

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earlier event reported): February 19, 1999

NATURAL HEALTH TRENDS CORP.

(Exact Name of Registrant as Specified in Charter)

Florida 0-25238 59-2705336

(State of Incorporation (Commission File No.) (IRS Identification Number)
or other Jurisdiction)

250 Park Avenue
New York, New York 10117

(Address of Principal Executive Offices)

(212) 490-6609

(Registrant's Telephone Number Including Area Code)

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS

Effective February 19, 1999, pursuant to an Asset Purchase Agreement (the "Acquisition Agreement"), dated as of November 24, 1998 by and among, Natural Health Trends Corp., a Florida corporation (the "Company"), NHTC Acquisition Corp., a newly formed, wholly-owned subsidiary of the Company (the "Subsidiary"), and Kaire International, Inc., a privately held Delaware corporation ("Kaire"), the Subsidiary acquired (the "Acquisition"), substantially all of the assets (the "Assets") of Kaire in exchange for the issuance (i) to Kaire, of \$2,800,000 aggregate stated value of the Company's Series F Preferred Stock, par value \$.001 per share (the "Series F Preferred Stock"); (ii) to two creditors of Kaire, \$350,000 aggregate stated value of the Company's Series G Preferred Stock, par value \$.001 per share (the "Series G Preferred Stock"); and (iii) to Kaire, five-year warrants to purchase 200,000 shares of the Company's common stock, par value \$.001 per share (the "Common Stock"). The Subsidiary also, pursuant to the Acquisition, assumed certain indebtedness of Kaire, agreed to indemnify certain officers of Kaire against certain liabilities accrued prior to the closing date and agreed, subject to certain adjustments, to make certain annual earn-out payments to Kaire for a period of five (5) years commencing with the year ending December 31, 1999, based upon the revenues and net income, if any, of the Subsidiary. For a copy of the Acquisition Agreement and all Exhibits thereto including the Warrant and the Articles of Amendment of Articles of Incorporation of the Company setting forth the terms of the Series F Preferred Stock and Series G Preferred Stock (collectively, the "Preferred Documents"), see the Company's Proxy Statement dated January 25, 1999.

Kaire develops and distributes, through a network of independent associates, products that are intended to appeal to health-conscious consumers, Current Kaire products include health care supplements and personal care products. Kaire offers a line of approximately 50 products which it divides into nine categories, including Antioxidant Protection, (Bodily) Defense, Digestion, Energy and Alertness, Stress, Vital Nutrients, Weight Management, Anti-Aging and Personal Care. Based upon the audited financial statement of Kaire, for the year ended December 31, 1997, Kaire had net sales of approximately \$35,682,000 and a net loss of approximately \$6,098,000 and based upon the unaudited financial statements of Kaire, for the nine (9) months ended September 30, 1998, Kaire had

net sales of approximately \$21,018,916 and a net loss of approximately \$3,192,264.

Attached to this Current Report on Form 8-K is the Unaudited Pro Forma Condensed Consolidated Balance Sheet as of November 30, 1998 of the Company and Kaire.

-2-

ITEM 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(a) Financial Statements

The required Financial Statements of Kaire will be filed pursuant to an amendment to this Current Report on Form 8-K no later than sixty (60) days from the date of this Current Report on Form 8-K.

(b) Pro Forma Financial Information

See attached

(c) Exhibits

See the Company's Proxy Statement dated January 25, 1999 for a copy of, among other documents relating to the Acquisition, the Acquisition Agreement, the Warrant and the Preferred Documents.

-3-

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the Undersigned hereunto duly authorized,

NATURAL HEALTH TRENDS CORP. (Registrant)

By: /s/ Joseph P. Grace

Joseph P. Grace, Acting President

Dated: February 19, 1999

NATURAL HEALTH TRENDS CORP./KAIRE INTERNATIONAL, INC.
 UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

<TABLE>
 <CAPTION>

	Natural Health Trends, Corp. November 30,	Kaire International, Inc. November 30,	Pro Forma Adjustments		
	1998	1998	DR(CR)	Total	
ASSETS					

<S>	<C>	<C>	<C>	<C>	
CURRENT ASSETS:					
Cash	\$ 661,371	\$ 488,091	\$ (8,032)	\$ 1,141,430	
Restricted cash	--	125,000	--	125,000	
Accounts receivable, net	23,148	272,304	--	295,452	
Inventory	414,963	914,206	(230,216)	1,098,953	
Prepaid expenses and other current assets		575,395	61,115	(775)	635,735
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TOTAL CURRENT ASSETS		1,674,877	1,860,716	(239,023)	3,296,570
PROPERTY AND EQUIPMENT, net		44,265	612,185	(69,468)	586,982
PATENTS AND CUSTOMER LISTS		4,654,487	--	4,501,059	9,155,546
GOODWILL	834,572	--	--	834,572	
DEPOSITS AND OTHER ASSETS		20,350	248,930	(24,406)	244,874
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TOTAL ASSETS	\$ 7,228,551	\$ 2,721,831	\$ 4,168,162	\$ 14,118,544	
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LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Cash overdraft	\$ --	\$ 1,394,566	\$ --	\$ 1,394,566	
Accounts payable and accrued expenses		1,774,262	4,705,932	3,276,402	3,203,792
Accrued expenses for discontinued operations		314,593	--	--	314,593
Accrued consulting contract	360,131	--	--	360,131	
Notes payable	--	2,220,521	2,035,521	185,000	
Notes payable - related parties	--	2,106,574	2,106,574	--	
Current portion of long-term debt, net of discount		314,684	48,897	--	363,581
Other current liabilities	87,916	538,916	538,916	87,916	
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TOTAL CURRENT LIABILITIES		2,851,586	11,015,406	7,957,413	5,909,579
MINORITY INTEREST		--	(49,194)	(49,194)	--
COMMON STOCK SUBJECT TO PUT		380,000	--	--	380,000
STOCKHOLDERS' EQUITY:					
Preferred stock, \$.001 par value, 1,500,000 shares authorized, 3,354 shares issued and outstanding (actual) and (pro forma)	2,934,572	--	(3,150,000)	6,084,572	
Common stock, \$.0001 par value, 50,000,000 shares authorized, 4,873,455 shares issued and outstanding (actual) and (pro forma)	4,873	22,312	22,312	4,873	
Additional paid-in capital	15,385,032	1,365,537	683,537	16,067,032	
Cumulative translation adjustment	--	(435,078)	(435,078)	--	
Retained earnings (deficit)	(13,947,512)	(9,197,152)	(9,197,152)	(13,947,512)	
Common stock subject to put	(380,000)	--	--	(380,000)	
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TOTAL STOCKHOLDERS' EQUITY		3,996,965	(8,244,381)	(12,076,381)	7,828,965
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TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 7,228,551	\$ 2,721,831	\$ (4,168,162)	\$ 14,118,544	
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