

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 earliest event reported): July 30, 2014

Natural Health Trends Corp.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or other jurisdiction
of incorporation)

0-26272
(Commission
File Number)

59-2705336
(IRS Employer
Identification No.)

4514 Cole Avenue, Suite 1400, Dallas, Texas 75205
(Address of Principal Executive Offices, including Zip Code)

(972) 241-4080
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On July 30, 2014, Natural Health Trends Corp. issued an earnings release announcing its results for the quarter ended June 30, 2014. The press release is attached hereto as exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release of Natural Health Trends Corp. dated July 30, 2014

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.

Date: July 30, 2014

NATURAL HEALTH TRENDS CORP.

By: /s/ Timothy S. Davidson

Timothy S. Davidson
Senior Vice President and Chief Financial
Officer

Company Contact

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Chief Financial Officer
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FOR IMMEDIATE RELEASE**NHTC Reports Quarterly Revenue More Than Tripled to \$34.2 Million;
\$0.49 in Diluted EPS ; Dividend Increased**

*Year-to-Date Revenue Almost Tripled, Net Income Increased 671%
Both Exceed Full Year 2013*

DALLAS, TX, July 30, 2014 -- Natural Health Trends Corp. (OTCQB: NHTC), a leading direct selling company that markets premium quality personal care, wellness and “quality of life” products under the NHT Global brand, today announced financial results for the quarter and six month periods ended June 30, 2014.

Second Quarter Financial Highlights

- Total revenues were \$34.2 million, up 223% compared to \$10.6 million in the second quarter last year.
- Operating income was \$6.2 million, up 551% compared to \$948,000 in the second quarter last year.
- Net income was \$6.1 million, or \$0.49 per diluted share, compared to \$904,000, or \$0.08 per diluted share, in the second quarter last year.

Year-to-Date Financial Highlights

- Year-to-date revenues were \$57.4 million, up 198% compared to \$19.2 million in the first six months last year.
- Operating income was \$9.3 million, up 649% compared to \$1.2 million in the first six months last year.
- Net income was \$9.2 million, or \$0.76 per diluted share, compared to net income of \$1.2 million, or \$0.11 per diluted share, in the first six months last year.

“This was another excellent quarter for Natural Health Trends,” remarked Chris Sharng, President of Natural Health Trends Corp. “Orders taken during the second quarter were very strong. In addition, the quarter’s financial results also benefited from delivering significant orders taken but unshipped in March, with shipments made during the second quarter.”

“For the first six months of 2014, the Company generated more revenue and net income than it did for the entire 2013 year,” added Mr. Sharng. “The strong results so far in 2014 clearly demonstrate that our efforts to enhance our leadership development and training programs, and expand our products, services and promotions, can effectively drive strong results. The result has been a more informed base of members, and this has translated to higher average sales per member. We have focused particularly on investments in China, Hong Kong and Taiwan, where we think we have the most promising opportunities. Our programs aim for long-term growth. We are very pleased with the recent performance but are more excited about what we can accomplish in the long run.”

Dividend

Yesterday, the Board of Directors declared its third consecutive quarterly dividend. The declared dividend included a cash dividend of \$0.0274 per share on outstanding Series A preferred stock, which represents the accrued unpaid dividends through the declaration date, and a cash dividend of \$0.01 per share on common stock outstanding, totaling aggregate dividends of \$124,000, payable in cash on August 27, 2014 to stockholders of record on August 19, 2014.

Shareholder Conference Call

Management will conduct a conference call to discuss its second quarter financial results. Details of the call are as follows:

- Date: Wednesday, July 30, 2014
- Time: 10 a.m. ET/9 a.m. CT
- Dial-in number: 1-888-503-8175 (domestic) 1-719-457-2689 (international)
- Webcast link: <http://public.viavid.com/index.php?id=110242>

A replay will be available from 1 p.m. ET on July 30 through 11:59 p.m. ET on August 6, by dialing 1-877-870-5176 (domestic) and 1-858-384-5517 (international) and referencing replay pin number 8591701.

About Natural Health Trends Corp.

Natural Health Trends Corp. is an international direct-selling and e-commerce company operating through its subsidiaries throughout Asia, North America, and Europe. The company markets premium quality personal care, wellness and “quality of life” products under the NHT Global brand. Additional information can be found on the company's website, www.naturalhealthtrends.com.

Forward Looking Statement

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 -- Forward-looking statements in this release do not constitute guarantees of future performance. Such forward-looking statements are subject to risks and uncertainties that could cause our actual results to differ materially from those anticipated. Such risks and uncertainties include the risks and uncertainties detailed under the caption "Risk Factors" in our Annual Report on Form 10-K filed on March 7, 2014, with the Securities and Exchange Commission. We assume no obligation to update any forward-looking information contained in this press release or with respect to the announcements described herein.

-- Tables follow --

NATURAL HEALTH TRENDS CORP.

CONSOLIDATED BALANCE SHEETS
(In Thousands, Except Share Data)

| | December 31, 2013 | June 30, 2014 (Unaudited) |
|---|----------------------|------------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 14,550 | \$ 29,622 |
| Accounts receivable | 134 | 109 |
| Inventories, net | 1,828 | 4,321 |
| Other current assets | 658 | 754 |
| Total current assets | 17,170 | 34,806 |
| Property and equipment, net | 265 | 305 |
| Goodwill | 1,764 | 1,764 |
| Restricted cash | 328 | 340 |
| Other assets | 300 | 323 |
| Total assets | <u>\$ 19,827</u> | <u>\$ 37,538</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 3,058 | \$ 4,641 |
| Income taxes payable | 25 | 111 |
| Accrued distributor commissions | 3,962 | 5,224 |
| Other accrued expenses | 3,146 | 5,599 |
| Deferred revenue | 2,569 | 3,171 |
| Deferred tax liability | 108 | 108 |
| Other current liabilities | 882 | 1,030 |
| Total current liabilities | 13,750 | 19,884 |
| Commitments and contingencies | | |
| Stockholders' equity: | | |
| Preferred stock | 111 | 82 |
| Common stock | 11 | 12 |
| Additional paid-in capital | 80,655 | 83,284 |
| Accumulated deficit | (74,619) | (65,658) |
| Accumulated other comprehensive loss: | | |
| Foreign currency translation adjustments | (81) | (66) |
| Total stockholders' equity | <u>6,077</u> | <u>17,654</u> |
| Total liabilities and stockholders' equity | <u>\$ 19,827</u> | <u>\$ 37,538</u> |

NATURAL HEALTH TRENDS CORP.

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(In Thousands, Except Per Share Data)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|-----------------------------|-----------|---------------------------|-----------|
| | 2013 | 2014 | 2013 | 2014 |
| Net sales | \$ 10,598 | \$ 34,189 | \$ 19,249 | \$ 57,351 |
| Cost of sales | 2,570 | 7,509 | 4,798 | 12,761 |
| Gross profit | 8,028 | 26,680 | 14,451 | 44,590 |
| Operating expenses: | | | | |
| Distributor commissions | 4,443 | 15,458 | 8,117 | 25,881 |
| Selling, general and administrative expenses | 2,609 | 5,031 | 5,054 | 9,378 |
| Depreciation and amortization | 28 | 23 | 40 | 44 |
| Total operating expenses | 7,080 | 20,512 | 13,211 | 35,303 |
| Income from operations | 948 | 6,168 | 1,240 | 9,287 |
| Other income (expense), net | (28) | 1 | (21) | (8) |
| Income before income taxes | 920 | 6,169 | 1,219 | 9,279 |
| Income tax provision | 16 | 59 | 28 | 98 |
| Net income | 904 | 6,110 | 1,191 | 9,181 |
| Preferred stock dividends | (4) | (3) | (8) | (7) |
| Net income available to common stockholders | \$ 900 | \$ 6,107 | \$ 1,183 | \$ 9,174 |
| Income per common share: | | | | |
| Basic | \$ 0.08 | \$ 0.51 | \$ 0.11 | \$ 0.78 |
| Diluted | \$ 0.08 | \$ 0.49 | \$ 0.11 | \$ 0.76 |
| Weighted-average number of common shares outstanding: | | | | |
| Basic | 11,131 | 11,821 | 11,100 | 11,592 |
| Diluted | 11,269 | 12,305 | 11,265 | 12,050 |
| Cash dividends declared per share: | | | | |
| Common | \$ — | \$ 0.005 | \$ — | \$ 0.010 |
| Series A preferred stock | \$ — | \$ 0.020 | \$ — | \$ 0.835 |

NATURAL HEALTH TRENDS CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(In Thousands)

| | Six Months Ended June 30, | |
|---|---------------------------|------------------|
| | 2013 | 2014 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net income | \$ 1,191 | \$ 9,181 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 40 | 44 |
| Stock-based compensation | 53 | 34 |
| Changes in assets and liabilities: | | |
| Accounts receivable | (60) | 24 |
| Inventories, net | (183) | (2,502) |
| Other current assets | 110 | (104) |
| Other assets | (1) | (16) |
| Accounts payable | 242 | 1,586 |
| Income taxes payable | 28 | 86 |
| Accrued distributor commissions | 483 | 1,268 |
| Other accrued expenses | 382 | 2,466 |
| Deferred revenue | 297 | 606 |
| Other current liabilities | (4) | 152 |
| Net cash provided by operating activities | <u>2,578</u> | <u>12,825</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Purchases of property and equipment, net | (57) | (97) |
| Net cash used in investing activities | <u>(57)</u> | <u>(97)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from exercise of warrants | – | 2,630 |
| Dividends paid | – | (195) |
| Repurchase of common stock | (21) | (63) |
| Net cash provided by (used in) financing activities | <u>(21)</u> | <u>2,372</u> |
| Effect of exchange rates on cash and cash equivalents | (12) | (28) |
| Net increase in cash and cash equivalents | 2,488 | 15,072 |
| CASH AND CASH EQUIVALENTS, beginning of period | 4,207 | 14,550 |
| CASH AND CASH EQUIVALENTS, end of period | <u>\$ 6,695</u> | <u>\$ 29,622</u> |

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