectively, compared with a U.S. federal statutory rate of 21.0 percent.

The difference between the effective tax rate and the U.S. federal statutory tax rate for the three and six months ended June 30, 2025, was primarily attributed to operations in foreign countries which are treated as a branch for U.S. tax purposes, partially offset by favorable adjustments to deferred tax assets, foreign derived intangible income deduction and foreign tax credits.

The difference between the effective tax rate and the U.S. federal statutory tax rate for the three and six months ended June 30, 2024, was primarily attributed to operations in foreign countries which are treated as a branch for U.S. tax purposes and foreign losses that do not provide future tax benefit, partially offset by foreign tax credits.

The difference between the effective tax rate for the three and six months ended June 30, 2025, compared to June 30, 2024, was primarily caused by a decrease in foreign losses year over year that presently do not provide future tax benefit, adjustments to deferred tax assets and reserves for uncertain tax positions which were recorded in the prior period but do not repeat in the current period.

Our U.S. federal income tax returns for 2021 through 2023 are open to examination for federal tax purposes. We have several foreign tax jurisdictions with open tax years from 2019 through 2024.

As of June 30, 2025 and December 31, 2024, we had accrued \$0.6 million and \$0.6 million, respectively, related to unrecognized tax positions net of offsetting tax attributes.

Interim income taxes are based on an estimated annualized effective tax rate applied to the respective quarterly periods, adjusted for discrete tax items in the period in which they occur. Although we believe our tax estimates are reasonable, we can make no assurance that the final tax outcome of these matters will not be different from that which we have reflected in our historical income tax provisions and accruals. Such differences could have a material impact on our income tax provision and operating results in the period in which we make such a determination.

(9) Commitments and Contingencies

Legal Proceedings

We are a party to various legal proceedings and disputes in the United States and foreign jurisdictions. As of June 30, 2025 and December 31, 2024, accrued liabilities were \$0.7 million and \$0.7 million, respectively, related to the estimated outcome of these proceedings. In addition, we are a party to other litigation where there is a reasonable possibility that a loss may be incurred, but either the losses are not considered to be probable or we cannot at this time estimate the loss, if any; therefore, no provision for losses has been provided. We believe future payments related to these matters could range from \$0 to approximately \$2.8 million.

Management cannot predict the ultimate outcome of these matters, individually or in the aggregate, or their resulting effect on our business, financial position, results of operations or cash flows as litigation and related matters are subject to inherent uncertainties, and unfavorable rulings could occur. Were an unfavorable outcome to occur, there exists the possibility of a material adverse impact on our business, financial position, results of operations, or cash flows for the period in which the ruling occurs and/or future periods. We maintain product liability, general liability and excess liability insurance coverage. However, insurance may not continue to be available at an acceptable cost to us, such coverage may not be sufficient to cover one or more large claims, or the insurers may successfully disclaim coverage as to a pending or future claim.

Non-Income Tax Contingencies

We have reserved for certain state sales and use tax and foreign non-income tax contingencies based on the likelihood of an obligation in accordance with accounting guidance for probable loss contingencies. Loss contingency provisions are recorded for probable losses at management's best estimate of a loss, or when a best estimate cannot be made, a minimum loss contingency amount is recorded. We provide provisions for potential payments of tax to various tax authorities for contingencies related to non-income tax matters, including value-added taxes and sales tax. We provide provisions for U.S. state sales taxes in each of the states where we have nexus. As of June 30, 2025 and December 31, 2024, accrued liabilities were \$0.2 million and \$0.2 million, respectively, related to non-income tax contingencies. While we believe that the assumptions and estimates used to determine contingent liabilities are reasonable, the ultimate outcome of these matters cannot presently be determined. We believe future payments related to these matters could range from \$0 to approximately \$2.9 million.

(10) Fair Value Measurements

The fair value of a financial instrument is the amount that could be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial assets are marked to bid prices and financial liabilities are marked to offer prices. Fair value measurements do not include transaction costs. A fair value hierarchy is used to prioritize the quality and reliability of the information used to determine fair values of each financial instrument. Categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fair value hierarchy is defined into the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

The following table presents our hierarchy for our assets, measured at fair value on a recurring basis, as of June 30, 2025 (dollar amounts in thousands):

	Level 1 Quoted Prices in Active Markets for Identical Assets	Level 2 Significant Other Observable Inputs	Level 3 Significant Unobservable Inputs	Total
Restricted investment securities - trading	\$ 1,041	\$ —	\$ —	\$ 1,041
Total assets measured at fair value on a recurring basis	\$ 1,041	\$ —	\$ —	\$ 1,041

The following table presents our hierarchy for our assets, measured at fair value on a recurring basis, as of December 31, 2024 (dollar amounts in thousands):

	Level 1 Quoted Prices in Active Markets for Identical Assets	Level 2 Significant Other Observable Inputs	Level 3 Significant Unobservable Inputs	Total
Restricted investment securities - trading	\$ 915	\$ —	\$ —	\$ 915
Total assets measured at fair value on a recurring basis	\$ 915	\$ —	\$ —	\$ 915

Restricted investment securities - trading — Our trading portfolio consists of various marketable securities that are valued using quoted prices in active markets.

For the six months ended June 30, 2025 and for the year ended December 31, 2024, there were no fair value measurements using significant other observable inputs (Level 2) or significant unobservable inputs (Level 3).

The carrying amounts reflected on the condensed consolidated balance sheets for cash and cash equivalents, accounts receivable and accounts payable approximate fair value due to their short-term nature. The carrying value of our debt approximates fair value due to its recent acquisition and short maturity. During the six months ended June 30, 2025 and 2024, we did not have any re-measurements of non-financial assets at fair value on a nonrecurring basis subsequent to their initial recognition.

(11) Revenue Recognition

Revenue Recognition

Net sales include sales of products and shipping and handling charges, net of estimates for product returns and any related sales incentives or rebates based upon historical information and current trends. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring products. All revenue is recognized when we satisfy our performance obligations under the contract. We recognize revenue by transferring the promised products to the customer, with revenue recognized at shipping point, the point in time the customer obtains control of the products. The majority of our contracts have a single performance obligation and are short term in nature. Contracts with multiple performance obligations are insignificant. Sales taxes and value-added taxes in the United States and foreign jurisdictions that are collected from customers and remitted to governmental authorities are accounted for on a net basis and therefore are excluded from net sales. Amounts received for unshipped merchandise are recorded as deferred revenue. Amounts for membership fees are deferred and amortized as revenue over the life of the membership, primarily one year.

A reserve for product returns is recorded based upon historical experience and current trends. We allow independent consultants to return the unused portion of products within ninety days of purchase if they are not satisfied with the product. In some of our markets, the requirements to return products are more restrictive.

Amounts billed to customers for shipping and handling are reported as a component of net sales.

Volume incentives and other sales incentives or rebates are a significant part of our direct sales marketing program and represent commission payments made to independent consultants. These payments are designed to provide incentives for reaching higher sales levels. The amount of volume incentive expense recognized is determined based upon the amount of qualifying purchases in a given month and recorded as volume incentive expense. Payments to independent consultants for sales incentives or rebates related to their own purchases are recorded as a reduction of revenue. Some payments for sales incentives are processed daily; while others, including rebates, are calculated monthly based upon qualifying sales.

Disaggregation of Revenue

Our products are grouped into six principal categories: general health, immune, cardiovascular, digestive, personal care and weight management. We have four business segments that are based primarily upon the geographic region where each segment operates. Each of the geographic segments operate under the Nature's Sunshine Products and Synergy WorldWide® brands. See Note 7, Segment Information, for further information on our reportable segments and presentation of disaggregated revenue by reportable segment and product category.

Practical Expedients and Exemptions

We have made the accounting policy election to treat shipping and handling as a fulfillment activity rather than a promised service under Topic 606.

Item 2. *MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS*

The following Management's Discussion and Analysis should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included in this report, as well as the consolidated financial statements, the notes thereto and management's discussion and analysis included in our Annual Report on Form 10-K for the year ended December 31, 2024, and our other reports filed since the date of such Form 10-K.

OVERVIEW

We are a natural health and wellness company primarily engaged in the manufacture and sale of nutritional and personal care products. We are a Utah corporation with our principal place of business in Lehi, Utah, and sell our products directly to customers and to a sales force of independent consultants who resell our products to consumers.

Our independent consultants market and sell our products to customers and sponsor other independent consultants who also market our products to customers. Because a significant amount of revenue is generated through the sales of our independent consultants, our revenue can be impacted by the number and productivity of our independent consultants. We seek to motivate and provide incentives to our independent consultants by offering high quality products, product support, training seminars and financial incentives, among other considerations.

Second Quarter Performance

In the second quarter of 2025, we experienced an increase in our consolidated net sales of 3.8 percent (or 2.2 percent in local currencies) compared to the same period in 2024. Asia net sales increased approximately 5.4 percent (or 2.3 percent in local currencies) compared to the same period in 2024. Europe net sales increased approximately 0.6 percent (or decreased 1.6 percent in local currencies) compared to the same period in 2024. North America net sales increased approximately 4.2 percent (or 4.3 percent in local currencies) compared to the same period in 2024. Latin America and Other net sales decreased approximately 0.6 percent (or increased 2.8 percent in local currencies) compared to the same period in 2024. The strengthening of the local currencies versus the U.S. dollar, primarily in our Asian and European markets, resulted in an approximate 1.6 percent, or \$1.8 million, increase of our net sales during the quarter.

Cost of sales increased \$0.8 million during the three months ended June 30, 2025, compared to the same period in 2024, and as a percentage of net sales were 28.3 percent and 28.6 percent for the three months ended June 30, 2025 and 2024, respectively. The decrease in cost of sales percentage is primarily due to cost savings initiatives, partially offset by unfavorable foreign exchange and market mix.

In absolute terms, selling, general and administrative expenses increased \$5.1 million during the three months ended June 30, 2025, compared to the same period in 2024, and as a percentage of net sales were 38.1 percent and 34.9 percent for the three months ended June 30, 2025 and 2024, respectively. The increase was primarily related to the timing of compensation costs, incremental investment in digital marketing and other non-recurring expenses.

As an international business, we have significant sales and costs denominated in currencies other than the U.S. Dollar. We expect foreign markets with functional currencies other than the U.S. Dollar will continue to represent a substantial portion of our overall sales and related operating expenses. Accordingly, changes in foreign currency exchange rates could materially affect sales and costs or the comparability of sales and costs from period to period as a result of translating foreign markets' financial statements into our reporting currency.

Eastern Europe

On February 24, 2022, Russian forces launched significant military action against Ukraine. There continues to be sustained conflict and disruption in the region, which is expected to endure for the foreseeable future. Our consultants in our Russia and Other market, a market within our Europe business segment that includes Russia, Ukraine, Belarus and other Common Independent States in the region, continue to operate their independent businesses, albeit at a reduced level than prior to the start of the conflict. We expect that this will continue to impact our business for the foreseeable future. We will continue

monitoring the social, political, regulatory and economic environment in Ukraine and Russia and will consider further actions as appropriate.

More broadly, there could be additional negative impacts to our net sales, earnings and cash flows should the situation escalate beyond its current scope, including, among other potential impacts, economic recessions in certain neighboring countries.

Net sales related to Eastern Europe for the three and six months ended June 30, 2025 were \$13.5 million and \$29.3 million, respectively, compared to \$14.2 million and \$28.9 million for the same periods in 2024. Operating income related to Eastern Europe for the three and six months ended June 30, 2025 was \$1.0 million and \$2.4 million, respectively, compared to \$0.8 million and \$2.3 million for the same periods in 2024. As of June 30, 2025, Eastern Europe had assets of \$6.0 million net of working capital reserves related to inventories.

In addition, in November 2024 we began an internal investigation regarding our past compliance with relevant U.S. trade controls and made voluntary disclosures of apparent trade controls violations to the U.S. Department of Commerce's Bureau of Industry and Security ("BIS"). We estimate that such potential violations being investigated represented less than one percent of our net revenue in each of our last three fiscal years. An unfavorable outcome of this investigation may include fines or penalties imposed in response to our voluntary disclosures. While we believe the amount of any fines or penalties would not be material to our financial condition and results of operation, we are unable to predict the outcome or to reasonably estimate the time it may take to resolve these matters.

China Joint Ventures

On June 30, 2025, the Company entered into share purchase agreements with Fosun Industrial Co., Ltd. ("Fosun Industrial" an affiliate of Fosun Pharma) to purchase Fosun Industrial's interest in the Company's two joint ventures, Nature's Sunshine Hong Kong Limited and Shanghai Nature's Sunshine Health Products Co., Ltd., for cash consideration in the amount of \$3.9 million and \$3.1 million, respectively. The joint venture repurchases are subject to customary closing conditions, including making applicable regulatory submissions to the People's Republic of China ("PRC") State Administration for Market Regulation and submitting required applications to the PRC Ministry of Commerce.

Tariffs

While we have not seen a material price increase as a result of tariffs and tariff speculation, we continue to monitor the additional pressure that tariff-related price increases may have. In addition, we are monitoring other effects of tariffs on our business, including the price, availability and quality of raw materials and other ingredients. While we expect higher tariffs to impact our costs in 2025, we do not expect the impact to be material.

Inflation

Like many other companies, we are facing significant inflationary pressures in the global economy. Our operations have been, and may continue to be, adversely impacted by inflation, primarily from higher costs of raw materials, labor, production, distribution and transportation costs.

RESULTS OF OPERATIONS

The following table summarizes our unaudited consolidated operating results from continuing operations in U.S. dollars and as a percentage of net sales for the three months ended June 30, 2025 and 2024 (dollar amounts in thousands):

Three Months Ended June 30,	2025		2024		Change	
	Total dollars	Percent of net sales	Total dollars	Percent of net sales	Total dollars	Percentage
Net sales	\$ 114,750	100.0 %	\$ 110,551	100.0 %	\$ 4,199	3.8 %
Cost of sales	32,451	28.3	31,664	28.6	787	2.5
Gross profit	82,299	71.7	78,887	71.4	3,412	4.3
Volume incentives	34,360	29.9	34,693	31.4	(333)	(1.0)
SG&A expenses	43,665	38.1	38,557	34.9	5,108	13.2
Operating income	4,274	3.7	5,637	5.1	(1,363)	(24.2)
Other income (loss), net	3,270	2.8	(1,214)	(1.1)	4,484	369.4
Income before income taxes	7,544	6.6	4,423	4.0	3,121	70.6
Provision for income taxes	2,025	1.8	2,935	2.7	(910)	(31.0)
Net income	\$ 5,519	4.8 %	\$ 1,488	1.3 %	\$ 4,031	270.9 %

The following table summarizes our unaudited consolidated operating results from continuing operations in U.S. dollars and as a percentage of net sales for the six months ended June 30, 2025 and 2024 (dollar amounts in thousands):

Six Months Ended June 30,	2025		2024		Change	
	Total dollars	Percent of net sales	Total dollars	Percent of net sales	Total dollars	Percentage
Net sales	\$ 227,998	100.0 %	\$ 221,544	100.0 %	\$ 6,454	2.9 %
Cost of sales	64,102	28.1	63,679	28.7	423	0.7
Gross profit	163,896	71.9	157,865	71.3	6,031	3.8
Volume incentives	69,204	30.4	68,263	30.8	941	1.4
SG&A expenses	84,246	37.0	79,341	35.8	4,905	6.2
Operating income	10,446	4.6	10,261	4.6	185	1.8
Other income (loss), net	4,207	1.8	(1,183)	(0.5)	5,390	455.6
Income before income taxes	14,653	6.4	9,078	4.1	5,575	61.4
Provision for income taxes	4,250	1.9	5,100	2.3	(850)	(16.7)
Net income	\$ 10,403	4.6 %	\$ 3,978	1.8 %	\$ 6,425	161.5 %

Net Sales

International operations have provided, and are expected to continue to provide, a significant portion of our total net sales. As a result, total net sales will continue to be affected by fluctuations in the U.S. dollar against foreign currencies. In order to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency fluctuations, in addition to comparing the percent change in net sales from one period to another in U.S. dollars, we present net sales excluding the impact of foreign exchange fluctuations. We compare the percentage change in net sales from one period to another period by excluding the effects of foreign currency exchange as shown below. Net sales excluding the impact of foreign exchange fluctuations is not a U.S. GAAP financial measure and removes from net sales in U.S. dollars the impact of changes in exchange rates between the U.S. dollar and the functional currencies of our foreign subsidiaries, by translating the current period net sales into U.S. dollars using the same foreign currency exchange rates that were used to translate the net sales for the previous comparable period. We believe presenting the impact of foreign currency fluctuations is useful to investors because it allows a more meaningful comparison of net sales of our foreign operations from period to period. However, net sales excluding the impact of foreign currency fluctuations should not be considered in isolation or as an alternative to net sales in U.S. dollar measures that reflect current period exchange rates, or to other financial measures calculated and presented in accordance with U.S. GAAP. Throughout the last five years, foreign currency exchange rates have fluctuated significantly. See Item 3. *Quantitative and Qualitative Disclosures about Market Risk*.

The following table summarizes the changes in net sales by operating segment with a reconciliation to net sales excluding the impact of currency fluctuations for the three months ended June 30, 2025 and 2024 (dollar amounts in thousands):

Three Months Ended June 30,	2025	2024	Percent Change	Impact of Currency Exchange	Percent Change Excluding Impact of Currency
Asia	\$ 52,664	\$ 49,984	5.4 %	\$ 1,523	2.3 %
Europe	21,741	21,602	0.6	483	(1.6)
North America	34,977	33,563	4.2	(25)	4.3
Latin America and Other	5,368	5,402	(0.6)	(184)	2.8
	<u>\$ 114,750</u>	<u>\$ 110,551</u>	<u>3.8 %</u>	<u>\$ 1,797</u>	<u>2.2 %</u>

The following table summarizes the changes in net sales by operating segment with a reconciliation to net sales excluding the impact of currency fluctuations for the six months ended June 30, 2025 and 2024 (dollar amounts in thousands):

Six Months Ended June 30,	2025	2024	Percent Change	Impact of Currency Exchange	Percent Change Excluding Impact of Currency
Asia	\$ 101,317	\$ 96,204	5.3 %	\$ (691)	6.0 %
Europe	45,855	43,898	4.5	393	3.6
North America	69,995	70,088	(0.1)	(191)	0.1
Latin America and Other	10,831	11,354	(4.6)	(455)	(0.6)
	<u>\$ 227,998</u>	<u>\$ 221,544</u>	<u>2.9 %</u>	<u>\$ (944)</u>	<u>3.3 %</u>

Consolidated net sales for the three and six months ended June 30, 2025, were \$114.8 million and \$228.0 million, respectively, compared to \$110.6 million and \$221.5 million for the same period in 2024, which represents an increase of 3.8 percent and 2.9 percent, respectively. The increase for the three months ended June 30, 2025 was primarily related to product sales increases in our Asia and North America operating segments. Excluding the impact of foreign currency exchange rate fluctuations, consolidated net sales for the three and six months ended June 30, 2025 increased 2.2 percent and 3.3 percent, respectively, from the same periods in 2024.

Asia

Net sales related to Asia for the three and six months ended June 30, 2025 were \$52.7 million and \$101.3 million, respectively, compared to \$50.0 million and \$96.2 million for the same periods in 2024, or an increase of 5.4 percent and 5.3 percent, respectively. In local currency, net sales for the three and six months ended June 30, 2025 increased 2.3 percent and 6.0 percent, respectively, compared to the same periods in 2024. Notable activity in the following markets contributed to the results of Asia:

In our Taiwan market, net sales increased \$0.4 million and \$2.5 million, or 2.6 percent and 7.8 percent, for the three and six months ended June 30, 2025, respectively, compared to the same periods in 2024. In local currencies, net sales for the three and six months ended June 30, 2025 decreased 2.9 percent and increased 7.6 percent, respectively, compared to the same periods in 2024. Net sales in local currency decreased for the three months ended June 30, 2025 due to slowing enrollments and consultant engagement. The increase in net sales for the six months ended June 30, 2025 was primarily the result of an increase in active consultants and total orders in the first quarter.

In our Japan market, net sales increased \$3.5 million and \$5.4 million, or 36.0 percent and 28.4 percent, for the three and six months ended June 30, 2025, respectively, compared to the same periods in 2024. In local currencies, net sales for the three and six months ended June 30, 2025 increased 26.9 percent and 25.4 percent, respectively, compared to the same periods in 2024. The increase in net sales was primarily the result of strong customer acquisition driving an increase in total orders and average order size.

In our South Korea market, net sales decreased \$0.9 million and \$1.8 million, or 6.8 percent and 7.0 percent, for the three and six months ended June 30, 2025, respectively, compared to the same periods in 2024. In local currency, net sales for the three and six months ended June 30, 2025 decreased 4.5 percent and 1.8 percent, respectively, compared to the same periods in 2024. The decrease in net sales was primarily the result of challenging macroeconomic factors.

In our China market, net sales were flat for the three months ended June 30, 2025, compared to the same period in 2024. Net sales for the six months ended June 30, 2025 were \$0.6 million, or down 3.4 percent, compared to the same period in 2024. In local currencies, net sales for the three and six months ended June 30, 2025 decreased 0.1 percent and 2.8 percent, respectively, compared to the same periods in 2024. The decrease in net sales was primarily the result of challenging macroeconomic factors.

Europe

Net sales related to Europe for the three and six months ended June 30, 2025 were \$21.7 million and \$45.9 million, respectively, compared to \$21.6 million and \$43.9 million for the same periods in 2024, or increases of 0.6 percent and 4.5 percent, respectively. In local currency, net sales for the three and six months ended June 30, 2025 decreased 1.6 percent and increased 3.6 percent, respectively, compared to the same periods in 2024. The functional currency for many of these markets is the U.S. Dollar which reduces the effect from foreign currency fluctuations. Fluctuations in foreign currency exchange rates had favorable impacts on net sales of \$0.5 million and \$0.4 million for the three and six months ended June 30, 2025, respectively. Net sales in local currency decreased for the three months ended June 30, 2025 due to the timing of price increases. The increase in net sales for the six months ended June 30, 2025 was primarily the result of improved customer acquisition.

North America

Net sales related to North America for the three and six months ended June 30, 2025 were \$35.0 million and \$70.0 million, respectively, compared to \$33.6 million and \$70.1 million for the same periods in 2024, or increased 4.2 percent and decreased 0.1 percent, respectively. In local currency, net sales for the three and six months ended June 30, 2025 increased 4.3 percent and 0.1 percent, respectively, compared to the same periods in 2024.

In the United States, net sales for the three and six months ended June 30, 2025 increased \$1.7 million and \$0.5 million, or 5.6 percent and 0.8 percent, respectively, compared to the same periods in 2024. The increase was primarily due to improved customer acquisition through our digital channels as well as stabilization of our core business.

Latin America and Other

Net sales related to Latin America and Other markets for the three months ended June 30, 2025 remained flat compared to the same period in 2024, at \$5.4 million. For the six months ended June 30, 2025 and 2024, net sales were \$10.8 million and \$11.4 million, respectively, or a decrease of 4.6 percent. In local currency, net sales for the three and six months ended June 30, 2025 increased 2.8 percent and decreased 0.6 percent, respectively, compared to the same periods in 2024. Fluctuations in foreign currency had unfavorable impacts on net sales of \$0.2 million and \$0.5 million for the three and six months ended June 30, 2025, respectively.

Further information related to our Asia, Europe, North America and Latin America and Other business segments is set forth in Note 7 to the unaudited Condensed Consolidated Financial Statements in Part 1, Item 1 of this report.

Cost of Sales

Cost of sales as a percent of net sales was 28.3 percent and 28.1 percent for the three and six months ended June 30, 2025, compared to 28.6 percent and 28.7 percent for the same periods in 2024. The decrease in cost of sales percentage is primarily due to cost savings initiatives, partially offset by unfavorable foreign exchange and market mix.

Volume Incentives

Volume incentives expense as a percent of net sales was 29.9 percent and 30.4 percent for the three and six months ended June 30, 2025, respectively, compared to 31.4 percent and 30.8 percent for the same periods in 2024. The decrease was primarily due to timing of promotional incentives and changes in product pricing and market mix. These payments are designed to provide incentives for reaching certain sales levels. Volume incentives vary slightly, on a percentage basis, by product due to pricing policies and commission plans in place in our various geographies. We do not pay volume incentives in China, instead we pay independent service fees which are included in selling, general and administrative expenses.

Selling, General and Administrative

Selling, general and administrative expenses represent operating expenses, components of which include labor and benefits, sales events, professional fees, travel and entertainment, marketing, occupancy costs, communications costs, bank fees, depreciation and amortization, independent services fees paid in China and other miscellaneous operating expenses.

Selling, general and administrative expenses increased \$5.1 million and \$4.9 million, respectively, to \$43.7 million and \$84.2 million for the three and six months ended June 30, 2025, respectively, compared to the same periods in 2024. Selling, general and administrative expenses were 38.1 percent and 37.0 percent of net sales for the three and six months ended June 30, 2025, compared to 34.9 percent and 35.8 percent for the same periods in 2024. The increase was primarily related to the timing of compensation costs, incremental investment in digital marketing and other non-recurring expenses.

Other Income (Loss), Net

Other income (loss), net, for the three and six months ended June 30, 2025, was income of \$3.3 million and \$4.2 million, respectively, compared to losses of \$1.2 million and \$1.2 million during the same periods in 2024, respectively. Other income (loss), net for the three and six months ended June 30, 2025 primarily consisted of foreign exchange gains in Asia and Europe, partially offset by foreign exchange losses in Latin America, that resulted from net changes in foreign currencies.

Income Taxes

For the three months ended June 30, 2025 and 2024, our provision for income taxes, as a percentage of income before income taxes was 26.8 percent and 66.4 percent, respectively, compared with a U.S. federal statutory rate of 21.0 percent. For the six months ended June 30, 2025 and 2024, our provision for income taxes, as a percentage of income before income taxes was 29.0 percent and 56.2 percent, respectively, compared with a U.S. federal statutory rate of 21.0 percent.

The difference between the effective tax rate and the U.S. federal statutory tax rate for the three and six months ended June 30, 2025, was primarily attributed to operations in certain foreign countries which are treated as a branch for U.S. tax purposes, partially offset by favorable adjustments to deferred tax assets, foreign derived intangible income deduction and foreign tax credits.

The difference between the effective tax rate and the U.S. federal statutory tax rate for the three and six months ended June 30, 2024, was primarily attributed to operations in foreign countries which are treated as a branch for U.S. tax purposes and foreign losses which do not provide future tax benefit, partially offset by foreign tax credits.

The difference between the effective tax rate for the three and six months ended June 30, 2025, compared to June 30, 2024, is primarily caused by a decrease in foreign losses year over year that presently do not provide future tax benefit, adjustments to deferred tax assets and reserves for uncertain tax positions which were recorded in the prior period but do not repeat in the current period.

Our U.S. federal income tax returns for 2021 through 2023 are open to examination for federal tax purposes. We have several foreign tax jurisdictions that have open tax years from 2019 through 2024.

As of June 30, 2025 and December 31, 2024, we had accrued \$0.6 million and \$0.6 million, respectively, related to unrecognized tax positions.

On July 4, 2025, the President of the United States signed into law the One Big Beautiful Bill Act. The legislation, among other things, makes permanent, extends, or modifies certain provisions under the 2017 Tax Cuts and Jobs Act, including modifications to the international tax framework. Pursuant to ASC Topic 740, Income Taxes, the effects of changes in tax law are recognized in the period of enactment. As such, the impacts of this legislation are not reflected in our results for the three and six months ended June 30, 2025. We are currently evaluating the full impact of this new legislation on our consolidated financial statements.

Product Categories

Our line of over 800 products includes several different product classifications, such as immune, cardiovascular, digestive, personal care, weight management and other general health products. We purchase herbs and other raw materials in bulk, and after quality control testing, we formulate, encapsulate, tablet or concentrate them, label and package them for shipment. Most of our products are manufactured at our facility in Spanish Fork, Utah. Contract manufacturers produce some of our products in accordance with our specifications and standards. We have implemented quality control procedures to verify that our contract manufacturers have complied with our specifications and standards.

See Note 7, Segment Information, for a summary of the U.S. dollar amounts from the sale of general health, immune, cardiovascular, digestive, personal care and weight management products for the three and six months ended June 30, 2025 and 2024, by business segment.

Distribution and Marketing

We market our products primarily through our network of independent consultants, who market our products to customers through direct selling techniques. We seek to motivate and provide incentives to our independent consultants by offering high quality products and providing independent consultants with product support, training seminars, sales conventions, travel programs and financial incentives.

Our products sold in the United States are shipped directly from our manufacturing and warehouse facilities located in Spanish Fork, Utah, as well as from our regional warehouses located in Georgia, Ohio and Texas. Many of our international operations maintain warehouse facilities and inventory to supply their independent consultants. However, in foreign markets where we do not maintain warehouse facilities, we have contracted with third parties to distribute our products and provide support services to our force of independent consultants.

In the United States, we generally sell our products on a cash or credit card basis. From time to time, our U.S. operations extend short-term credit associated with product promotions. For certain of our international operations, we use independent distribution centers and offer credit terms that are generally consistent with industry standards within each respective country.

We pay sales commissions, or “volume incentives,” to our independent consultants based upon their own product sales and the product sales of their sales organization. As an exception, in China, we do not pay volume incentives; rather, we pay independent service fees, which are included in selling, general and administrative expenses. These volume incentives and independent service fees are recorded as an expense in the year earned. The amounts of volume incentives that we expensed during the quarters ended June 30, 2025 and 2024, are set forth in the unaudited Condensed Consolidated Financial Statements in Item 1 of this report. In addition to the opportunity to receive volume incentives, independent consultants who attain certain levels of monthly product sales are eligible for additional incentive programs including automobile allowances, sales convention privileges and travel awards.

LIQUIDITY AND CAPITAL RESOURCES

Our principal use of cash is to pay for operating expenses, including volume incentives, inventory and raw material purchases, capital assets, digital investments and funding of international expansion. As of June 30, 2025, working capital was \$96.0 million, compared to \$94.9 million as of December 31, 2024. At June 30, 2025, we had \$81.3 million in cash, of which \$8.8 million was held in the U.S. and \$72.5 million was held in foreign markets and may be subject to various withholding taxes and other restrictions related to repatriation before becoming available to be used along with the normal cash flows from operations to fund any unanticipated shortfalls in future cash flows.

Our net consolidated cash inflows (outflows) are as follows (in thousands):

Six Months Ended June 30,	2025		2024	
Operating activities	\$	6,949	\$	3,495
Investing activities		(2,460)		(7,040)
Financing activities		(12,853)		(8,311)

Operating Activities

For the six months ended June 30, 2025, operating activities provided cash of \$6.9 million, compared to \$3.5 million in the same period in 2024. Operating cash flows increased primarily due to improved net income and the timing of payments for accrued liabilities, lease liabilities and prepaid expenses, partially offset by an increase in inventories.

Investing Activities

For the six months ended June 30, 2025, investing activities used \$2.5 million, compared to \$7.0 million for the same period in 2024, which consisted of capital expenditures related to the purchase of equipment, computer systems and software.

Financing Activities

For the six months ended June 30, 2025, financing activities used \$12.9 million, compared to \$8.3 million for the same period in 2024.

During the six months ended June 30, 2025, we used cash to repurchase 1,011,000 shares of our common stock under the share repurchase program for \$12.4 million. On May 6, 2025 we announced an amendment to the share repurchase program allowing the repurchase of an additional \$25.0 million in common shares. At June 30, 2025, the remaining balance available for repurchases under the program was \$21.4 million.

We maintain a revolving credit agreement with Bank of America, N.A (the "Credit Agreement"), as well as a credit agreement with Banc of America Leasing and Capital, LLC (the "Capital Credit Agreement"). At June 30, 2025, there were no outstanding balances under the Credit Agreement or the Capital Credit Agreement. Our debt obligations are discussed in greater detail in Note 4, "Revolving Credit Facility and Other Obligations," to our unaudited Condensed Consolidated Financial Statements in Item 1, Part 1 of this report.

We believe that cash generated from operations, along with available cash and cash equivalents, will be sufficient to fund our normal operating needs, including capital expenditures, on both a short- and long-term basis.

In addition, other things such as a prolonged economic downturn, a decrease in demand for our products, an unfavorable settlement of our unrecognized tax positions or non-income tax contingencies could adversely affect our long-term liquidity.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our consolidated financial statements have been prepared in accordance with U.S. GAAP and form the basis for the following discussion and analysis on critical accounting policies and estimates. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. On a regular basis, we evaluate our estimates and assumptions. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates and those differences could have a material effect on our financial position and results of operations. We have discussed the development, selection and disclosure of these estimates with the Board of Directors and our Audit Committee.

A summary of our significant accounting policies is provided in Note 1 of the Notes to Consolidated Financial Statements in Item 8 of the Annual Report on Form 10-K for the year ended December 31, 2024. We believe the critical accounting policies and estimates described below reflect our more significant estimates and assumptions used in the preparation of the consolidated financial statements. The impact and any associated risks on our business that are related to these policies are also discussed throughout this "Management's Discussion and Analysis of Financial Condition and Results of Operations" where such policies affect reported and expected financial results.

Revenue Recognition

Our revenue recognition practices are discussed in Note 11, "Revenue Recognition," to our unaudited Condensed Consolidated Financial Statements in Item 1, Part 1 of this report.

Inventories

Inventories are adjusted to the lower of cost and net realizable value, using the first-in, first-out method. The components of inventory cost include raw materials, labor and overhead. To estimate any necessary adjustments, various assumptions are made regarding excess or slow-moving inventories, non-conforming inventories, expiration dates, current and future product demand, production planning and market conditions. If future demand and market conditions are less favorable than our assumptions, additional inventory adjustments could be required.

Incentive Trip Accrual

We accrue for expenses associated with our direct sales program, which rewards independent consultants with paid attendance for incentive trips, including our conventions and meetings. Expenses associated with incentive trips are accrued over qualification periods as they are earned. We specifically analyze incentive trip accruals based on historical and current sales trends as well as contractual obligations when evaluating the adequacy of the incentive trip accrual. Actual results could generate liabilities more or less than the amounts recorded.

Contingencies

We are involved in certain legal proceedings and disputes. When a loss is considered probable in connection with litigation or non-income tax contingencies and when such loss can be reasonably estimated with a range, we record our best estimate within the range related to the contingency. If there is no best estimate, we record the minimum of the range. As additional information becomes available, we assess the potential liability related to the contingency and revise the estimates. Revision in estimates of the potential liabilities could materially affect our results of operations in the period of adjustment. Our contingencies are discussed in further detail in Note 9, "Commitments and Contingencies", to the Notes of our unaudited Condensed Consolidated Financial Statements, of Item 1, Part 1 of this report.

Income Taxes

Our provision for income taxes, deferred tax assets and liabilities and contingent reserves reflect management's best assessment of estimated future taxes to be paid. We are subject to income taxes in both the United States and numerous foreign jurisdictions. Significant judgments and estimates are required in determining our consolidated provision for income taxes.

Deferred income taxes arise from temporary differences between the tax and financial statement recognition of revenue and expense. In evaluating our ability to recover our deferred tax assets, management considers all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies and recent financial operations. In projecting future taxable income, we develop assumptions including the amount of future state, federal and foreign pretax operating income, the reversal of temporary differences and the implementation of feasible and prudent tax planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates that we are using to manage the underlying businesses. Valuation allowances are recorded as reserves against net deferred tax assets by us when it is determined that net deferred tax assets are not likely to be realized in the foreseeable future.

Changes in tax laws and rates could also affect recorded deferred tax assets and liabilities in the future. Management is not aware of any such changes that would have a material effect on our results of operations, cash flows or financial position.

The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax laws and regulations in a multitude of jurisdictions across our global operations. Income tax positions must meet a more-likely-than-not recognition threshold to be recognized.

Item 3. *QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK*

We conduct business in several countries and intend to grow our international operations. Net sales, operating income and net income are affected by fluctuations in currency exchange rates, interest rates and other uncertainties inherent in doing business and selling products in more than one currency. In addition, our operations are exposed to risks associated with changes in social, political and economic conditions inherent in international operations, including changes in the laws and policies that govern international investment in countries where we have operations, as well as, to a lesser extent, changes in U.S. laws and regulations relating to international trade and investment. Furthermore, we are subject to risks from shifting tariff regimes and trade policies between countries where we operate, which could increase our costs of materials and finished goods, or disrupt our supply chain operations. For further information, see Part II, Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2024.

Item 4. *CONTROLS AND PROCEDURES*

Disclosure Controls and Procedures

Our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) are designed to provide reasonable assurance that the information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in rules and forms adopted by the SEC and that such information is accumulated and communicated to management, including the Chief Executive Officer and the Chief Financial Officer, to allow timely decisions regarding required disclosures.

Our management, under the supervision and with the participation of the Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2025. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of June 30, 2025.

Management’s Report on Internal Control over Financial Reporting

Management, with the participation of our Chief Executive Officer and Chief Financial Officer, has conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework set forth in “*Internal Control—Integrated Framework (2013)*” issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on management’s assessment under this framework, management has concluded that our internal controls over financial reporting were effective as of June 30, 2025.

Changes in Internal Control over Financial Reporting

There were no changes in our internal controls over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) during the quarter ended June 30, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

None.

Item 1A. RISK FACTORS

In addition to the information set forth in this report, you should carefully consider the risks discussed under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024, which could have a material adverse effect on our business or consolidated financial statements, results of operations and cash flows. Additional risks not currently known, or risks that are currently believed to be not material, may also impair business operations. There have been no material changes to our risk factors since the filing of our Annual Report on Form 10-K for the year ended December 31, 2024, except as follows:

Our global operations are subject to numerous laws and regulations relating to trade restrictions and export controls and failure to comply with such rules could adversely affect our business.

Our global operations are subject to numerous trade and economic sanctions and other restrictions imposed by the U.S., the EU and other governments and organizations. The U.S. Departments of Justice, Commerce, State and Treasury and other federal agencies and authorities have a broad range of civil and criminal penalties they may seek to impose against corporations and individuals for violations of economic sanctions laws, export control laws and other federal statutes and regulations, including those established by the Office of Foreign Assets Control (“OFAC”). Under these laws and regulations, as well as other anti-corruption laws, anti-money-laundering laws, export control laws, customs laws, sanctions laws and other laws governing our operations, various government agencies may require export licenses, may seek to impose modifications to business practices, including cessation of business activities in sanctioned countries or with sanctioned persons or entities and modifications to compliance programs, which may increase compliance costs and may subject us to fines, penalties and other sanctions. A violation of these laws, regulations, policies or procedures could adversely impact our business, results of operations and financial condition.

For example, in November 2024 we began an internal investigation regarding our past compliance with relevant U.S. trade controls and made voluntary disclosures of apparent trade controls violations to the U.S. Department of Commerce's Bureau of Industry and Security (“BIS”). In addition, in April 2025 we filed a voluntary self-disclosure with the Office of Foreign Assets Control relating to the same internal investigation. We estimate that such potential violations being investigated represented less than one percent of our net revenue in each of our last three fiscal years. An unfavorable outcome of this investigation may include fines or penalties imposed in response to our voluntary disclosures. While we believe the amount of any fines or penalties would not be material to our financial condition and results of operation, we are unable to predict the outcome or to reasonably estimate the time it may take to resolve these matters.

Although we have implemented policies and procedures in these areas, we cannot assure you that our policies and procedures are sufficient or that directors, officers, employees, representatives, manufacturers, suppliers and agents have not engaged and will not engage in conduct in violation of such policies and procedures.

Changes in U.S. trade policy including the impact of tariffs are having and may continue to have a material adverse effect on our business and results of operations.

Our business and results of operations are being and may continue to be adversely affected by uncertainty and changes in U.S. trade policies, including tariffs, trade agreements or other trade restrictions which may be imposed by the U.S. or other governments with little or no advance notice. For example, the U.S. government recently imposed tariffs on various product imports from almost all countries. Some tariff announcements have been followed by the granting of limited exemptions and temporary pauses causing substantial uncertainty and volatility in financial markets. Current U.S. trade policy has and may continue to result in retaliatory measures on U.S. goods. Retaliatory tariffs that apply to our products could have a material adverse impact on demand for and purchases of our products.

Some of our products require materials that may be subject to these recent tariffs. Any imposition of or increase in tariffs on imports of our products or components needed to manufacture our products, as well as corresponding price increases for such materials available domestically, could increase our costs. To the extent that we are unsuccessful in finding alternative suppliers that are subject to smaller or no tariffs, negotiating sharing these costs with our suppliers, or failing to pass cost

increases on to our customers, such cost increases could adversely affect our business and results of operations. Higher costs could also inhibit our ability to develop new products and innovations.

If we are unable to navigate further these unpredictable changes in U.S. or international trade policy, it could have a material adverse impact on our business and results of operations.

Tariffs or other trade restrictions may lead to continuing uncertainty and volatility in U.S. and global financial and economic conditions and commodity markets, declining consumer confidence, significant inflation and diminished expectations for the economy, and ultimately may reduce demand for our products. Such conditions could have a material adverse impact on our business, results of operations and cash flows.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS AND ISSUER PURCHASES OF EQUITY SECURITIES

The following table summarizes the purchases of our common stock during the fiscal quarter ended June 30, 2025:

Periods	Total Number of Shares Purchased (in thousands)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (in thousands)	Maximum Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs ⁽¹⁾ (in thousands)
April 1, 2025 to April 30, 2025	128	\$ 11.92	128	
May 1, 2025 to May 31, 2025	12	12.30	12	
June 1, 2025 to June 30, 2025	833	\$ 12.00	833	
Total	973		973	\$ 21,393

- (1) On March 10, 2021, we announced a \$15.0 million common share repurchase program. On March 8, 2022 we announced an amendment to the share repurchase program allowing the repurchase of an additional \$30.0 million shares. On May 6, 2025 we announced an amendment to the share repurchase program allowing the repurchase of an additional \$25.0 million in common shares. The repurchases may be made from time to time as market conditions warrant and are subject to regulatory considerations. We purchased 973,000 shares of our common stock during the quarter ended June 30, 2025, under the terms of this Board approved plan. Of those shares, 833,000 shares were purchased from Fosun Pharma on June 27, 2025.

The actual timing, number and value of common shares repurchased under our board-approved plan will be determined at our discretion and will depend on a number of factors, including, among others, general market and business conditions, the trading price of common shares and applicable legal requirements. We have no obligation to repurchase any common shares under the authorization, and the repurchase plan may be suspended, discontinued, or modified at any time for any reason.

Item 3. DEFAULTS UPON SENIOR SECURITIES

None.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

Item 5. OTHER INFORMATION

During the six months ended June 30, 2025, none of our directors or officers adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408 of Regulation S-K.

Item 6. EXHIBITS

a) Index to Exhibits

Item No.	Exhibit
31.1(1)	Certification of Chief Executive Officer under SEC Rule 13a-14(a)/15d-14(a) promulgated under the Securities Exchange Act of 1934
31.2(1)	Certification of Chief Financial Officer under SEC Rule 13a-14(a)/15d-14(a) promulgated under the Securities Exchange Act of 1934
31.3(1)	Certification of Chief Accounting Officer under SEC Rule 13a-14(a)/15d-14(a) promulgated under the Securities Exchange Act of 1934
32.1(2)	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350 Chief Executive Officer pursuant to 18 U.S.C. Section 1350
32.2(2)	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350 Financial Officer pursuant to 18 U.S.C. Section 1350
32.3(2)	Certification of Chief Accounting Officer pursuant to 18 U.S.C. Section 1350 Financial Officer pursuant to 18 U.S.C. Section 1350
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
104	Cover page Interactive Data File (the cover page XBRL tags are embedded within iXBRL (Inline Extensible Business Reporting Language) document)

-
- (1) Filed currently herewith.
(2) Furnished currently herewith.

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 thereunto duly authorized.

Nature’s Sunshine Products, Inc.

Date:	July 31, 2025	<div>/s/ Terrence O. Moorehead</div> <div>Terrence O. Moorehead, President and Chief Executive Officer (Principal Executive Officer)</div>
Date:	July 31, 2025	<div>/s/ L. Shane Jones</div> <div>L. Shane Jones, Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)</div>
Date:	July 31, 2025	<div>/s/ Jonathan D. Lanoy</div> <div>Jonathan D. Lanoy, Senior Vice President, Chief Accounting Officer (Principal Accounting Officer)</div>

CERTIFICATIONS

I, Terrence O. Moorehead, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Nature's Sunshine Products, Inc. ("the registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2025

/s/ Terrence O. Moorehead

Terrence O. Moorehead

President and Chief Executive Officer

CERTIFICATIONS

I, L. Shane Jones, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Nature's Sunshine Products, Inc. (the "registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2025

/s/ L. Shane Jones

L. Shane Jones

Executive Vice President, Chief Financial Officer and Treasurer

CERTIFICATIONS

I, Jonathan D. Lanoy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Nature's Sunshine Products, Inc. (the "registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2025

/s/ Jonathan D. Lanoy

Jonathan D. Lanoy

Senior Vice President, Chief Accounting Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Nature's Sunshine Products, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Terrence O. Moorehead, President and Chief Executive Officer of the Company, certify, pursuant to 18.U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 31, 2025

/s/ Terrence O. Moorehead

Terrence O. Moorehead

President and Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Nature's Sunshine Products, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, L. Shane Jones, Executive Vice President, Chief Financial Officer and Treasurer of the Company, certify, pursuant to 18.U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 31, 2025

/s/ L. Shane Jones

L. Shane Jones

Executive Vice President, Chief Financial Officer and Treasurer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Nature's Sunshine Products, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jonathan D. Lanoy, Senior Vice President, Chief Accounting Officer of the Company, certify, pursuant to 18.U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 31, 2025

/s/ Jonathan D. Lanoy

Jonathan D. Lanoy

Senior Vice President, Chief Accounting Officer