

Herbalife Denmark ApS
C/O Advokat Richard Petersen
Hovedvagtsgade 6,4.
1103 København K

Annual Report 2015

CVR No. 17 07 14 83

The Annual Report
was presented and adopted
at the Annual General Meeting
of the Company
on 7 June – 2016


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Neil Antony Spiers
Chairman

The annual report contains 15 pages

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Statement by the Executive Board

The Executive Board has today discussed and adopted the annual report for 2015 of Herbalife Denmark ApS.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the financial statements give a true and fair view of the financial position at 31 December 2015 of the Company and of the results of the company's operations for the financial year ended 31 December 2015.

In our opinion, Management's review includes a true and fair account of the matters addressed in the Review.

We recommend that the annual report be adopted at the annual general meeting.

Copenhagen, 7 June 2016
Executive Board:



Neil Antony Spiers
Chief Executive Officer

Independent auditors' report on the Financial Statements

To the shareholder of Herbalife Denmark ApS

Report on the Financial Statements

We have audited the Financial Statements of Herbalife Denmark ApS for the financial year 1 January – 31 December 2015 which comprise accounting policies, income statement, balance sheet and notes. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act.

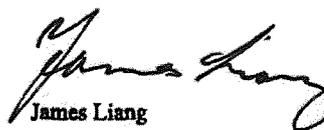
Statement on the Management's review

We have read the Management's review accordance with the Danish Financial Statements Act. We have not performed any other procedures in addition to the audit of the Financial Statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the Financial Statements.

Copenhagen, 7 June 2016
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR – nr. 33 77 12 31



Ole Tjørnelund Thomsen



James Liang

*State Authorised
Public Accountant*

*State Authorised
Public Accountant*

Company details

Herbalife Denmark ApS
c/o Advokat *Attorney* Richard Petersen
Hovedvagtsgade 6, 4. sal/4 th. Floor
DK-1103 København K/Copenhagen K

Website: www.herbalife.com

Registration No.: 17 07 14 83

Registered office: Copenhagen

Financial year: 1 January - 31 December

Executive Board

Neil Antony Spiers

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Management's review

Activities in Herbalife Denmark ApS

The Company's primary activity consists of the wholesale of nutritional and personal care products.

Significant events during the year

None

Development in activities and financial position

The Company's net profit for the year 2015 is DKK 843 thousand against the net profit in 2014 of DKK 434 thousand.

Capital and reserves

The Company's equity at 31 December 2015 amounts to DKK 2,691 thousand. (2014: DKK 1,848 thousand).

Ownership

The Company's share capital is held by Herbalife International Inc., Los Angeles, USA.

Financial statements for the period 1 January - 31 December

Accounting policies

The annual report of Herbalife Denmark ApS for 2015 has been prepared in accordance with the provisions applying to class B enterprises under the Danish Financial Statements Act.

The accounting policies applied in the preparation of the Financial Statements are consistent with those of last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item. In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as interest income or expense and similar items.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest Financial Statements is recognised in the income statement as interest income or expense and similar items.

The annual report has been prepared in Danish Kroner.

Income statement

Revenue

Revenue from the sale of goods and services is recognised in the income statement provided that delivery and transfer of risk to the buyer has taken place before year end and that the income can be reliably measured and is expected to be received. Revenue is measured ex VAT and taxes.

Other external costs

Other external costs comprise costs for distribution, sales, advertising, administration, bad debts etc.

Interest income and expense and similar items

Interest income and expense and similar items comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies etc.

Tax on profit/loss for the year

Tax for the year comprises current tax and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in capital and reserves is recognised directly in capital and reserves.

Balance sheet

Receivables

Receivables are measured at amortised cost. Write-down is made for bad debt losses at net realisable value.

Prepayments

Prepayments comprise costs incurred in relation to subsequent financial years.

Equity - dividends

Proposed dividends are recognized as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under capital and reserves.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax assets, including the tax base of tax loss carry forward, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Financial liabilities

Other liabilities comprising trade payables, amounts owed to group enterprises and other payables are measured at amortised cost.

Deferred income

Deferred income comprises received payments concerning income in subsequent years.

Income statement

	Notes	<u>2015</u>	<u>2014</u>
Gross profit		1,169,905	443,716
Profit/loss before financial income and expenses		1,169,905	443,716
Financial income	1	5,479	4,094
Financial expenses	2	<u>-44,206</u>	<u>-13,571</u>
Profit/loss before tax		1,131,178	434,239
Tax on profit/loss for the year	3	<u>-288,545</u>	<u>0</u>
Profit/loss for the year		<u>842,633</u>	<u>434,239</u>

Proposed distribution of profit

Profit/loss for the year		842,633	434,239
Retained earnings from earlier years		<u>647,965</u>	<u>213,726</u>
Available for distribution		<u>1,490,598</u>	<u>647,965</u>

To be distributed as follows:

Retained earnings		<u>1,490,598</u>	<u>647,965</u>
		<u>1,490,598</u>	<u>647,965</u>

Balance sheet

	Notes	<u>2015</u>	<u>2014</u>
ASSETS			
Current assets			
Receivables			
Trade receivables		216,065	352,166
Tax receivable		0	58,000
Receivable from group enterprises		252,088	976,803
Prepayments		<u>33,635</u>	<u>46,522</u>
Total receivables		<u>501,788</u>	<u>1,433,491</u>
Cash at bank and in hand		<u>6,514,497</u>	<u>5,066,027</u>
Total current assets		<u>7,016,285</u>	<u>6,499,518</u>
TOTAL ASSETS		<u>7,016,285</u>	<u>6,499,518</u>

	Notes	<u>2015</u>	<u>2014</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	4	1,200,000	1,200,000
Retained earnings	5	<u>1,490,598</u>	<u>647,965</u>
Total capital and reserves		<u>2,690,598</u>	<u>1,847,965</u>
Liabilities			
Short-term liabilities			
Payable to group enterprises		558,488	807,237
Other payables	6	3,320,115	3,651,062
Income Tax payable		288,545	0
Deferred income		<u>158,539</u>	<u>193,254</u>
Total liabilities		<u>4,325,687</u>	<u>4,651,553</u>
TOTAL EQUITY AND LIABILITIES		<u>7,016,285</u>	<u>6,499,518</u>
Related parties and ownership	7		

Notes

	<u>2015</u>	<u>2014</u>
1 Financial income		
Interest income	164	0
Realised exchange gain	0	2,943
Unrealised exchange gain	<u>5,315</u>	<u>1,151</u>
Total financial income	<u>5,479</u>	<u>4,094</u>
2 Financial expenses		
Interest expense	1,122	900
Realised exchange loss	25,864	1,110
Unrealised exchange loss	0	1,952
Other financial expenses and similar items	<u>17,220</u>	<u>9,609</u>
Total financial expenses	<u>44,206</u>	<u>13,571</u>
3 Corporation tax		
Current tax		
Tax on profit for the year	<u>288,545</u>	<u>0</u>
	<u>288,545</u>	<u>0</u>
4 Share capital		
<p>The share capital amounts to DKK 1,200 thousand consisting of A shares of DKK 200 thousand with full voting and dividend rights and B shares of DKK 1,000 thousand without voting rights and with no rights to dividend. The share capital is divided into shares of DKK 1 thousand each or multiples thereof.</p>		

5 Retained earnings	<u>2015</u>	<u>2014</u>
Retained earnings at 1 January	647,965	213,726
Profit / loss for the year	<u>842,633</u>	<u>434,239</u>
Retained earnings at 31 December	<u>1,490,598</u>	<u>647,965</u>

6 Other payables	<u>2015</u>	<u>2014</u>
VAT	918,596	977,192
Rebates	1,961,775	1,984,572
Other	<u>439,744</u>	<u>689,296</u>
Balance at 31 December	<u>3,320,115</u>	<u>3,651,060</u>

7 Related parties

Related parties include entities within the Herbalife Group.
All goods are purchased through related parties.

Controlling interest

Herbalife International Inc., Los Angeles, USA .

Ownership

The Company's share capital is held by:

- Herbalife International Inc., Los Angeles, USA.

Herbalife Denmark ApS is included in the consolidated Financial Statements of Herbalife Limited, USA. The consolidated Financial Statements of Herbalife Limited, USA are available at the Company's address or on the Company's website www.herbalife.com.