

**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**

May 1, 2024  
Date of Report (Date of earliest event reported)

**NATURAL HEALTH TRENDS CORP.**

Delaware (State or other jurisdiction of incorporation)	(Exact name of registrant as specified in its charter) 001-36849 (Commission File Number)	59-2705336 (IRS Employer Identification No.)
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Units 1205-07, 12F, Mira Place Tower A 132 Nathan Road, Tsimshatsui, Kowloon, Hong Kong  
(Address of principal executive offices, including zip code)

+852-3107-0800  
(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

- Emerging growth company
- If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	NHTC	The NASDAQ Stock Market LLC

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**Item 2.02 Results of Operations and Financial Condition.**

On May 1, 2024, Natural Health Trends Corp. issued an earnings release announcing its results for the quarter ended March 31, 2024. 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 May 1, 2024](#)  
104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

**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: May 1, 2024

NATURAL HEALTH TRENDS CORP.

By: /s/ Timothy S. Davidson  
Timothy S. Davidson  
Senior Vice President and Chief Financial Officer

**Natural Health Trends Reports First Quarter 2024 Financial Results**

- *For the first time in six years, first quarter orders exceeded the preceding fourth quarter's, up 11%. Compared to a year ago, orders were up 1%.*
- *Reported positive cash flows from operations during the quarter, first time in five quarters*
- *Declared a quarterly cash dividend of \$0.20 per share*

HONG KONG – May 1, 2024 – Natural Health Trends Corp. (NASDAQ: NHTC), a leading direct-selling and e-commerce company that markets premium quality personal care, wellness and “quality of life” products under the NHT Global brand, today announced its financial results for the quarter ended March 31, 2024.

**First Quarter 2024 Financial Highlights**

- Revenue of \$11.0 million decreased 8% compared to \$11.9 million in the first quarter of 2023. The decrease was entirely due to changes in the differences in deferred revenue between the two periods. Deferred revenue increased \$1.0 million in the first quarter this year and remained flat in the comparable period last year.
- Operating loss was \$365,000 compared to \$394,000 in the first quarter of 2023.
- Net income was \$188,000, or \$0.02 per diluted share, compared to \$257,000, or \$0.02 per diluted share, in the first quarter of 2023.
- The number of Active Members<sup>1</sup> was down 2% to 31,620 at March 31, 2024 compared to 32,410 at December 31, 2023, and decreased 18% compared to 38,330 at March 31, 2023.

<sup>1</sup> *Natural Health Trends defines Active Members as those that have placed at least one product order with the Company during the preceding twelve-month period.*

**Management Commentary**

“Our financial results reflect a \$1.0 million increase in deferred revenue which resulted in a revenue decrease when compared to the same period last year. We anticipate the gradual recognition of this deferred revenue in the coming months as we fulfill orders to our customers. Worth highlighting is that this period marks the first time in six years we accomplished a sequential increase in orders taken during the first quarter. Additionally, we achieved positive cash flows from operations, underscoring the underlying strength of our business model and strong balance sheet,” commented Chris Sharnq, President of Natural Health Trends Corp.

Mr. Sharnq continued, “While guardedly optimistic about the start to the Year of the Dragon, we think these results are indicative of the effectiveness of our current programs. We continue to focus on innovation, customer satisfaction, supporting our leaders and their development, and improving operational efficiency as we navigate our forward progress.”

## Balance Sheet and Cash Flow

- Net cash provided by operating activities was \$549,000 in the first three months of 2024 compared to net cash used in operating activities of \$696,000 in the first three months of 2023.
- Total cash, cash equivalents and marketable securities were \$54.4 million at March 31, 2024, down from \$56.2 million at December 31, 2023.
- On April 29, 2024, the Company's Board of Directors declared a quarterly cash dividend of \$0.20 on each share of common stock outstanding. The dividend will be payable on May 24, 2024 to stockholders of record as of May 14, 2024.

## First Quarter 2024 Financial Results Conference Call

Management will host a conference call to discuss the first quarter 2024 financial results today, Wednesday, May 1, 2024 at 11:30 a.m. Eastern Time. The conference call details are as follows:

**Date:** Wednesday, May 1, 2024  
**Time:** 11:30 a.m. Eastern Time / 8:30 a.m. Pacific Time  
**Dial-in:** 1-877-407-0789 (Domestic)  
1-201-689-8562 (International)  
**Conference ID:** 13745331  
**Webcast:** [https://viaavid.webcasts.com/starthere.jsp?ei=1662841&tp\\_key=a0bd3854bf](https://viaavid.webcasts.com/starthere.jsp?ei=1662841&tp_key=a0bd3854bf)

For those unable to participate during the live broadcast, a replay of the call will also be available from 2:30 p.m. Eastern Time on May 1, 2024 through 11:59 p.m. Eastern Time on May 8, 2024 by dialing 1-844-512-2921 (domestic) and 1-412-317-6671 (international) and referencing the replay pin number: 13745331.

## About Natural Health Trends Corp.

Natural Health Trends Corp. (NASDAQ: NHTC) is an international direct-selling and e-commerce company operating through its subsidiaries throughout Asia, the Americas, and Europe. The Company markets premium quality personal care products under the NHT Global brand. Additional information can be found on the Company's website at [www.naturalhealthtrends.com](http://www.naturalhealthtrends.com).

## Forward-Looking Statements

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 -- Forward-looking statements in this press release do not constitute guarantees of future performance. Such forward-looking statements are subject to risks and uncertainties that could cause the Company's actual results to differ materially from those anticipated. Such risks and uncertainties include the risks and uncertainties detailed under the caption "Risk Factors" in Natural Health Trends Corp.'s Annual Report on Form 10-K filed on February 28, 2024 with the Securities and Exchange Commission (SEC), as well as in subsequent reports filed this year with the SEC. The Company assumes no obligation to update any forward-looking information contained in this press release or with respect to the announcements described herein.

**CONTACT:**

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**NATURAL HEALTH TRENDS CORP.**  
**CONSOLIDATED BALANCE SHEETS**  
(In thousands, except share data)

	March 31, 2024 (Unaudited)	December 31, 2023
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 25,825	\$ 56,178
Marketable securities	28,608	—
Inventories	4,899	4,293
Other current assets	3,401	3,758
Total current assets	62,733	64,229
Property and equipment, net	241	266
Operating lease right-of-use assets	3,272	3,319
Restricted cash	37	39
Deferred tax asset	397	369
Other assets	959	869
Total assets	<u>\$ 67,639</u>	<u>\$ 69,091</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 749	\$ 990
Income taxes payable	3,758	3,716
Accrued commissions	2,262	2,067
Other accrued expenses	1,357	1,170
Deferred revenue	7,174	6,166
Amounts held in eWallets	3,727	3,945
Operating lease liabilities	1,199	1,146
Other current liabilities	636	784
Total current liabilities	20,862	19,984
Income taxes payable	5,054	5,054
Deferred tax liability	134	135
Operating lease liabilities	2,219	2,318
Total liabilities	28,269	27,491
Stockholders' equity:		
Preferred stock	—	—
Common stock	13	13
Additional paid-in capital	84,732	84,695
Accumulated deficit	(19,818)	(17,703)
Accumulated other comprehensive loss	(1,221)	(1,069)
Treasury stock, at cost	(24,336)	(24,336)
Total stockholders' equity	39,370	41,600
Total liabilities and stockholders' equity	<u>\$ 67,639</u>	<u>\$ 69,091</u>

**NATURAL HEALTH TRENDS CORP.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**  
(In thousands, except per share data)

	Three Months Ended March 31,	
	2024	2023
Net sales	\$ 10,951	\$ 11,861
Cost of sales	2,912	3,031
Gross profit	8,039	8,830
Operating expenses:		
Commissions expense	4,486	4,992
Selling, general and administrative expenses	3,918	4,232
Total operating expenses	8,404	9,224
Loss from operations	(365)	(394)
Other income, net	563	681
Income before income taxes	198	287
Income tax provision	10	30
Net income	\$ 188	\$ 257
Net income per common share:		
Basic	\$ 0.02	\$ 0.02
Diluted	\$ 0.02	\$ 0.02
Weighted average common shares outstanding:		
Basic	11,456	11,424
Diluted	11,474	11,428

**NATURAL HEALTH TRENDS CORP.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
(In thousands)

	Three Months Ended March 31,	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 188	\$ 257
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	35	46
Share-based compensation	37	46
Noncash lease expense	272	280
Deferred income taxes	(32)	(57)
Changes in assets and liabilities:		
Inventories	(640)	(490)
Other current assets	189	(78)
Other assets	(101)	(18)
Accounts payable	(239)	338
Income taxes payable	42	40
Accrued commissions	212	(465)
Other accrued expenses	191	(76)
Deferred revenue	1,029	43
Amounts held in eWallets	(208)	(215)
Operating lease liabilities	(284)	(301)
Other current liabilities	(142)	(46)
Net cash provided by (used in) operating activities	<u>549</u>	<u>(696)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	(11)	(7)
Purchases of marketable securities	(28,514)	—
Net cash used in investing activities	<u>(28,525)</u>	<u>(7)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Dividends paid	(2,303)	(2,304)
Net cash used in financing activities	<u>(2,303)</u>	<u>(2,304)</u>
Effect of exchange rates on cash, cash equivalents and restricted cash	(76)	(91)
Net decrease in cash, cash equivalents and restricted cash	(30,355)	(3,098)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, beginning of period	56,217	69,746
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, end of period	<u>\$ 25,862</u>	<u>\$ 66,648</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:</b>		
Right-of-use assets obtained in exchange for operating lease liabilities	\$ 251	\$ (78)