

**Limited Liability Company  
"Herbalife Ukraine"**

Financial Statements  
In accordance with National Regulations (Standards)  
Of Accounting in Ukraine  
31 December 2020

**Together with Independent Auditor's Report**

*This version of financial statements is a translation from the original, which was prepared in Ukrainian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of financial statements takes precedence over this translation.*

**Limited Liability Company "Herbalife Ukraine"**  
**Financial Statements in accordance with NR(S)AU as at and for the year ended**  
**31 December 2020**

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## Independent Auditor's Report

To the participants of Limited Liability Company "Herbalife Ukraine"

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### Our qualified opinion

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of this report, the financial statements present fairly, in all material respects, the financial position of Limited Liability Company "Herbalife Ukraine" (the "Company") as at 31 December 2020, and the Company's financial performance and cash flows for the year then ended in accordance with National Regulations (Standards) of Accounting in Ukraine (NR(S)AU) and comply, in all material respects, with financial reporting requirements of the Law on Accounting and Financial Reporting in Ukraine.

### What we have audited

The Company's financial statements comprise:

- the balance sheet (statement of financial position, Form 1) as at 31 December 2020;
- the statement of financial results (statement of comprehensive income, Form 2) for the year then ended;
- the statement of cash flows (Form 3) for the year then ended;
- the statement of shareholders' equity (Form 4) for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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### Basis for qualified opinion

We were appointed as auditors of the Company in May 2019 and thus did not observe the counting of the physical inventories as at 31 December 2018. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at this date. Since the balance of inventories enters into the determination of the financial performance, we were unable to determine need for adjustments in respect of results reported in the statement of financial results for the year ended 31 December 2019.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of the Law on Audit of Financial Statements and Auditing that are relevant to our audit of the financial statements in Ukraine. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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### Other information including the management report

Management is responsible for the other information. The other information comprises the management report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information, including the management report.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Based on the work undertaken in the course of our audit, in our opinion, the information given in the management report for the financial year for which the financial statements are prepared is consistent with the financial statements.

In addition, in light of the knowledge and understanding of the entity and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in management report and other information that we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

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### Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with NR(S)AU and financial reporting requirements of the Law on Accounting and Financial Reporting in Ukraine, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may

cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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The key audit partner on the audit resulting in this independent auditor's report is Taras Kovalenko.

LLC AF "PricewaterhouseCoopers (Audit)"

Taras Kovalenko

Registration number in the Register of Auditors and  
Auditing Entities 0152

Registration number in the Register of Auditors and  
Auditing Entities 101806

*LLC AF "PricewaterhouseCoopers (Audit)"*

Kyiv, Ukraine

9 June 2021



**Limited Liability Company "Herbalife Ukraine"**  
**Financial Statements in accordance with NR(S)AU as at and for the year ended**  
**31 December 2020**

**Statement of Management's Responsibilities**

**To the participants of Limited Liability Company "Herbalife Ukraine":**

1. We have prepared the financial statements as at and for the year ended 31 December 2020 which present fairly, in all material respects, the financial position of Limited Liability Company "Herbalife Ukraine" (hereinafter referred to as the "Company") as of 31 December 2020 and the results of its operations for the year then ended in accordance with National Regulations (Standards) of Accounting in Ukraine.
2. Management is responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable the financial statements to comply with National Regulations (Standards) of Accounting in Ukraine and that its statutory accounting reports comply with Ukrainian laws and regulations. Management also has a general responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
3. Management considers that in preparing the financial statements set out on pages 7–57, the Company has used appropriate accounting policies, disclosed on pages 27–34, consistently applied and supported by reasonable and prudent judgements and estimates, and that all appropriate National Regulations (Standards) of Accounting in Ukraine have been complied with.
4. The financial statements are hereby approved on behalf of the management.

*09 June* 2021



*[Signature]*  
Chief Executive

*[Signature]* Kovalchuk I.  
Chief Accountant

	Date (year, month, date)	Codes		
		2020	12	31
Company: LLC "Herbalife Ukraine"	EDRPOU	36186424		
Territory: Pecherskyi District	KOATUU	8038200000		
Organisational and legal form of economic activity: Limited Liability Company	KOPFG	210		
Type of economic activity: wholesale in other food products including fish, shellfish and molluscs	KVED	46.38		
Average number of employees: 33				
Address, telephone: 26, Mykhaylo Boychuk Str., Kyiv, 01103				
Measurement unit: UAH thousands rounded to the nearest whole 1 Ukrainian hryvnia (except for Section IV of the Statement of Financial Results (Statement of Comprehensive Income) (Form 2), where amounts are stated in Ukrainian hryvnias with kopecks)				
Prepared (tick the necessary box):				
in accordance with National Regulations (Standards) of Accounting in Ukraine		v		
in accordance with International Financial Reporting Standards				

**Balance Sheet (Statement of Financial Position)**  
as at 31 December 2020

ASSETS	Other notes	Line code	DKUD Code	
			At the beginning of the reporting period	At the end of the reporting period
1		2	3	1801001 4
<b>I. Non-current assets</b>				
Intangible assets		1000	-	-
historical cost		1001	1,225	1,225
Accumulated amortisation		1002	(1,225)	(1,225)
Current financial investments		1005	1,528	2,572
Property, plant and equipment		1010	3,929	3,670
historical cost		1011	10,962	12,065
Accumulated depreciation		1012	(7,033)	(8,395)
Investment property		1015	-	-
Long-term biological assets		1020	-	-
Long-term financial investments: accounted for according to the equity method		1030	-	-
other financial investments		1035	-	-
Long-term accounts receivable		1040	-	-
Deferred tax assets	2	1045	966	2,094
Other non-current assets		1090	-	-
<b>Total Section I</b>		<b>1095</b>	<b>6,423</b>	<b>8,336</b>
<b>II. Current assets</b>				
Inventories		1100	44,391	55,264
Current biological assets		1110	-	-
Accounts receivable for goods, works and services		1125	214	237
Accounts receivable on settlements: on advances issued	3	1130	5,106	5,231
with the budget		1135	694	6
including on income tax		1136	-	-
Other current accounts receivable		1155	1	42
Current financial investments		1160	-	-
Cash and cash equivalents		1165	139,954	194,656
Deferred expenses		1170	1	-
Other current assets		1190	-	-
<b>Total Section II</b>		<b>1195</b>	<b>190,361</b>	<b>255,436</b>
<b>III. Non-current assets held for sale and disposal groups</b>		<b>1200</b>	-	-
<b>BALANCE</b>		<b>1300</b>	<b>196,784</b>	<b>263,772</b>

Accounting policies stated on pages 27-34, notes to the annual financial statements on pages 13-26 and other notes on pages 35-57 form an integral part of these financial statements

**Balance Sheet (Statement of Financial Position)**  
as at 31 December 2020

Form 1  
(continued)

LIABILITIES	Other notes	Line code	At the beginning of the reporting period	At the end of the reporting period
1		2	3	4
<b>I. Equity</b>				
Registered (share) capital				
Revaluation reserve	4	1400	123	123
Additional capital		1405	-	-
Reserve capital		1410	-	-
Retained earnings (accumulated deficit)		1415	-	-
Unpaid capital		1420	69,157	138,917
Withdrawn capital		1425	(-)	(-)
Withdrawn capital		1430	(-)	(-)
<b>Total Section I</b>		<b>1495</b>	<b>69,280</b>	<b>139,040</b>
<b>II. Long-term liabilities and provisions</b>				
Deferred tax liabilities		1500	-	-
Long-term bank loans		1510	-	-
Other long-term liabilities		1515	-	-
Long-term provisions		1520	-	-
Special-purpose financing		1525	-	-
<b>Total Section II</b>		<b>1595</b>	<b>-</b>	<b>-</b>
<b>III. Current liabilities and provisions</b>				
Short-term bank loans		1600	-	-
Current accounts payable for: long-term liabilities		1610	-	-
goods, works, services	5	1615	37,424	26,278
settlements with the budget	6	1620	18,964	11,555
including on income tax		1621	9,230	4,194
settlements on insurance		1625	1	-
payroll		1630	-	34
Current provisions		1660	8,178	6,246
Deferred income		1665	-	-
Other current liabilities	11	1690	62,937	80,619
<b>Total Section III</b>		<b>1695</b>	<b>127,504</b>	<b>124,732</b>
<b>IV. Liabilities associated with non-current assets held for sale and disposal groups</b>		<b>1700</b>	<b>-</b>	<b>-</b>
<b>BALANCE</b>		<b>1900</b>	<b>196,784</b>	<b>263,772</b>

Chief Executive

Chief Accountant



*Tatiana Serzbryanik*  
*Iryna Kovalchuk*

Accounting policies stated on pages 27-34, notes to the annual financial statements on pages 13-26 and other notes on pages 35-57 form an integral part of these financial statements



	Date (year, month, date)	Codes		
Company: LLC "Herbalife Ukraine"	EDRPOU	2020	12	31
(name)		36186424		

**Statement of Financial Results (Statement of Comprehensive Income)**  
for the year ended 31 December 2020

Form 2

DKUD Code 1801003

**I. Financial results**

Item	Other notes	Line code	For the reporting period	For the similar period of the prior year
1		2	3	4
Net revenue from sales of goods, works and services		2000	837,345	738,581
Cost of sales of goods, works and services		2050	(492,650)	(416,405)
<b>Gross:</b>				
Profit		2090	344,695	322,176
Loss		2095	(-)	(-)
Other operating income		2120	4,694	5,953
Administrative expenses		2130	(20,910)	(20,019)
Selling expenses		2150	(210,400)	(214,499)
Other operating expenses		2180	(11,160)	(941)
<b>Financial results from operating activities:</b>				
Profit		2190	106,919	92,670
Loss		2195	(-)	(-)
Income from participation in equity		2200	-	-
Other financial income		2220	-	-
Other income		2240	-	-
Financial expenses		2250	(19,020)	(17,787)
Losses from participation in equity		2255	(-)	(-)
Other expenses		2270	(2,043)	(-)
<b>Financial results before taxation:</b>				
Profit		2290	85,856	74,883
Loss		2295	(-)	(-)
Income tax credit (expense)	8	2300	(16,096)	(13,634)
Profit (loss) from discontinued operations after tax		2305	-	-
<b>Net financial result:</b>				
Profit		2350	69,760	61,249
Loss		2355	(-)	(-)

**II. Comprehensive income**

Item	Other notes	Line code	For the reporting period	For the similar period of the prior year
1		2	3	4
Upward (downward) revaluation of non-current assets		2400	-	-
Upward (downward) revaluation of financial instruments		2405	-	-
Accumulated exchange differences		2410	-	-
Share of other comprehensive income of associates and joint ventures		2415	-	-
Other comprehensive income		2445	-	-
<b>Other comprehensive income before tax</b>		2450	-	-
Income tax arising on other comprehensive income		2455	-	-
<b>Other comprehensive income after tax</b>		2460	-	-
<b>Comprehensive income (total of lines 2350, 2355 and 2460)</b>		2465	69,760	61,249

Accounting policies stated on pages 27-34, notes to the annual financial statements on pages 13-26 and other notes on pages 35-57 form an integral part of these financial statements

**Statement of Financial Results (Statement of Comprehensive Income)**  
for the year ended 31 December 2020

Form 2  
(continued)

**III. Elements of operating expenses**

Item 1	Other notes	Line code 2	For the reporting period 3	For the similar period of the prior year 4
Material expenses		2500	12,229	1,184
Payroll		2505	12,417	12,071
Social payments		2510	2,976	2,465
Depreciation/amortisation		2515	1,529	1,163
Other operating expenses		2520	213,319	218,576
<b>Total</b>		<b>2550</b>	<b>242,470</b>	<b>235,459</b>

Note: Section IV. Calculation of shares profitability is not completed as the Company is a limited liability company and, therefore, has no shares issued.

Chief Executive

Chief Accountant



*Tatiana Serebryanik*  
*Iryna Kovalchuk*

Accounting policies stated on pages 27-34, notes to the annual financial statements on pages 13-26 and other notes on pages 35-57 form an integral part of these financial statements

Date (year, month, date)		2020	12	31
Company: LLC "Herbalife Ukraine" (name)	EDRPOU	36186424		

**Statement of Cash Flows (direct method)**  
for the year ended 31 December 2020

Form 3

DKUD Code

1801004

Item	Other notes	Line code	For the reporting period	For the similar period of the prior year
1		2	3	4
<b>I. Cash flows from operating activities</b>				
Receipts from:				
Sales of goods, works and services		3000	1,001,884	891,921
Return of taxes and levies		3005	-	-
including value added tax		3006	-	-
Special-purpose financing		3010	-	-
Receipts from interest on current account balances		3025	1,528	936
Receipts from debtors of forfeit (fines and penalties)		3035	-	60
Other receipts		3095	-	-
Outflows from payments for:				
Goods, works and services		3100	(805,919)	(710,036)
Payroll		3105	(10,953)	(12,071)
Social contributions		3110	(2,981)	(2,465)
Liabilities on taxes and levies		3115	(126,649)	(120,685)
Expenditures for payment of income tax liabilities				
		3116	(15,628)	(17,190)
Expenditures for payment of value-added tax		3117	(100,587)	(95,221)
Expenditures for payment of other taxes and levies		3118	(10,434)	(8,274)
Other expenses		3190	-	-
<b>Cash flows from operating activities, net</b>		<b>3195</b>	<b>56,910</b>	<b>47,660</b>
<b>II. Cash flows from investing activities</b>				
Receipts from sale of:				
of financial investments		3200	-	-
of non-current assets		3205	-	-
Receipts from:				
interest		3215	-	-
dividends		3220	-	-
Receipts from derivatives		3225	-	-
Other receipts		3250	-	-
Expenditure for purchase:				
of financial investments		3255	-	-
of non-current assets		3260	(2,350)	-
Payments on derivatives		3270	-	-
Other payments		3290	-	-
<b>Cash flows from investing activities, net</b>		<b>3295</b>	<b>(2,350)</b>	<b>-</b>
<b>III. Cash flows from financing activities</b>				
Receipts from:				
Equity		3300	-	-
Loans		3305	-	-
Other receipts		3340	-	-
Expenditure for:				
Repurchase of treasury shares		3345	-	-
Loans repayment		3350	-	-
Dividends payment		3355	-	(25,000)
Other payments		3390	-	-
<b>Cash flows from financing activities, net</b>		<b>3395</b>	<b>-</b>	<b>(25,000)</b>
<b>Cash flows for the reporting period, net</b>		<b>3400</b>	<b>54,560</b>	<b>22,660</b>
Cash at the beginning of the year		3405	139,937	116,397
Effect of exchange rates on cash balances		3410	159	897
Cash at the end of the year		3415	194,656	139,954

Chief Executive

Chief Accountant



*Tatiana Szebryanik*  
*Iryna Kovalchuk*

Accounting policies stated on pages 27-34, notes to the annual financial statements on pages 13-26 and other notes on pages 35-57 form an integral part of these financial statements

		Codes		
Company: LLC "Herbalife Ukraine" (name)		2020	12	31
		EDRPOU 36186424		

**Statement of Shareholders' Equity**  
for the year ended 31 December 2020

Form 4

DKUD Code 1801005

Item	Code	Registered (share) capital	Revaluation reserve	Additional capital	Reserve capital	Retained earnings (accumulated deficit)	Unpaid capital	Withdrawn capital	Total
1	2	3	4	5	6	7	8	9	10
Balance at the beginning of the year	4000	123	-	-	-	69,157	-	-	69,280
Adjustments:									
Change in accounting policies	4005	-	-	-	-	-	-	-	-
Correction of errors	4010	-	-	-	-	-	-	-	-
Other changes	4090	-	-	-	-	-	-	-	-
Balance at the beginning of the year, adjusted	4095	123	-	-	-	69,157	-	-	69,280
Net profit (loss) for the reporting period	4100	-	-	-	-	69,760	-	-	69,760
Other comprehensive income for the reporting period	4110	-	-	-	-	-	-	-	-
Profit distribution:									
Payments to the owners (dividends)	4200	-	-	-	-	-	-	-	-
Allocation to the registered capital	4205	-	-	-	-	-	-	-	-
Allocation to the reserve capital	4210	-	-	-	-	-	-	-	-
Contributions by owners:									
Capital contributions	4240	-	-	-	-	-	-	-	-
Repayment of unpaid capital	4245	-	-	-	-	-	-	-	-
Withdrawal of capital:									
Repurchase of shares	4260	-	-	-	-	-	-	-	-
Sale of treasury shares	4265	-	-	-	-	-	-	-	-
Cancellation of treasury shares	4270	-	-	-	-	-	-	-	-
Withdrawal of the share in equity	4275	-	-	-	-	-	-	-	-
Other changes in equity	4290	-	-	-	-	-	-	-	-
Changes in equity, total	4295	-	-	-	-	-	-	-	-
Balance at the end of the year	4300	123	-	-	-	69,760	-	-	69,760
						138,917	-	-	139,040

Chief Executive

Chief Accountant



*Tatiana Serebryanik*  
*Iryna Kovalchuk*

Accounting policies stated on pages 27-34, notes to the annual financial statements on pages 13-26 and other notes on pages 35-57 form an integral part of these financial statements

Company: LLC "Herbalife Ukraine"  
 Territory:  
 State power authority:  
 Organisational and legal form of economic activity: Limited Liability Company  
 Type of economic activity: wholesale in other food products including fish, shellfish and molluscs  
 Measurement unit: UAH thousands

Date (year, month, date)  
 EDRPOU  
 KOATJU  
 SPODU  
 KOPFG  
 KWED

Codes	
2020	12   31
32186424	
8038200000	
0	
240	
46.38	

## Notes to the Annual Financial Statements for the year ended 31 December 2020

Form 5

DKUD Code 1801008

### I. Intangible assets

Groups of intangible assets	Line code	Balance at the beginning of the year		Additions in the year	Revaluation (upward +, downward -)		Disposals in the year		Amortisation charges for the year	Impairment losses for the year	Other changes for the year		Balance at the end of the year	
		Cost or valuation	Accumulated amortisation		Cost or valuation	Accumulated amortisation	Cost or valuation	Accumulated amortisation			Cost or valuation	Accumulated amortisation	Cost or valuation	Accumulated amortisation
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Rights to use natural resources	010	-	-	-	-	-	-	-	-	-	-	-	-	-
Rights to use property	020	-	-	-	-	-	-	-	-	-	-	-	-	-
Rights for commercial signs	030	-	-	-	-	-	-	-	-	-	-	-	-	-
Rights for the industrial property objects	040	-	-	-	-	-	-	-	-	-	-	-	-	-
Copyright and allied rights	050	-	-	-	-	-	-	-	-	-	-	-	-	-
	060	-	-	-	-	-	-	-	-	-	-	-	-	-
Other intangible assets	070	1,225	1,225	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>080</b>	<b>1,225</b>	<b>1,225</b>	-	-	-	-	-	-	-	-	-	<b>1,225</b>	<b>1,225</b>
Goodwill	090	-	-	-	-	-	-	-	-	-	-	-	<b>1,225</b>	<b>1,225</b>

Description	Line code	Amount
From line 080, col. 14	2	3
cost of intangible assets with restricted ownership rights		
cost of pledged intangible assets	081	
cost of intangible assets created in-house	082	
From line 060, col. 5, cost of intangible assets received for targeted financing	083	
From line 080, col. 15, accumulated amortisation of intangible assets with restricted ownership rights	084	
	085	

Notes to the Annual Financial Statements for the year ended 31 December 2020

Form 5  
(continued)

II. Property, plant and equipment

Groups of property, plant and equipment	Line code	Balance at the beginning of the year		Additions in the year	Revaluation (upward +, downward -)		Disposals in the year		Deprec'n charges for the year	Impairment losses for the year	Other changes for the year		Balance at the end of the year		Including:			
		Cost	Accumulated depreciation		Cost or valuation	Accumulated depreciation	Cost or valuation	Accumulated depreciation			Cost or valuation	Accumulated depreciation	Received on finance lease	Transferred on operating lease				
		3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Land plots	2																	
Investment property	100																	
Capital costs of land improvement	105																	
Buildings, constructions and transmission equipment	110																	
	120	3,336	1,629						324				3,336	1,953				
Machinery and equipment	130	4,683	2,557	1,021			167	167	1,026				5,537	3,416				
Vehicles	140																	
Tools, fittings and furniture	150	994	941	20					47				1,014	988				
Livestock	160																	
Perennial plants	170																	
Other fixed assets	180	1,235	1,235	152					16				1,387	1,251				
Library assets	190																	
Non-current low-value items	200	714	671	77					116				791	787				
Temporary buildings	210																	
Natural resources	220																	
Packaging	230																	
Hire items	240																	
Other non-current tangible assets	250																	
<b>Total</b>	<b>260</b>	<b>10,962</b>	<b>7,033</b>	<b>1,270</b>			<b>167</b>	<b>167</b>	<b>1,529</b>				<b>12,065</b>	<b>8,395</b>				

From line 260, col. 14	Description	Other notes	Line code	Amount
	cost of PPE where legal restrictions of ownership rights exist		261	
	cost of pledged PPE		262	
	residual value of PPE out of use on a temporary basis (conservation, reconstruction, etc.)		263	
	cost (or valuation) of fully depreciated PPE		264	4,009
	PPE of leased property		2641	
	residual value of PPE decommissioned for future sale		265	
	residual value of fixed assets lost due to accidents		2651	
	cost of PPE purchased for targeted finance		266	
	Cost of PPE received on operating lease terms		267	
	accumulated depreciation of fixed assets where legal restrictions of ownership rights exist		268	4,617
	cost of investment property valued at fair value		269	

**Notes to the Annual Financial Statements**  
for the year ended 31 December 2020

Form 5  
(continued)

**III. Capital investments**

Description	Line code	For the year	At the end of the year
1	2	3	4
Capital construction	280	-	-
Purchase (manufacturing) of PPE	290	1,044	2,572
Purchase (manufacturing) of other non-current tangible assets	300	-	-
Purchase (manufacturing) of intangible assets	310	-	-
Purchase (growing) of long-term biological assets	320	-	-
Other	330	-	-
<b>Total</b>	<b>340</b>	<b>1,044</b>	<b>2,572</b>

From line 340, col. 3  
capital investments in investment property  
financial costs included in financial investments

(341) \_\_\_\_\_  
(342) \_\_\_\_\_

**IV. Financial investments**

Description	Line code	For the year	At the end of the year	
			Long-term	Current
1	2	3	4	5
<b>A. Financial investments under equity method into:</b>				
associates	350	-	-	-
subsidiaries	360	-	-	-
joint activities	370	-	-	-
<b>B. Other financial investments into:</b>				
shares in other entities' statutory capital	380	-	-	-
shares	390	-	-	-
bonds	400	-	-	-
other	410	-	-	-
<b>Total (A + B)</b>	<b>420</b>	<b>-</b>	<b>-</b>	<b>-</b>

From line 1035, col. 4 of the Balance Sheet  
(Statement of Financial Position)

Other long-term financial investments stated:  
at cost (421) \_\_\_\_\_  
at fair value (422) \_\_\_\_\_  
at amortised cost (423) \_\_\_\_\_

From line 1160, col. 4 of the Balance Sheet  
(Statement of Financial Position)

Other long-term financial investments stated:  
at cost (424) \_\_\_\_\_  
at fair value (425) \_\_\_\_\_  
at amortised cost (426) \_\_\_\_\_

Accounting policies stated on pages 27-34 and other notes on pages 35-57 form an integral part of these financial statements

**Notes to the Annual Financial Statements  
for the year ended 31 December 2020**

Form 5  
(continued)

**V. Income and expenses**

Description	Other notes	Line code	Income	Expenses
1		2	3	4
<b>A. Other operating income and expenses</b>				
Operating lease of assets		440	-	-
Operating exchange difference		450	462	6,439
Sale of other current assets		460	-	-
Fines, penalties and interest		470	-	-
Maintenance of social assets		480	-	-
Other operating income and expenses		490	60	4,721
Including:				
charges to bad debt reserve		491	X	-
non-productive expenses and losses		492	X	-
<b>B. Income and expenses from participation in equity of:</b>				
associates				
subsidiaries		500	-	-
joint activities		510	-	-
		520	-	-
<b>C. Other financial income and expenses</b>				
Dividends				
Interest		530	-	X
Finance lease of assets		540	X	-
		550	-	-
Other financial income and expenses				
		560	-	19,020
<b>D. Other income and expenses</b>				
Sale of financial investments				
Income from business combinations		570	-	-
Result of impairment test		580	-	-
Non-operating exchange difference		590	-	-
Assets received for free		600	-	-
Write-off of non-current assets		610	-	X
		620	X	-
Other income and expenses				
		630	4,172	2,043

Description	Line code	Amount
1	2	3
Barter transactions with goods, works and services	631	-
Share in sales revenue from sales of goods, works and services under barter agreements with related parties (%)	632	-
From lines 540-560 col. 4: Financial costs included in cost of assets	633	-

**VI. Cash**

Description	Line code	At the end of the year
1	2	3
Cash on hand	640	-
Current account	650	58
Other bank accounts (letters of credit, cheque books)	660	187,401
Cash in transit	670	-
Cash equivalents	680	7,197
<b>Total</b>	<b>690</b>	<b>194,656</b>
From line 1090, col. 4 of the Balance Sheet (Statement of Financial Position) Cash with restricted use	691	-

Accounting policies stated on pages 27-34 and other notes on pages 35-57 form an integral part of these financial statements



**Notes to the Annual Financial Statements**  
for the year ended 31 December 2020

Form 5  
(continued)

**VII. Provisions**

Type of provision	Line code	Balance at the beginning of the year	Increase during the reporting period		Amount used during the year	Unused amount reversed during the reporting period	Amount of expected compensation by the other party included in the provision assessment	Balance at the end of the year
			Provision created	Additional charges				
1	2	3	4	5	6	7	8	9
Provision for vacation payments to employees	710	1,154	1,171		1,203	-	-	1,122
Provision for additional future pension expenses	720	-			-	-	-	-
Provision for future expenses related to guarantees	730	-			-	-	-	-
Provision for future restructuring expenses	740	-			-	-	-	-
Provision for future expenses related to onerous contracts	750	-			-	-	-	-
	760							
Other provisions	770	7,024	5,321		7,221			5,124
Doubtful debt provision	775	-			-			-
<b>Total</b>	<b>780</b>	<b>8,178</b>	<b>6,492</b>		<b>8,424</b>			<b>6,246</b>

Accounting policies stated on pages 27-34 and other notes on pages 35-57 form an integral part of these financial statements

**Notes to the Annual Financial Statements  
for the year ended 31 December 2020**

Form 5  
(continued)

**VIII. Inventories**

Description 1	Line code 2	Closing book value 3	Revaluation in the year	
			Increase in the net realisable value* 4	Downward revaluation 5
Raw and other materials	800	85	-	-
Purchased components and units	810	-	-	-
Fuel	820	-	-	-
Packaging	830	-	-	-
Construction materials	840	-	-	-
Spare parts	850	-	-	-
Agricultural materials	860	-	-	-
Current biological assets	870	-	-	-
Low-value items	880	-	-	-
Work in progress	890	-	-	-
Finished goods	900	-	-	-
Goods for sale	910	55,179	-	-
<b>Total</b>	<b>920</b>	<b>55,264</b>	-	-

From line 920, col. 3

Book value of inventories:

shown at net realisable value

transferred for processing

pledged

transferred on commission

Assets on safekeeping (off-balance sheet account 02)

From line 1200, col. 4 of the Balance Sheet (Statement of Financial Position)

Inventories held for sale

\* determined according to p. 28 of NR(S)AU 9 "Inventories"

Other notes

(921)

(922)

(923)

(924)

(925)

(926)

Accounting policies stated on pages 27-34 and other notes on pages 35-57 form an integral part of these financial statements

**Notes to the Annual Financial Statements**  
for the year ended 31 December 2020

Form 5  
(continued)

**IX. Accounts receivable**

Description	Line code	Total at year-end	Including outstanding by age:		
			Less than 12 months	From 12 to 18 months	From 18 to 36 months
1	2	3	4	5	6
Accounts receivable for goods, works and services	940	237	237	-	-
Other current accounts receivable	950	42	42	-	-

Bad accounts receivable written-off during the reporting year (951)      \_\_\_\_\_  
From lines 940 and 950 accounts receivable with related parties (952)      \_\_\_\_\_

**X. Losses and shortages resulting from damages**

Description	Line code	Amount
1	2	3
Losses and shortages identified and written-off during the year	960	-
Recognised as debts of the guilty parties during the year	970	-
Losses and shortages where guilty parties are not identified at year end (off-balance sheet account 072)	980	-

**XI. Construction contracts**

Description	Line code	Amount
1	2	3
Revenue from construction contracts for current year	1110	-
Amounts outstanding at year end:	1120	-
from customers, gross	1120	-
to customers, gross	1130	-
on prepayments received	1140	-
Overdue amounts at year end	1150	-
Cost of work done by subcontractors for construction contracts in progress	1160	-

Accounting policies stated on pages 27-34 and other notes on pages 35-57 form an integral part of these financial statements

**Notes to the Annual Financial Statements**  
for the year ended 31 December 2020

Form 5  
(continued)

**XII. Income tax**

Description	Line code	Amount
1	2	3
Current corporate profit tax	1210	17,224
Deferred tax assets:		
at the beginning of year	1220	966
at the end of year	1225	2,094
Deferred tax liabilities:		
at the beginning of year	1230	-
at the end of year	1235	-
Included in the Statement of Financial Results – total	1240	16,096
Including:		
current corporate profit tax	1241	17,224
decrease (increase) of deferred tax assets	1242	(1,128)
increase (decrease) of deferred tax liabilities	1243	-
Recorded in equity – total	1250	-
Including:		
current corporate profit tax	1251	-
decrease (increase) of deferred tax assets	1252	-
increase (decrease) of deferred tax liabilities	1253	-

**XIII. Use of depreciation/amortisation charge**

Description	Line code	Amount
1	2	3
Charged for the reporting year	1300	1,529
Used during the year – total	1310	-
Including for:		
construction of units	1311	-
purchasing (manufacturing) and improvements of PPE	1312	-
including machines and equipment	1313	-
purchasing (manufacturing) of intangible assets	1314	-
paying off loans received for capital investments	1315	-
	1316	-
	1317	-

Accounting policies stated on pages 27–34 and other notes on pages 35–57 form an integral part of these financial statements

Notes to the Annual Financial Statements for the year ended 31 December 2020  
Form 5  
(continued)

XIV. Biological assets

Groups of biological assets	Line code	historical cost										accumulated depreciation					
		Opening balance		Additions in the year	Disposals in the year		Depreciation charges for the year	Impairment losses	Economic benefits from recovery of assets	Closing balance		Additions in the year	Changes in fair value for the year	Disposals in the year	Closing balance		
		historical cost	accumulated depreciation		historical cost	accumulated depreciation				historical cost	accumulated depreciation						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Long-term biological assets - total including:																	
draft livestock	1410																
productive livestock	1411																
perennial plants	1412																
	1413																
	1414																
other long-term biological assets	1415																
Current biological assets - total including:																	
livestock	1420				X												
biological assets in bioconversion (other than livestock)	1421				X												
	1422				X												
	1423				X												
other current biological assets	1424				X												
<b>Total</b>	1430																
From line 1430, col. 5 and col. 14:		cost of biological assets purchased for targeted finance															
From line 1430, col. 6 and col. 16:		residual value of non-current biological assets, historical cost of current biological assets and fair value of biological assets lost due to emergency events															
From line 1430, col. 11 and col. 17:		book value of biological assets with restricted ownership rights as prescribed by law															
		(1431)															
		(1432)															
		(1433)															

Accounting policies stated on pages 27-34 and other notes on pages 35-57 form an integral part of these financial statements

Notes to the Annual Financial Statements for the year ended 31 December 2020

Form 5 (continued)

XV. Financial results from initial recognition and sale of agricultural produce and additional biological assets

Description	Line code	Value at initial recognition	Bioconversion expenses	Result from initial recognition		Downwards revaluation	Revenue	Cost of sales	Financial result (profit +, loss -) from	
				Income	Expense				Sales	Initial recognition and sales
1	2	3	4	5	6	7	8	9	10	11
<b>Plant cultivation produce and additional biological assets – total</b>	1500		( - )		( - )					
Including:										
crops and leguminous plants	1510									
of which:										
wheat	1511		( - )		( - )			( - )		
soybean	1512		( - )		( - )			( - )		
sunflower	1513		( - )		( - )			( - )		
rapeseed	1514		( - )		( - )			( - )		
sugar beet (mill)	1515		( - )		( - )			( - )		
potatoes	1516		( - )		( - )			( - )		
fruit (pip and drupaceous fruit)	1517		( - )		( - )			( - )		
other plant cultivation produce	1518		( - )		( - )			( - )		
plant cultivation additional biological assets	1519		( - )		( - )			( - )		
<b>Cattle breeding produce and additional biological assets – total</b>	1520		( - )		( - )			( - )		
Including:										
live weight gain – total	1530		( - )		( - )			( - )		
of which:										
horned livestock	1531		( - )		( - )			( - )		
pigs	1532		( - )		( - )			( - )		
milk	1533		( - )		( - )			( - )		
wool	1534		( - )		( - )			( - )		
eggs	1535		( - )		( - )			( - )		
other cattle breeding produce	1536		( - )		( - )			( - )		
cattle breeding additional biological assets	1537		( - )		( - )			( - )		
fishery produce	1538		( - )		( - )			( - )		
<b>Agricultural produce and additional biological assets – total</b>	1539		( - )		( - )			( - )		
	1540		( - )		( - )			( - )		

Tatiana Seleznyanik  
Iryna Kovalchuk



Chief Executive

Chief Accountant

Accounting policies stated on pages 27-34 and other notes on pages 35-57 form an integral part of these financial statements

Company: LLC "Herbalite Ukraine"  
Territory:  
State power authority:  
Organisational and legal form of economic activity: Limited Liability Company  
Type of economic activity: wholesale in other food products including fish, shellfish and molluscs  
Measurement unit: UAH thousands

Date (year, month, date)  
EDRPOU  
KOATUU  
SPODU  
KOPFG  
KVED

Codes	
2020	12 31
32186424	
8038200000	
0	
240	
46.38	

## Supplement to Notes to the Annual Financial Statements "Segment Information" for the year ended 31 December 2020

Form 6

DKUD code

1801009

### I. Figures by priority reporting business segment (business, geographical productive, geographical sale)

Description	Line code	Reporting segment														Total				
		Business		Reporting segment												Unallocated				
		Reporti ng year	Prior year	Reporti ng year	Prior year	Reporti ng year	Prior year	Reporti ng year	Prior year	Reporti ng year	Prior year	Reporti ng year	Prior year	Reporti ng year	Prior year	Reporti ng year	Prior year			
1. Revenues of reporting segments:	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18			
Revenues of reporting segments from operating activity	010	842,039	744,534																	
of which:																				
revenue from sale of goods, works and services: to external customers	011	837,345	738,581																	744,534
to other reporting segments	012																			
other operating income	013	4,694	5,953																	842,039
Financial income of reporting segments	020	0	0																	837,345
of which: income from participation in equity directly attributable to the reporting segment	021																			738,581
other financial income	022	0	0																	
other income	030																			

Accounting policies stated on pages 27-34 and other notes on pages 35-57 form an integral part of these financial statements

**Supplement to Notes to the Annual Financial Statements "Segment Information" for the year ended 31 December 2020**  
Form 6 (continued)

**I. Figures by priority reporting business segment (continued)**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Total revenues of reporting segments	040	842,039	744,534														
Unallocated revenues of which:	050	X	X	X	X	X	X	X	X	X	X	X	X			842,039	744,534
income from operating activity	051																
financial income	052	X	X	X	X	X	X	X	X	X	X	X	X				
Deductions from revenues from sale of goods, work and services to other reporting segments	060	X	X	X	X	X	X	X	X	X	X	X	X				
<b>Total revenues of the entity (line 040 + line 050 - line 060)</b>	<b>070</b>	<b>842,039</b>	<b>744,534</b>														
<b>2. Expenses of reporting segments:</b>	<b>080</b>	<b>(492,650)</b>	<b>(416,405)</b>													<b>842,039</b>	<b>744,534</b>
Operating expenses of which: cost of sales of goods, works and services:	081	(492,650)	(416,405)													(492,650)	(416,405)
to external customers	082																
to other reporting segments	083																
Administrative expenses	090	(20,910)	(20,019)														
Selling expenses	100	(210,400)	(214,499)													(20,910)	(20,019)
Other operating expenses	110	(11,160)	(941)													(210,400)	(214,499)
Financial expenses of reporting segments	120	(19,020)	(17,787)													(11,160)	(941)
of which:																	
losses from participation in equity																(19,020)	(17,787)
directly attributable to the reporting segment	121																
Other expenses	122																
	130	(2,043)															
<b>Total expenses of reporting segments</b>	<b>140</b>	<b>(756,183)</b>	<b>(669,652)</b>													<b>(2,043)</b>	<b>(756,183)</b>
																	<b>(669,652)</b>

Accounting policies stated on pages 27-34 and other notes on pages 35-57 form an integral part of these financial statements





**Supplement to Notes to the Annual Financial Statements "Segment Information" for the year ended 31 December 2020**  
Form 6 (continued)

**I. Figures by priority reporting business segment (continued)**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
of which:																	
Current accounts payable on: goods, works and services	241	26,278	37,424													26,278	37,424
Other current liabilities	242	7,361	9,734													7,361	9,734
Insurance payments	243		1														1
Payments for wages	244	34														34	
Current provision	245	6,246	8,178													6,246	8,178
Other current liabilities	246	80,619	62,937													80,619	62,937
Unallocated liabilities	260	X	X	X	X	X	X	X	X	X	X	X	X	4,194	9,230	4,194	9,230
of which:																	
settlements with the budget	261	X	X	X	X	X	X	X	X	X	X	X	X	4,194	9,230	4,194	9,230
Total liabilities of the entity (line 240 + line 260)	270	120,536	118,274													120,536	118,274
7. Capital investments	280	1,044	1,528													1,044	1,528
8. Depreciation of non-current assets	290	1,529	1,163													1,529	1,163

**II. Figures by secondary reporting segments**  
(business, geographical productive, geographical sale)

Description	Line code	Reporting segment																Total	
		Reporting year 3	Prior year 4	Reporting year 5	Prior year 6	Reporting year 7	Prior year 8	Reporting year 9	Prior year 10	Reporting year 11	Prior year 12	Reporting year 13	Prior year 14	Reporting year 15	Prior year 16	Reporting year 17	Prior year 18		
1	2																		
Revenue from sale of goods, works and services to external customers	300																		
Carrying value of reporting segment assets	310																		
Capital investments	320																		
Revenue from sale of goods and services to external customers	350																		
Carrying value of reporting segment assets	360																		
Capital expenditure	370																		
	380																		
	390																		

Accounting policies stated on pages 27-34 and other notes on pages 35-57 form an integral part of these financial statements

## Limited Liability Company

### "Herbalife Ukraine"

Financial Statements in accordance with NR(S)AU as at and for the year ended  
31 December 2020

*(unless otherwise stated, all amounts are in thousands of Ukrainian hryvnias (UAH))*

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#### Accounting policies

The principal accounting policies adopted in the presentation of these financial statements are set out below:

##### 1. Basis of preparation

The Company keeps its accounting records and prepares financial statements according to Ukrainian legislation in Ukrainian currency, hryvnia, in compliance with the Law of Ukraine On Accounting and Reporting in Ukraine dated 16 July 1999 No 996-XIV (as amended) and in accordance with National Regulations (Standards) of Accounting in Ukraine ("NR(S)AU"). The accompanying financial statements are based on accounting records kept according to Ukrainian legislation, which requires the historical cost convention to be adopted. These financial statements are prepared on a going concern basis.

The preparation of financial statements according to NR(S)AU requires from management to make critical accounting estimates. Management also uses certain judgements in applying the accounting policies. The actual results may differ from the estimates.

These financial statements are prepared in accordance with NR(S)AU effective as at 31 December 2020.

##### 2. Reporting currency

These financial statements are presented in the national currency of Ukraine, hryvnia (UAH).

##### 3. Foreign currency transactions

The Company's transactions in foreign currency are accounted for at the exchange rate of the National Bank of Ukraine prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial results. Such balances are translated at the exchange rates effective as at the end of the reporting year.

The principal rates of exchange used for translating foreign currency balances were as follows:

	31 December 2020	31 December 2019
1 USD	UAH 28.2746	UAH 23.686
1 EUR	UAH 34.7396	UAH 26.422

##### 4. Intangible assets

The Company's intangible assets include capitalised computer software. Intangible assets are recorded at cost of purchase. Expenditure on acquired intangible assets is capitalised and amortised using the straight-line method over their estimated useful lives.

Useful lives of intangible assets are equal to the effective life of intangible assets as defined in title documents and cannot be lower than 2 years.

After writing off intangible assets, their historical cost, along with the corresponding amounts of accumulated amortisation, is eliminated from accounting records.

## Limited Liability Company

### "Herbalife Ukraine"

Financial Statements in accordance with NR(S)AU as at and for the year ended  
31 December 2020

*(unless otherwise stated, all amounts are in thousands of Ukrainian hryvnias (UAH))*

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## Accounting policies (continued)

### 5. Property, plant and equipment

Property, plant and equipment ("PPE") include assets with cost over UAH 20,000 and expected useful life of more than 1 year. Property, plant and equipment are recorded at cost of purchase or production less accumulated depreciation.

Cost of a PPE item comprises amounts paid to suppliers of assets and contractors for construction of assets (net of indirect taxes), registration fees, state dues and similar charges for purchasing (gaining) rights to a PPE item, import duties, indirect taxes imposed on purchase (production) of a PPE item unless they are recoverable to an entity, insurance costs related to asset delivery risk coverage, cost of transportation, installation, assembly and setting up of a PPE item and other costs directly attributable to bringing assets to the condition appropriate for their intended use.

Financial expenses are not included in the cost of fixed assets purchased (produced) fully or partially for borrowed funds, except for financial expenses included in the cost of qualifying assets.

Cost of the property, plant and equipment item is increased with the simultaneous creation of the provision for the reliably estimated liability which arises on dismantling and removing the assets and bringing the land plot on which the asset is located to the condition appropriate for subsequent use according to the legislation.

After writing off, the historical cost of fixed assets together with the corresponding amounts of accumulated depreciation is eliminated from accounting records.

Cost of improvements such as modernisation, additional construction, reconstruction etc, which result in an increase of future economic benefits initially anticipated from an asset is capitalized as part of the cost of the asset. Expenditures incurred to maintain an asset in normal operating condition such as routine examination, inspection, maintenance, repair, etc and to receive future economic benefits from the asset as initially estimated are expensed in the current period's statement of financial results.

The Company charges depreciation on a straight-line basis over the useful lives of property, plant and equipment as follows:

The following indicative useful lives are defined for items of property, plant and equipment:

- for buildings, structures and transmitting devices - 10 years;
- for machinery and equipment 3-5 years, including for:
  - for computing machinery, other machinery for automated processing of information, related readout or printing devices, related computer software (except for the software where the acquisition costs are recognised as royalty and/or computer software recognised in intangible assets), other IT systems, switchboards, routers, modules, modems, IPS devices and telecommunication network connection tools, telephones - 3 years;
- for vehicles - 5 years;
- for tools, fixtures and fittings - 5 years;
- for other property, plant and equipment - 5 years.

100% depreciation is charged on low-value non-current assets when they are put into operation.

Gains and losses on disposal of property, plant and equipment are determined based on their carrying amount and are taken into account in determining the operating profit.

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**Accounting Policies (continued)**

**6. Accounting for leases**

Leases of assets where a significant portion of the risks and rewards of ownership is retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of financial results by equal instalments over the period of the lease.

Leases which transfer substantially all the risks and rewards incidental to ownership from the lessor to the lessee are classified as finance leases.

The Company records an item received on finance lease both as an asset and liability at the inception at the lower of the asset's fair value and the present value of the minimum lease payments.

The difference between the amount of minimum lease payments and the carrying amount of a leased asset in the lessee's accounting records at inception represents the lessee's financial expenses and is recognised only in the amount that relates to the current period. Financial expenses are allocated over the lease term by applying the implicit interest rate to the opening outstanding balance of the liability.

The Company recognises an asset given on finance lease as accounts receivable from the lessee in the amount of minimum lease payments and an unguaranteed residual value less any financial income receivable, and as other income (income from disposal of non-current assets). At the same time, the residual value of an asset given on finance lease is eliminated from the lessor's balance sheet and is recognised as other costs (cost of non-current assets disposed of).

Any difference between the sum of the minimum lease payments and unguaranteed residual value of the leased item and the present value of the above amount discounted at the rent interest rate represents the financial income of the lessor.

Financial income is allocated over the lease term by applying the interest rate to the opening outstanding balance of the lessor's accounts receivable.

**7. Inventories**

Inventories are stated at the lower of cost or net realisable value. Net realisable value is the expected selling price in the ordinary course of business, less the cost of completion and selling expenses.

Cost of raw materials, packaging materials, containers and goods upon disposal is determined using the first-in, first-out (FIFO) method.

Inventories are stated in the financial statements, taking into account provisions for slow-moving, damaged or obsolete items.

**8. Financial instruments**

The Company classifies its financial instruments into the following categories: accounts receivable for goods, works and services, accounts receivable and accounts payable on internal settlements, cash and cash equivalents, accounts payable for goods, works and services, other current accounts receivable and accounts payable.

Financial instruments are initially measured and recognised at actual cost, which comprises the fair value of assets and liabilities and expenses directly attributable to the acquisition or disposal of a financial instrument.

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**Accounting policies (continued)**

**8. Financial instruments (continued)**

At each balance sheet date subsequent to the initial recognition, financial assets are measured at fair value, except for accounts receivable not available for re-sale, financial assets fair value of which cannot be determined reliably and other financial assets which are not measured at fair value.

At each balance sheet date subsequent to the initial recognition, financial liabilities are measured at amortised cost.

The carrying amounts of the financial assets which are not measured at fair value are reviewed for impairment at each balance sheet date based on the analysis of the expected cash flows. The loss from impairment of a financial asset is the difference between the carrying amount of the asset and the present value of the expected cash flows discounted at the current market interest rate available for similar financial assets, which is included in other expenses of the reporting period.

**9. Accounts receivable and provision for doubtful debts**

The Company recognises accounts receivables as an asset when it is probable that the future economic benefits will flow to the Company and value can be measured reliably.

Accounts receivables originated as a result of selling the Company's goods and services directly to a debtor are categorised as receivables not for resale and are initially recognised at net realisable value.

Current accounts receivable representing a financial asset (other than purchased receivables and receivables for resale) are included in the balance sheet total at net realisable value. The allowance for doubtful accounts is calculated to determine the net realisable value as of the balance sheet date.

A doubtful and bad debts provision is established by the management based on the estimate of likely bad debts after the performance of the ageing analysis and in compliance with the Company's practice of writing off the outstanding amounts as well as other factors, which influence the outstanding balances. According to the effective legislation, the limitation period for bad debts write-off is 3 years.

An additional provision for doubtful debts is estimated for production, goods, works and services, which is determined on the basis of the percentage of doubtful debts in net revenue from sales of production, goods, works and services on terms of the subsequent payment for the prior 3 years.

An additional provision may be established based on the management's decision.

**10. Cash and cash equivalents**

Cash and cash equivalents include cash on hand, cash on bank accounts and short-term highly-liquid financial investments with original maturities of 3 months or less that are easily convertible into known amounts of cash and are characterised by an insignificant risk of changes in value.

**11. Capital**

The registered (share) capital is the total nominal value of the issued statutory capital, which is stated in the constituent documents of the Company.

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**Accounting policies (continued)**

**12. Dividends**

Dividends are recognised as a liability and deducted from equity only if declared before or on the balance sheet date. Dividends are disclosed in the Other Notes when they are declared after the balance sheet date but before the financial statements are authorised for issue.

**13. Liabilities**

Liabilities are recorded only if a counterparty has performed its contractual obligations or the Company has signed an irrevocable (onerous) agreement to purchase an asset or a service. Liabilities are initially recognised and recorded at actual cost. At each balance sheet date subsequent to the initial recognition, liabilities are measured at amortised cost, except for advances received and liabilities on settlements with the budget, which are carried at historical cost.

**14. Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation arisen as a result of past events and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

Employee entitlements to annual leave are recognised when employees become entitled to such leave. A provision is made for the estimated liability for annual leave based on the number of days of the unused annual leave remaining up to the balance sheet date multiplied by the average salary of an employee for the last 12 months.

A provision for an onerous agreement is estimated as the amount of inevitable expenses required to perform an onerous agreement. The amount of the inevitable expenses required to perform an onerous agreement is the lower of actual costs incurred by the Company in the performance of the onerous agreement or amount of penalty (fines) imposed for failure to perform an onerous agreement. Actual costs incurred by the Company in the performance of the onerous agreement are estimated as the difference between expenses incurred to perform an onerous agreement and income or loss from agreements other than onerous ones, which were signed to minimise any loss from an onerous agreement

Contingent liabilities are not recorded in the balance sheet. Disclosures of contingent liabilities, their amounts, any uncertainty in the amounts or maturities of contingent liabilities and anticipated amounts of contingent liabilities to be repaid by counterparties are made in other notes to the financial statements.

**15. Retirement benefit obligations**

The Company pays on behalf of its employees unified state social contribution. The contribution is calculated as a percentage of current gross salary payments and is expensed as incurred.

The Company does not participate in the State defined retirement benefit plan, which provides for early pension benefits for employees working in workplaces with hazardous and unhealthy working conditions.

**16. Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset or a cash-generating unit may be impaired. One of the determining factors in identifying a cash-generating unit is the ability to measure independent cash flows for that unit.

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**Accounting policies (continued)**

**16. Impairment of assets (continued)**

If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of an asset's net realisable value or the present value of net cash inflows from this asset. Regardless of the existence of impairment indicators, the Company determines at each balance sheet date the recoverable amount of its intangible assets with indefinite useful lives and of any intangible assets that are idle as at the balance sheet date.

Net realisable value of an asset is based on observable market prices less expected costs to sell. In the absence of an active market for a particular asset, its net realisable value represents proceeds from disposal of the asset as at the balance sheet date in an arm's length transaction between knowledgeable, interested and independent parties less any costs to sell.

Present value of future net cash inflows from the asset is determined by applying an appropriate discount rate to future cash flows from continuous use of the asset and its disposal or write-off at the end of its useful life. Future cash flows from the asset are assessed based on the Company's financial projections over the five-year horizon or less.

Discount rate is based on market interest rate (before tax) used in transactions with similar assets. Where no market-based interest rate is available, discount rate is based on interest rates applicable to the Company's potential borrowing or determined based on the Company's weighed average cost of capital.

Impairment losses on an asset are recognised in other expenses with relevant decrease in its carrying value.

**17. Income tax**

The charge for taxation in the statement of financial results for the year comprises current tax and changes in deferred tax. Current tax is determined on the basis of the taxable profit for the year calculated in accordance with the effective Ukrainian tax legislation using the tax rates effective for the year: 18% in 2020 and 2019. Deferred tax assets and deferred tax liabilities are measured at tax rates in effect in a period in which the assets will be realised or utilised and the liabilities will be settled.

The deferred tax is calculated under the balance sheet liability method.

Deferred tax liability is recognised when temporary differences subject to taxation arise. Deferred tax asset is recognised when deductible temporary differences arise and it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The deferred tax asset as of the balance sheet date is decreased if the taxable income is insufficient to realise this asset. Previous decreases are reversed to the extent the expected taxable income is sufficiently available against which the deferred tax asset can be realised.

**18. Value added tax ("VAT")**

VAT is levied in Ukraine, where the Company primarily performs its operations, at two rates: 20% on domestic sales and import of goods, works and services and 0% on export of goods and accompanying services. Services provided to be used outside Ukraine are not subject to VAT.

A taxpayer's VAT liability equals the total amount of VAT collected within a reporting period, and arises on the earlier of the date of shipping goods to a customer or the date of receiving payment from the customer.



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**Accounting Policies (continued)**

**18. Value added tax ("VAT") (continued)**

A VAT credit is the amount that a taxpayer is entitled to offset against VAT liability in a reporting period. Right to VAT credit arises when a VAT invoice is received, which is issued on the earlier of the date of payment to the supplier or the date goods are received.

VAT related to sales and purchases is recognised in the balance sheet on a net basis and disclosed as an asset or liability in the amount declared in the VAT return.

**19. Revenue and expenses recognition**

Revenue from the sale of goods (merchandise, other assets) is recognised when all of the following conditions are met: risks and rewards associated with ownership of goods (merchandise, other assets) are transferred to the buyer; the Company retains neither managerial involvement nor effective control over goods (merchandise, other assets) sold; amount of revenue can be reliably measured; it is probable that future economic benefits resulting from a transaction will flow to the Company, and expenses associated with this transaction can be reliably measured.

**20. Revenue and expenses recognition**

Interest income is recognised on an accrual basis, unless its receipt is doubtful.

Income from rendering of services is recognised by reference to stage of completion of the specific transaction as at the balance sheet date if the result of the transaction can be measured reliably.

Expenses are recognised simultaneously with the decrease in assets or increase in liabilities. Expenses are recognised simultaneously with revenue items on the basis of a direct association between them. Expenses which are not directly attributable to specific revenue items of a particular period are recognised in the reporting period in which they are incurred.

Cost of goods sold comprises direct material expenses, direct payroll costs, variable general production and fixed allocated general production costs and other direct costs.

**21. Financial expenses**

Financial expenses are interest and other borrowing costs. Financial expenses are recognised in the accounting period when incurred, except when financial expenses are capitalized due to creation of a qualifying asset. Only the financial expenses which would have been avoided if the qualifying asset had not been created are capitalised.

**22. Comparatives**

There were no significant changes in accounting policies during the reporting period.

**23. Fair value estimates**

The Company estimates fair value of financial instruments using a number of methods and making assumptions based on the market conditions on each reporting date. The Company determines fair value of long-term debt instruments using market quotations for similar instruments or the discounted value of expected cash flows. The discounted value of expected cash flows is used for all other instruments.

Fair value of financial assets and financial liabilities maturing within one year is considered to approximate their actual cost, net of the credit risk adjustment.

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**Accounting policies (continued)**

**24. Segment reporting**

A geographical segment is a distinguishable component of an enterprise that is engaged in providing products or services within a particular economic environment that is different from other segments in: economic and political conditions; relationships between operations in different geographical areas; proximity of operations producing products (works, services) or customers buying those products (goods, works, services); special risks associated with operations in a particular area; exchange control regulations; and the underlying currency risks.

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products (goods, works, services) that are different from other segments in: the nature of the products (goods, works, services); revenue-generating activity (the methods used to distribute the products, goods, works, services); the nature of the production processes; special risks associated with these operations; customer category.

A business segment or geographical segment is identified as a reportable segment if the majority of its revenue is generated from the sales of products (goods, works, services) to external customers and if this segment meets one of the following criteria:

- its revenue from sales of products (works, goods, services) to external customers and from transactions with other segments is 10% or more of the total revenue from external sales and intersegment settlements of all segments of the given type (business segments or geographical segments, respectively);
- the financial result of this segment is 10% or more of the combined financial result of all segments of the given type (business segments or geographical segments, respectively). If the Company has different financial results (profit and loss) from different segments in the reporting period, a segment whose financial result is at least 10% of the higher of the total profit or total loss from all relevant segments is determined as a reportable segment;
- the carrying amount of total assets attributable to this segment is at least 10% of the total carrying amount of assets attributable to all relevant segments (business segments or geographical segments, respectively).

The Company does not have distinguishable geographical or business segments whose revenues, financial results or assets exceed 10% of total performance of the Company.

**Limited Liability Company****"Herbalife Ukraine"**

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*(unless otherwise stated, all amounts are in thousands of Ukrainian hryvnias (UAH))***Other Notes to the Financial Statements****1. General Information**

Limited Liability Company "Herbalife Ukraine" (the "Company") was established on 13 October 2008 in accordance with the resolution of the constitutive meeting of the Participants: HERBALIFE INTERNATIONAL LUXEMBOURG S.A.R.L., 16, AVENUE DE LA GARE, LUXEMBOURG, 1610, the contribution to the statutory fund of UAH 121,772.48; GLF LUXEMBOURG DISTRIBUTION S.A.R.L., 16, AVENUE DE LA GARE, LUXEMBOURG, 1610, the contribution to the statutory fund of UAH 1,230.02.

Types of economic activity:

46.19 Reselling of a wide range of goods, 46.38 Wholesale in other food products including fish, shellfish and molluscs.

"Herbalife Ukraine" is a member of Herbalife Group, a global nutrition company whose purpose is to make the world healthier. The Company's mission is to change people's lives by providing the best nutrition products and nutrition programmes. "Herbalife Ukraine" offers high-quality products with scientifically proven effect, custom-tailored experience of cooperating with Independent Partners and support to communities, which inspires customers live a healthy and active lifestyle. Herbalife Nutrition nutrition products, weight management products, energy and fitness products as well as skincare cosmetic products are distributed through Independent Partners.

**2. Deferred taxes (balance sheet lines 1045/1500)**

Differences between Ukrainian taxation rules and NR(S)AU give rise to certain temporary differences between the financial and the tax base of the assets and liabilities.

Deferred income taxes are calculated on all temporary differences under the balance sheet liability method:

	31 December 2019	Charged to the financial results	31 December 2020
<b>Deferred tax assets</b>			
Provision for future expenses and payments	966	1,128	2,094
<b>Net deferred tax (liabilities)/assets</b>	<b>966</b>	<b>1,128</b>	<b>2,094</b>
	31 December 2018	Charged to the financial results	31 December 2019
<b>Deferred tax assets</b>			
Provision for future expenses and payments	19,017	(18,051)	966
<b>Net deferred tax (liabilities)/assets</b>	<b>19,017</b>	<b>(18,051)</b>	<b>966</b>

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Other Notes to the Financial Statements (continued)

3. Accounts receivable on advances issued (balance sheet line 1130)

Description	31 December 2019	31 December 2020
Advertising and advertising materials	4,340	2,024
Current expenses	766	3,207
<b>Total</b>	<b>5,106</b>	<b>5,231</b>

The origination period of accounts receivable on advances issued does not exceed 3 months.

4. Registered (share) capital (balance sheet line 1400)

Participants	31 December 2019		31 December 2020	
	UAH thousands	%	UAH thousands	%
HERBALIFE INTERNATIONAL LUXEMBOURG S.a.R.L.	121.78	99	121.78	99
GLF LUXEMBOURG DISTRIBUTION S.a.R.L.	1.22	1	1.22	1
<b>Total</b>	<b>123</b>	<b>100</b>	<b>123</b>	<b>100</b>

As at 31 December 2020, the Company's statutory capital was fully paid in.

5. Current accounts payable for goods, works and services (balance sheet line 1615)

Description	31 December 2019	31 December 2020
Goods for resale	14,150	9,798
Consulting services, event services, sales promotion services		4,170
Operating expenses	8,488	12,148
Advertising and advertising materials	8,175	8
Equipment	6,611	154
<b>Total</b>	<b>37,424</b>	<b>26,278</b>

6. Current liabilities on settlements with the budget (balance sheet line 1620)

Description	31 December 2019	31 December 2020
Value added tax		7,361
Income tax	8,983	4,194
Personal income tax	9,230	-
Other	7	-
	744	-
<b>Total</b>	<b>18,964</b>	<b>11,555</b>

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Other Notes to the Financial Statements (continued)

8. Related party transactions

Description	Sales in 2020	Accounts receivable as at 31 December 2020	Sales in 2019	Accounts receivable as at 31 December 2019
Business development services, including customer events for distributors	718	223	271	90
<b>Total</b>	<b>718</b>	<b>223</b>	<b>271</b>	<b>90</b>

Description	Purchases in 2020	Accounts payable as at 31 December 2020	Purchases in 2019	Accounts payable as at 31 December 2019
Goods for sale	277,392	9,798	149,268	14,059
Royalty calculation services	119,960	8,519	107,980	8,357
Management services	5,049	447	7,222	7,112
Other expenses	4,581	4,170	1,118	3,141
<b>Total</b>	<b>406,982</b>	<b>22,934</b>	<b>265,588</b>	<b>32,669</b>

All balances at the year end and transactions during the year relate to Herbalife Group entities. These transactions were performed on terms agreed between the parties.

Key management personnel remuneration for the year ended 31 December 2020 shown in line 2130, Administrative expenses, in the statement of financial results amounts to UAH 5,058 thousand (2019: UAH 3,203 thousand).

9. Taxation (line 2300 of the statement of financial results)

Description	2019	2020
Current taxation	14,517	17,224
Deferred tax (Other Note 2)	(883)	(1,128)
<b>Total</b>	<b>13,634</b>	<b>16,096</b>

The Company's income tax calculated in accordance with the tax legislation of Ukraine differs from the theoretical amount received by multiplying the profit amount before taxation reflected in these financial statements by the relevant taxation rate. The analysis of the income tax is presented below:

Description	2019	2020
Profit before tax		
Income tax rate	74,883	85,856
Theoretical tax charge	18%	18%
Unrecognised deferred tax asset	13,479	15,454
Tax effect of non-deductible expenses	-	-
<b>Total</b>	<b>155</b>	<b>642</b>
	<b>13,634</b>	<b>16,096</b>

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**Other Notes to the Financial Statements (continued)**

**9. Financial instruments**

The analysis of financial instruments as at 31 December 2020 by currency of future inflows and payments is as follows:

Description	UAH	USD	EUR	Total
Accounts receivable for goods, works and services	15	200	22	237
Cash and cash equivalents	192,192	1,359	1,105	194,656
<b>Total financial assets</b>	<b>192,207</b>	<b>1,559</b>	<b>1,127</b>	<b>194,893</b>
Accounts payable for goods, works and services	13,992	12,100	186	26,278
<b>Total financial liabilities</b>	<b>13,992</b>	<b>12,100</b>	<b>186</b>	<b>26,278</b>

The analysis of financial instruments as at 31 December 2019 by currency of future inflows and payments is as follows:

Description	UAH	USD	EUR	Total
Accounts receivable for goods, works and services	124	90	-	214
Cash and cash equivalents	138,506	663	785	139,954
<b>Total financial assets</b>	<b>138,630</b>	<b>753</b>	<b>785</b>	<b>140,168</b>
Accounts payable for goods, works and services	18,450	16,648	2,326	37,424
<b>Total financial liabilities</b>	<b>18,450</b>	<b>16,648</b>	<b>2,326</b>	<b>37,424</b>

The maximum amount subject to credit risk at the reporting dates is carrying value of financial assets described above.

The fair values of financial assets and liabilities as at 31 December 2019 and 2020 approximated their carrying values at these dates.

**10. Property, plant and equipment – Form 5, line 267**

As at 31 December 2020, most of the property, plant and equipment items leased under the operating lease were office premises located at Nyzhniy Val Str. in Kyiv. According to the agreement with the lessor, the Company has to use the premises for the location of its office and any types of activities that are supporting to its main activities, under the condition that permission for such use is obtained from the respective authorities and approval of the lessor exists. In addition, the Company may not transfer the leased premises to third parties. Upon expiry of the lease contracts, the Company has the priority right to extend the lease contracts. The contracts do not provide for any price change conditions.

**11. Other current liabilities (balance sheet line 1690)**

Other current liabilities comprise liabilities for remuneration to Independent Partners.

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**Other Notes to the Financial Statements (continued)**

**12. Contingent liabilities**

**Tax legislation** Ukrainian tax and customs legislation is subject to varying interpretations and changes frequently. Management's interpretation of this legislation as applied to the Company's operations and activities may be challenged by relevant authorities. It is possible that transactions and activities of the Company that have not been challenged in the past may be challenged in the future. As a result, significant additional taxes, penalties and interest may be assessed. Fiscal periods remain open to review by the authorities in respect of taxes during 1,095 days after the last day of the due period of filing tax returns. Under certain circumstances reviews may cover longer periods.

Transfer pricing rules are, to a certain extent, aligned with the international transfer pricing principles developed by the Organisation for Economic Cooperation and Development (OECD). The legislation allows the tax authorities to make transfer pricing adjustments and assess additional tax liabilities in respect of controlled transactions (related party transactions and some types of transactions with unrelated parties), if the transaction price is not arm's length or not supported by appropriate documentation.

Since 1 January 2015, the transfer pricing rules were amended so that transactions between Ukrainian companies (irrespective of whether they are related parties or not) ceased to be treated as controlled transactions.

The Company is involved in related party transactions. The implementation of Ukrainian transfer pricing rules is both new and still evolving and assessment practices are not well developed, therefore, the impact of any challenge to the Company's transfer prices by appropriate authorities cannot be reliably estimated; however, it may be significant to the financial position or the overall operations of the Company.

The interpretation of other tax legislation by tax authorities as applied to the transactions and activities of the Company also may not coincide with that of management. The Ukrainian tax authorities may be taking a more assertive and sophisticated approach in their interpretation of the legislation and assessments. This includes following guidance from the Supreme Arbitration Court for anti-avoidance claims which involves reviewing the substance and business purpose of transactions rather than just their legal form. Combined with possible increase in tax collection efforts to respond to budget pressures, the above may lead to an increase in the level and frequency of scrutiny of the Company by the tax authorities. In particular, it is possible that transactions and activities that have not been challenged in the past may be challenged in future. As a result, significant additional taxes, penalties and interest may be assessed.

The Company believes it complies with the tax law in regards to its preparation and submissions of its VAT and income tax returns and has timely and accurately remitted all monies due to the Government. There is no guarantee that upon tax audits, additional monies could become due if the government disagrees with the Company's tax reporting methodology. Despite the challenges with Coronavirus pandemic, the Company believes it continues to pay and timely remit all of its tax obligations. As of December 31, 2020, the Company believes it has adequately recognized and accrued all of its tax expenses.

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## Other Notes to the Financial Statements (continued)

### 13. Economic situation in Ukraine

Late in 2019 news first emerged from China about the COVID-19 (Coronavirus). In the first few months of 2020 the virus spread globally causing disruptions to business and economic activity. In March 2020 World Health Organization recognised the coronavirus as pandemic. The spread of the virus has had a significant negative impact on the economic activity in the world, including drop on capital markets and sharp decrease of commodity prices. The significance of the effect of COVID-19 will largely depend on the duration and the incidence of the pandemic effects on the world and the Ukrainian economies.

The macroeconomic situation during the first months of 2020 facilitated the stability of the financial system in Ukraine. The year over year inflation rate in Ukraine was 5% during 2020 (as compared to 4.1% in 2019), however, internal and external factors that began to impact the Ukrainian economy in the second half of 2019 and significantly strengthened in 2020 resulted in Hryvnia devaluation. As at 31 December 2020, the official NBU exchange rate of Hryvnia against US dollar was UAH 28.27 per USD 1 compared to UAH 23.69 per USD 1 as at 31 December 2019.

The repayment period of the sovereign debt raised by Ukraine to maintain the liquidity position during the crisis periods continues. In 2020-2022, the foreign currency repayments of the Government and the National Bank of Ukraine (the NBU) including interest payments will cumulatively exceed USD 24 billion. The major portion of this amount is expected to be refinanced in external markets. Thus, implementation of the new International Monetary Fund programme and terms of cooperation with other international financial organisations remain critically important.

As of the end of 2019, the NBU set its discount rate at 13.5%. During 2020, the NBU further eased the monetary policy and the NBU's discount rate was decreased to 6%. In the period march-april 2021 rate was increased to 7.5%. Developments driven by the coronavirus spread resulted in liquidity gaps of certain banks and a growth in demand for interbank credit facilities. To support the financial stability, the NBU implemented long-term refinancing of banks and supported them by foreign currency cash.

A significant number of companies in Ukraine have to terminate or limit their operations for an indefinite period of time as of the date of preparation of these financial statements. Measures taken to constrain spread of the coronavirus (including quarantine restrictions), social distancing and suspension of the social infrastructure activities impact economic activities of companies including the Company.

The Government formed after the parliamentary elections in July 2019 was dismissed on 4 March 2020. Amid political changes, the degree of uncertainty including in respect of the future direction of the reforms in 2020 remains very high. In addition, negative trends in global markets due to the coronavirus epidemic may further affect the Ukrainian economy. The final resolution and the ongoing effects of the political and economic situation in Ukraine are difficult to predict but they may have further severe effects on the Ukrainian economy and the Company's business.



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**Other Notes to the Financial Statements (continued)**

**14. Events after the reporting period**

**Dividends Payout**

During the general meetings of Company's members, the decision has been made to pay out dividends in the amount of UAH 60,000,000 based on financial results of 2019 FY. Payout has been made in February of 2021 in accordance with the General Meetings of Company Members Protocol.

**Involvement of the COVID-19 situation:**

COVID-19 continues to affect global economic activity, and the significance of its effect will largely depend on the duration and the incidence of the pandemic effects on the world and the Ukrainian economies.

In March 2021, the Government of Ukraine took a number of restrictive measures to prevent the spread of the virus in the country. In particular, restrictions were imposed on public transportation, work of public institutions and events, closure of shopping malls (except for groceries and pharmacies). The government has encouraged businesses to switch to work from home for their employees.

In connection with the implementation of the quarantine-related restrictive measures, management of the Company took actions to prevent the coronavirus infection spread: the Company's employees were provided with all equipment required for their remote work from home during the quarantine period. In addition, the Company provides its employees with healthy nutrition products to support them during the pandemic. All employees, visitors and employers are required to adhere to the anti-epidemic rules to prevent the virus spread in premises.

As the situation is fluid and rapidly evolving, management do not consider it practicable to provide a quantitative estimate of the potential impact of the COVID-19 on the Company. However management estimates that the situation caused by COVID-19 may result in a decrease in the Company's revenue during the quarantine period. The restrictive measures applied globally and by the Ukrainian Government in particular are likely to negatively affect the Ukrainian economy and therefore may have indirect effect to the Company.

Limited Liability Company  
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Other Notes to the Financial Statements (continued)

15. Comparatives to the Statement of Changes in Equity

Statement of Shareholders' Equity for the year ended 31 December 2019

Item	Code	Registered (share) capital	Revaluation reserve	Additional capital	Reserve capital	Retained earnings (accumulated deficit)	Unpaid capital	With-drawn capital	Total
1	2	3	4	5	6	7	8	9	10
Balance at the beginning of the year	4000	123	-	-	-	55,180	-	-	55,303
Adjustments:									
Change in accounting policies	4005	-	-	-	-	-	-	-	-
Correction of errors	4010	-	-	-	-	-	-	-	-
Other changes	4090	-	-	-	-	-	-	-	-
Balance at the beginning of the year, adjusted	4095	123	-	-	-	55,180	-	-	55,303
Net profit (loss) for the reporting period	4100	-	-	-	-	61,249	-	-	61,249
Other comprehensive income for the reporting period	4110	-	-	-	-	-	-	-	-
Profit distribution:									
Payments to the owners (dividends)	4200	-	-	-	-	(25,000)	-	-	(25,000)
Allocation to the registered capital	4205	-	-	-	-	-	-	-	-
Allocation to the reserve capital	4210	-	-	-	-	-	-	-	-
Contributions by owners:									
Capital contributions	4240	-	-	-	-	-	-	-	-
Repayment of unpaid capital	4245	-	-	-	-	-	-	-	-
Withdrawal of capital:									
Repurchase of shares	4260	-	-	-	-	-	-	-	-
Sale of treasury shares	4265	-	-	-	-	-	-	-	-
Cancellation of treasury shares	4270	-	-	-	-	-	-	-	-
Withdrawal of the share in equity	4275	-	-	-	-	-	-	-	-
Other changes in equity	4290	-	-	-	-	(22,272)	-	-	(22,272)
Changes in equity, total	4295	-	-	-	-	13,977	-	-	13,977
Balance at the end of the year	4300	123	-	-	-	69,157	-	-	69,280

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Other Notes to the Financial Statements (continued)

16. Comparatives to the Notes to the Annual Financial Statements (Form No 5)

I. Intangible assets (year ended 31 December 2019)

Groups of intangible assets	Line code	Balance at the beginning of the year		Additions in the year	Revaluation (upward +, downward -)		Disposals in the year		Amortisation charges for the year	Impairment losses for the year	Other changes for the year		Balance at the end of the year	
		Cost or valuation	Accumulated amortisation		Cost or valuation	Accumulated amortisation	Cost or valuation	Accumulated amortisation			Cost or valuation	Accumulated amortisation	Cost or valuation	Accumulated amortisation
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Rights to use natural resources	010	-	-	-	-	-	-	-	-	-	-	-	-	-
Rights to use property	020	-	-	-	-	-	-	-	-	-	-	-	-	-
Rights for commercial signs	030	-	-	-	-	-	-	-	-	-	-	-	-	-
Rights for the industrial property objects	040	-	-	-	-	-	-	-	-	-	-	-	-	-
Copyright and allied rights	050	-	-	-	-	-	-	-	-	-	-	-	-	-
	060	-	-	-	-	-	-	-	-	-	-	-	-	-
Other intangible assets	070	1,225	1,223	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>080</b>	<b>1,225</b>	<b>1,223</b>	-	-	-	-	-	-	-	-	-	1,225	1,225
Goodwill	090	-	-	-	-	-	-	-	-	-	-	-	1,225	1,225
<b>Description</b>														
1														
From line 080, col. 14														
cost of intangible assets with restricted ownership rights														
cost of pledged intangible assets														
cost of intangible assets created in-house														
From line 080, col. 5, cost of intangible assets received for targeted financing														
From line 080, col. 15, accumulated amortisation of intangible assets with restricted ownership rights														
Line code														
Amount														
2														
3														
081														
082														
083														
084														
085														

Limited Liability Company  
"Herbalife Ukraine"

Financial Statements in accordance with NR(S)AU as at and for the year ended  
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Other Notes to the Financial Statements (continued)

16. Comparatives to the Notes to the Annual Financial Statements (Form No 5) (continued)

II. Property, plant and equipment (year ended 31 December 2019)

Groups of property, plant and equipment	Line code	Balance at the beginning of the year		Additions in the year	Revaluation (upward +, downward -)		Disposals in the year		Deprec'n charges for the year	Impairment losses for the year	Other changes for the year		Balance at the end of the year		Including				
		Cost or valuation	Accumulated depreciation		Cost or valuation	Accumulated depreciation	Cost or valuation	Accumulated depreciation			Cost or valuation	Accumulated depreciation	Cost or valuation	Accumulated depreciation	Received on finance lease	Transferred on operating lease			
		2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Land plots	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment property	105	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital costs of land improvement	110	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings, constructions and transmission equipment	120	3,338	1,362	-	-	-	-	2	2	269	-	-	-	3,336	1,629	-	-	-	-
Machinery and equipment	130	3,431	2,144	1,252	-	-	-	-	-	413	-	-	-	4,683	2,557	-	-	-	-
Vehicles	140	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tools, fittings and furniture	150	900	793	94	-	-	-	-	-	148	-	-	-	994	941	-	-	-	-
Livestock	160	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Perennial plants	170	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other fixed assets	180	1,235	1,202	-	-	-	-	-	-	33	-	-	-	1,235	1,235	-	-	-	-
Library assets	190	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-current low-value items	200	705	371	9	-	-	-	-	-	300	-	-	-	714	671	-	-	-	-
Temporary buildings	210	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Natural resources	220	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Packaging	230	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hire items	240	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other non-current tangible assets	250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>260</b>	<b>9,609</b>	<b>5,872</b>	<b>1,355</b>	-	-	-	<b>2</b>	<b>2</b>	<b>1,163</b>	-	-	-	<b>10,962</b>	<b>7,033</b>	-	-	-	-

From line 260, col. 14	Description	Line code	Amount
	cost of PPE where legal restrictions of ownership rights exist	261	
	cost of pledged PPE	262	
	residual value of PPE out of use on a temporary basis (conservation, reconstruction, etc.)	263	
	cost (or valuation) of fully depreciated PPE	264	
	PPE of leased property	2641	
	residual value of PPE decommissioned for future sale	265	
	residual value of fixed assets lost due to accidents	2651	
	cost of PPE purchased for targeted finance	266	
	Cost of PPE received on operating lease terms	267	
	accumulated depreciation of fixed assets where legal restrictions of ownership rights exist	268	4,617
	cost of investment property valued at fair value	269	

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Other Notes to the Financial Statements (continued)

16. Comparatives to the Notes to the Annual Financial Statements (Form No 5)  
(continued)

III. Capital Investments (year ended 31 December 2019)

Description	Line code	For the year	At the end of the year
1	2	3	4
Capital construction	280	-	-
Purchase (manufacturing) of PPE	290	1,518	1,518
Purchase (manufacturing) of other non-current tangible assets	300	-	-
Purchase (manufacturing) of intangible assets	310	10	10
Purchase (growing) of long-term biological assets	320	-	-
Other	330	-	-
<b>Total</b>	<b>340</b>	<b>1,528</b>	<b>1,528</b>

From line 340, col. 3  
capital investments in investment property  
financial costs included in financial investments

(341) \_\_\_\_\_  
(342) \_\_\_\_\_

IV. Financial investments (year ended 31 December 2019)

Description	Line code	For the year	At the end of the year	
			Long-term	Current
1	2	3	4	5
<b>A. Financial investments under equity method into:</b>				
associates	350	-	-	-
subsidiaries	360	-	-	-
joint activities	370	-	-	-
<b>B. Other financial investments into:</b>				
shares in other entities' statutory capital	380	-	-	-
shares	390	-	-	-
bonds	400	-	-	-
other	410	-	-	-
<b>Total (A + B)</b>	<b>420</b>	<b>-</b>	<b>-</b>	<b>-</b>
	421	-	-	-

From line 1035, col. 4 of the Balance Sheet  
(Statement of Financial Position)

Other long-term financial investments stated:  
at cost (421) \_\_\_\_\_  
at fair value (422) \_\_\_\_\_  
at amortised cost (423) \_\_\_\_\_

From line 1160, col. 4 of the Balance Sheet  
(Statement of Financial Position)

Other long-term financial investments stated:  
at cost (424) \_\_\_\_\_  
at fair value (425) \_\_\_\_\_  
at amortised cost (426) \_\_\_\_\_

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Other Notes to the Financial Statements (continued)

16. Comparatives to the Notes to the Annual Financial Statements (Form No 5)  
 (continued)

V. Income and expenses (year ended 31 December 2019)

Description	Line code	Income	Expenses
1	2	3	4
<b>A. Other operating income and expenses</b>			
Operating lease of assets	440	-	941
Operating exchange difference	450	4,246	-
Sale of other current assets	460	-	-
Fines, penalties and interest	470	-	-
Maintenance of social assets	480	-	-
Other operating income and expenses	490	1,707	-
Including:			
charges to bad debt reserve	491	X	-
non-productive expenses and losses	492	X	-
<b>B. Income and expenses from participation in equity of:</b>			
associates			
subsidiaries	500	-	-
joint activities	510	-	-
	520	-	-
<b>C. Other financial income and expenses</b>			
Dividends			
Interest	530	-	X
Finance lease of assets	540	X	-
Other financial income and expenses	550	-	-
	560	12	17,787
<b>D. Other income and expenses</b>			
Sale of financial investments	570	-	-
Income from business combinations	580	-	-
Result of impairment test	590	-	-
Non-operating exchange difference	600	-	-
Assets received for free	610	-	-
Write-off of non-current assets	620	X	X
Other income and expenses	630	-	-

Description	Line code	Amount
1	2	3
Barter transactions with goods, works and services	631	-
Share in sales revenue from sales of goods, works and services under barter agreements with related parties (%)	632	-
From lines 540-560 col. 4: Financial costs included in cost of assets	633	-

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Other Notes to the Financial Statements (continued)

16. Comparatives to the Notes to the Annual Financial Statements (Form No 5)  
(continued)

VI. Cash (year ended 31 December 2019)

Description	Line code	At the end of the year
1	2	3
Cash on hand		
Current account	640	17
Other bank accounts (letters of credit, cheque books)	650	126,607
Cash in transit	660	-
Cash equivalents	670	14,330
Total	680	-
	690	139,954
From line 1090, col. 4 of the Balance Sheet (Statement of Financial Position) Cash with restricted use	691	-

VII. Provisions (year ended 31 December 2019)

Type of provision	Line code	Balance at the beginning of the year	Increase during the reporting period		Amount used during the year	Unused amount reversed during the reporting period	Amount of expected compensation by the other party included in the provision assessment	Balance at the end of the year
			Provision created	Additional charges				
1	2	3	4	5	6	7	8	9
Provision for vacation payments to employees	710	938	1,084	-	867	-	-	1,155
Provision for additional future pension expenses	720	-	-	-	-	-	-	-
Provision for future expenses related to guarantees	730	-	-	-	-	-	-	-
Provision for future restructuring expenses	740	-	-	-	-	-	-	-
Provision for future expenses related to onerous contracts	750	-	-	-	-	-	-	-
	760	-	-	-	-	-	-	-
Other provisions	770	7,894	34,787	-	35,658	-	-	-
Doubtful debt provision	775	-	-	-	-	-	-	7,023
Total	780	8,832	35,871	-	36,525	-	-	8,178

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Other Notes to the Financial Statements (continued)

16. Comparatives to the Notes to the Annual Financial Statements (Form No 5)  
 (continued)

VIII. Inventories (year ended 31 December 2019)

Description	Line code	Closing book value	Revaluation in the year	
			Increase in the net realisable value*	Downward revaluation
1	2	3	4	5
Raw and other materials	800	58	-	-
Purchased components and units	810	-	-	-
Fuel	820	-	-	-
Packaging	830	-	-	-
Construction materials	840	-	-	-
Spare parts	850	-	-	-
Agricultural materials	860	-	-	-
Current biological assets	870	-	-	-
Low-value items	880	-	-	-
Work in progress	890	-	-	-
Finished goods	900	-	-	-
Goods for sale	910	44,333	-	-
<b>Total</b>	<b>920</b>	<b>44,391</b>	-	-

From line 920, col. 3

Book value of inventories:

shown at net realisable value

(921)

-

transferred for processing

(922)

-

pledged

(923)

-

transferred on commission

(924)

-

Assets on safekeeping (off-balance sheet account 02)

(925)

-

From line 1200, col. 4 of the Balance Sheet (Statement of Financial Position)

(926)

-

Inventories held for sale

(926)

-

\* determined according to p. 28 of NR(S)AU 9 "Inventories"



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Other Notes to the Financial Statements (continued)

16. Comparatives to the Notes to the Annual Financial Statements (Form No 5)  
 (continued)

IX. Accounts receivable (year ended 31 December 2019)

Description	Line code	Total at year-end	Including outstanding by age:		
			Less than 12 months	From 12 to 18 months	From 18 to 36 months
1	2	3	4	5	6
Accounts receivable for goods, works and services	940	214	214	-	-
Other current accounts receivable	950	1	1	-	-

Bad accounts receivable written-off during the reporting year (951) —  
 From lines 940 and 950 accounts receivable with related parties (952) —

X. Losses and shortages resulting from damages (year ended 31 December 2019)

Description	Line code	Amount
1	2	3
Losses and shortages identified and written-off during the year	960	-
Recognised as debts of the guilty parties during the year	970	-
Losses and shortages where guilty parties are not identified at year end (off-balance sheet account 072)	980	-

XI. Construction contracts (year ended 31 December 2019)

Description	Line code	Amount
1	2	3
Revenue from construction contracts for current year	1110	-
Amounts outstanding at year end:		
from customers, gross	1120	-
to customers, gross	1130	-
on prepayments received	1140	-
Overdue amounts at year end	1150	-
Cost of work done by subcontractors for construction contracts in progress	1160	-

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(unless otherwise stated, all amounts are in thousands of Ukrainian hryvnias (UAH))

Other Notes to the Financial Statements (continued)

16. Comparatives to the Notes to the Annual Financial Statements (Form No 5)  
 (continued)

XII. Corporate profit tax (year ended 31 December 2019)

Description	Line code	Amount
1	2	3
Current corporate profit tax	1210	14,517
Deferred tax assets:		
at the beginning of year	1220	19,017
at the end of year	1225	966
Deferred tax liabilities:		
at the beginning of year	1230	-
at the end of year	1235	-
Included in the Statement of Financial Results – total	1240	13,634
Including:		
current corporate profit tax	1241	14,527
decrease (increase) of deferred tax assets	1242	(883)
increase (decrease) of deferred tax liabilities	1243	-
Recorded in equity – total	1250	-
Including:		
current corporate profit tax	1251	-
decrease (increase) of deferred tax assets	1252	-
increase (decrease) of deferred tax liabilities	1253	-

XIII. Use of depreciation charge (year ended 31 December 2019)

Description	Line code	Amount
1	2	3
Charged for the reporting year	1300	1,165
Used during the year – total	1310	-
Including for:		
construction of units	1311	-
purchasing (manufacturing) and improvements of PPE	1312	-
including machines and equipment	1313	-
purchasing (manufacturing) of intangible assets	1314	-
paying off loans received for capital investments	1315	-
	1316	-
	1317	-

**Other Notes to the Financial Statements (continued)**

**16. Comparatives to the Notes to the Annual Financial Statements (Form No 5) (continued)**

**XIV. Biological assets (year ended 31 December 2019)**

Groups of biological assets	Line code	historical cost																
		Opening balance		Disposals in the year		Depreciation charges for the year		Impairment losses	Economic benefits from recovery of assets	Closing balance		accumulated depreciation						
		historical cost	accumulated depreciation	historical cost	accumulated depreciation	historical cost	accumulated depreciation			historical cost	accumulated depreciation	Additions in the year	Changes in fair value for the year	Disposals in the year	Closing balance			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17		
Long-term biological assets - total																		
including:																		
draft livestock	1410																	
productive livestock	1411																	
perennial plants	1412																	
	1413																	
other long-term biological assets	1414																	
	1415																	
Current biological assets - total																		
including:																		
livestock	1420				X			X			X							
	1421				X			X			X							
biological assets in bioconversion (other than livestock)	1422				X			X			X							
	1423				X			X			X							
other current biological assets	1424				X			X			X							
Total	1430																	
From line 1430, col. 5 and col. 14:																		
From line 1430, col. 6 and col. 16:																		
From line 1430, col. 11 and col. 17:																		

cost of biological assets purchased for targeted finance

residual value of non-current biological assets, historical cost of current biological assets and fair value of biological assets lost due to emergency events

book value of biological assets with restricted ownership rights as prescribed by law

Other Notes to the Financial Statements (continued)

16. Comparatives to the Notes to the Annual Financial Statements (Form No 5) (continued)

XV. Financial results from initial recognition and sale of agricultural produce and additional biological assets (year ended 31 December 2019)

Description	Line code	Value at initial recognition	Bioconversion expenses	Result from initial recognition		Downwards revaluation	Revenue	Cost of sales	Financial result (profit +, loss -)	
				Income	Expense				Sales	Initial recognition and sales
1	2	3	4	5	6	7	8	9	10	11
Plant cultivation produce and additional biological assets – total	1500	-	(-)	-	(-)	-	-	-	-	-
Including:										
crops and leguminous plants	1510	-	-	-	-	-	-	-	-	-
of which: wheat	1511	-	(-)	-	(-)	-	-	(-)	-	-
soybean	1512	-	(-)	-	(-)	-	-	(-)	-	-
sunflower	1513	-	(-)	-	(-)	-	-	(-)	-	-
rapeseed	1514	-	(-)	-	(-)	-	-	(-)	-	-
sugar beet (mill)	1515	-	(-)	-	(-)	-	-	(-)	-	-
potatoes	1516	-	(-)	-	(-)	-	-	(-)	-	-
fruit (pip and drupaceous fruit)	1517	-	(-)	-	(-)	-	-	(-)	-	-
other plant cultivation produce	1518	-	(-)	-	(-)	-	-	(-)	-	-
plant cultivation additional biological assets	1519	-	(-)	-	(-)	-	-	(-)	-	-
Cattle breeding produce and additional biological assets – total	1520	-	(-)	-	(-)	-	-	(-)	-	-
Including:										
live weight gain – total	1530	-	(-)	-	(-)	-	-	(-)	-	-
of which: horned livestock										
pigs	1531	-	(-)	-	(-)	-	-	(-)	-	-
milk	1532	-	(-)	-	(-)	-	-	(-)	-	-
wool	1533	-	(-)	-	(-)	-	-	(-)	-	-
eggs	1534	-	(-)	-	(-)	-	-	(-)	-	-
other cattle breeding produce	1535	-	(-)	-	(-)	-	-	(-)	-	-
cattle breeding additional biological assets	1536	-	(-)	-	(-)	-	-	(-)	-	-
fishery produce	1537	-	(-)	-	(-)	-	-	(-)	-	-
	1538	-	(-)	-	(-)	-	-	(-)	-	-
	1539	-	(-)	-	(-)	-	-	(-)	-	-
Agricultural produce and additional biological assets – total	1540	-	(-)	-	(-)	-	-	(-)	-	-

**Other Notes to the Financial Statements (continued)**

**17. Supplement to Notes to the Annual Financial Statements "Segment Information" for the year ended 31 December 2019**

Company: LLC "Herbalife Ukraine"

Territory:

State power authority:

Organisational and legal form of economic activity: Limited Liability Company

Type of economic activity: wholesale in other food products including fish, shellfish and molluscs

Measurement unit: UAH thousands

Date (year, month, date)

EDRPOU

KOATUU

SPODU

KOPFG

KVED

Codes		
2019	12	31
32186424		
8038200000		
0		
240		
46.38		

**Supplement to Notes to the Annual Financial Statements "Segment Information" for the year ended 31 December 2019**

Form 6

DKUD code

**I. Figures by priority reporting business segment**  
(business, geographical productive, geographical sale)

Line code	Description	Reporting segment											Unallocated		Total													
		Report- ing year	Prior year	Report- ing year	Prior year	Report- ing year	Prior year	Report- ing year	Prior year	Report- ing year	Prior year	Report- ing year	Prior year	Report- ing year	Prior year													
1	Revenues of reporting segments:																											
010	Revenues of reporting segments from operating activity	744,534	629,958																									
	of which:																											
011	revenue from sale of goods, works and services: to external customers	738,581	626,999																									
012	to other reporting segments																											
013	other operating income	5,953	2,959																									
020	Financial income of reporting segments	0																										
	of which: income from participation in equity directly attributable to the reporting segment																											
022	other financial income	0	12																									
030	other income																											

**Other Notes to the Financial Statements (continued)**

**17. Supplement to Notes to the Annual Financial Statements "Segment Information" for the year ended 31 December 2019 Form 6 (continued)**

**I. Figures by priority reporting business segment (continued)**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Total revenues of reporting segments	040	744,534	629,970														
Unallocated revenues	050	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	629,971
of which:																	
income from operating activity	051																
financial income	052	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
Deductions from revenues from sale of goods, work and services to other reporting segments	060																
Total revenues of the entity (line 040 + line 050 - line 060)	070	744,534	629,970														629,971
2. Expenses of reporting segments:	080	(416,405)	(358,257)														(358,257)
Operating expenses																	
of which: cost of sales of goods, works and services:																	
to external customers	081	(416,405)	(358,257)														(358,257)
to other reporting segments	082																
Administrative expenses	090	(20,019)	(21,331)														
Selling expenses	100	(214,499)	(180,496)														(21,331)
Other operating expenses	110	(941)	(2,933)														(2,933)
Financial expenses of reporting segments	120	(17,787)	(11,867)														(11,867)
of which:																	
losses from participation in equity																	
directly attributable to the reporting segment	121																
Other expenses	130		(2,997)														
Total expenses of reporting segments	140	(669,652)	(577,882)														(577,882)
																	(2,997)
																	(2,760)
																	(669,652)
																	(577,882)

**Other Notes to the Financial Statements (continued)**

**17. Supplement to Notes to the Annual Financial Statements "Segment Information" for the year ended 31 December 2019 Form 6 (continued)**

**1. Figures by priority reporting business segment (continued)**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Unallocated expenses	150	X	X	X	X	X	X	X	X	X	X	X	X	(13,634)	(9,725)	(13,634)	(9,725)
of which:																	
administrative, selling and other operating expenses unallocated to reporting segments																	
financial expenses	151	X	X	X	X	X	X	X	X	X	X	X	X				
corporate profit tax	152	X	X	X	X	X	X	X	X	X	X	X	X				
Deductions from cost of sale of goods, work and services to other reporting segments	154	X	X	X	X	X	X	X	X	X	X	X	X				
160																	
Total expenses of the entity (line 140 + line 150 - line 160)	170	(659,652)	(577,881)											(13,634)	(9,725)	(683,285)	(568,156)
3. Financial result of reporting segments (line 040 - line 140)	180	74,883	52,089													74,883	52,089
4. Financial result of the entity (line 070 - line 170)	190	74,883	52,089											(13,634)	(9,725)	61,249	42,364
5. Assets of reporting segments	200	195,818	277,367													195,818	277,367
of which:																	
Inventories	201	44,391	137,777													44,391	137,777
Accounts Receivable for goods and services	202	214	361													214	361
Advances issued	203	5,106	13,172													5,106	13,172
with budget	204	694	668													694	668
Other Accounts Receivable	205	1	-													1	-
Cash and Cash Equivalents	206	139,954	116,397													139,954	116,397
Future periods expenses	207	1	177													1	177
Other current assets	208	-	3,986													-	3,986
Intangible assets	209	-	2													-	2
Capital expenditure	210	1,528	1,080													1,528	1,080
PPE	211	3,929	3,737													3,929	3,737
Unallocated assets	220	X	X	X	X	X	X	X	X	X	X	X	X	966	19,017	966	19,017
of which: Non-current assets	221	X	X	X	X	X	X	X	X	X	X	X	X	966	19,017	966	19,017
Total assets of the entity	230	195,818	277,367											966	19,017	196,784	296,384
6. Liabilities of reporting segments	240	118,274	287,154													118,274	287,154

**Other Notes to the Financial Statements (continued)**

**17. Supplement to Notes to the Annual Financial Statements "Segment Information" for the year ended 31 December 2019 Form 6 (continued)**  
**i. Figures by priority reporting business segment (continued)**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
of which:																	
Current accounts payable on: goods, works and services	241	37,424	161,045													37,424	161,045
Other current liabilities	242	9,734	661													9,734	661
Insurance payments	243	1														1	
Payments for wages	244		3														3
Current provision	245	8,178	8,832													8,178	8,832
Other current liabilities	246	62,937	61,310													62,937	61,310
Unallocated liabilities	260	X	X	X	X	X	X	X	X	X	X	X	X	9,230	9,230	9,230	9,230
of which:																	
settlements with the budget	261	X	X	X	X	X	X	X	X	X	X	X	X	9,230	9,230	9,230	9,230
Total liabilities of the entity (line 240 + line 260)	270	118,274	287,154											9,230	9,230	127,504	296,384
7. Capital investments	280	1,528	1,080													1,528	1,080
8. Depreciation of non-current assets	290	1,163	1,099													1,163	1,099

**II. Figures by secondary reporting segments**  
 (business, geographical productive, geographical sale)

Description	Line code	Reporting segment												Unallocated		Total	
		Reporting year	Prior year	Reporting year	Prior year	Reporting year	Prior year	Reporting year	Prior year	Reporting year	Prior year	Reporting year	Prior year	Reporting year	Prior year		
1		3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Revenue from sale of goods, works and services to external customers	300																
Carrying value of reporting segment assets	310																
Capital investments	320																



**Other Notes to the Financial Statements (continued)**

17. Supplement to Notes to the Annual Financial Statements "Segment Information" for the year ended 31 December 2019 Form 6 (continued)

**Supplement to Notes to the Annual Financial Statements "Segment Information" for the year ended 31 December 2019**

Form 6 (continued)

**iii. Figures by secondary reporting segments**  
(business, geographical, productive, geographical sale)

Description	Line code	Reporting segment											Unallocated			Total		
		Reporting year 3	Prior year 4	Reporting year 5	Prior year 6	Reporting year 7	Prior year 8	Reporting year 9	Prior year 10	Reporting year 11	Prior year 12	Reporting year 13	Prior year 14	Reporting year 15	Prior year 16	Reporting year 17	Prior year 18	
1	2																	
Revenue from sale of goods, works and services to external customers	350																	
Carrying value of reporting segment assets	360																	
Capital investments	370																	
	380																	
	390																	