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Nature Home Holding Company Limited

大自然家居控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2083)

POSITIVE PROFIT ALERT

The announcement is made by Nature Home Holding Company Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the results of the Group for the year ended 31 December 2016 is expected to turn around to a net profit from the net loss recorded for the year ended 31 December 2015 (the “**Expected Turnaround**”)

The Group recorded a significant net loss for the year ended 31 December 2015. The loss was mainly attributable to the significant decrease in fair value of the Group’s biological assets. Reference is made to the announcement and the circular of the Company dated 19 May 2016 and 14 June 2016 respectively, in relation to the disposal of Dynamic Might Limited (the “**Disposal**”). Following completion of the Disposal on 30 June 2016, the Group had ceased to own any biological asset. As a result, there was no change in fair value of the Group’s biological assets for the year ended 31 December 2016.

The Board considers that the Expected Turnaround is mainly attributable to: (i) elimination of effect of decrease in fair value of the Group’s biological assets as a result of completion of the Disposal; (ii) the increase in revenue and gross profit resulting from the growth in the Group’s flooring business in the People’s Republic of China; (iii) the decrease in operating costs resulted from the implementation of cost reduction measures; and (iv) the decrease in exchange loss of overseas business of the Group, for the year ended 31 December 2016.

The Company is still in the process of preparing and finalising the results of the Group for the year ended 31 December 2016. The information contained in this announcement is only based on the preliminary assessment by the Board in accordance with the unaudited management accounts of the Group for the year ended 31 December 2016, and is not based on any information or figures which have been audited or reviewed by the Group's auditors and may be subject to possible adjustments.

Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2016 which is expected to be announced on or about 30 March 2017.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Nature Home Holding Company Limited
Se Hok Pan
Chairman and Executive Director

Hong Kong, 24 March 2017

As at the date of this announcement, the Board of Directors of the Company comprises Mr. SE Hok Pan, Mr. LIANG Zhihua, Ms. UN Son I and Mr. SHE Jian Bin, as executive directors; Mr. Homer SUN (with Mr. LAW Wing Cheung Ryan as his alternate) and Mr. TEOH Chun Ming as non-executive directors; Professor LI Kwok Cheung, Arthur, Mr. ZHANG Sen Lin, Mr. CHAN Siu Wing, Raymond and Mr. HO King Fung, Eric as independent non-executive directors.