

The Herbalife Price List Explained

This document is intended to answer the main questions about the price list. **Please note** that the prices and VAT rates are not current, but the principal remains the same.

Question 1: How is the suggested selling price calculated?

Answer: It is the basic price plus 10% (7% package & handling plus 3% freight) plus VAT (20%) on total. Note that some products have VAT e.g. Formula 2, whereas Formula 1 and Formula 3 don't.

Question 2: How are the wholesale prices (25% to 50%) calculated?

Answer: The percentage discount is applied only to the basic price. The VAT and package & handling and freight are the same on both the purchase price and selling price.

Question 3: Why isn't the 50% discounted price half of the selling price?

Answer: This is because the discount isn't applied to the VAT or package & handling and freight. These amounts are always charged and recouped at the same amount. Please see Question 2. The effect is to skew the percentages. The pricing model is the same in every country, so the effect will vary depending on local tax charges.

Question 4: What does Earn Base mean?

Answer: Herbalife uses this in discounted price calculations when the products are manufactured by a third party and therefore costs more. This currently only applies to the protein bars.