

[For Immediate Release]



**Nature Home Achieves Turnaround in 1H2014
Revenue and Gross Profit Up by 37% and 50% to Approximately
RMB776 Million and RMB253 Million Respectively**

*Further strengthened the integrated household product strategy by
introducing an O2O platform to seize online and offline shopping opportunities*

Financial Highlights:

<i>Unaudited results for the 6 months ended 30 June</i>	2014 RMB'000	2013 RMB'000	Change %
Revenue	776,398	566,977	+36.9
Gross Profit	252,658	168,888	+49.6
Profit Before Tax	26,679	(47,370)	N/A
Profit Attributable to Equity Shareholders	19,715	(55,248)	N/A
Profit Attributable to Equity Shareholders (excluding the net change in fair value of biological assets)	25,694	18,111	+41.9
Basic Earnings per Share (RMB)	0.013	(0.037)	N/A

(29 August 2014 – Hong Kong) **Nature Home Holding Company Limited** ("**Nature Home**" or the "**Company**", together with its subsidiaries, the "**Group**"; HKEx Stock Code: 2083), announced today its interim results for the six months ended 30 June 2014 (the "**Period**").

During the Period, the Group achieved encouraging financial results with revenue increased by 36.9% to approximately RMB776 million. Gross profit surged 49.6% to approximately RMB252 million. Profit attributable to equity shareholders reached approximately RMB20 million, representing a turnaround in the Period as compared to the loss attributable to equity shareholders recorded in the corresponding period of 2013. The turnaround is mainly attributable to the reduction of the negative net change in fair value of the Group's biological assets, as well as the increase in the Group's revenue and gross profit. During the Period, approximately 10.09 million square meters of flooring products were sold (1H2013: approximately 8.45 million square meters), representing an increase of 19.4% year-on-year.

Mr. Se Hok Pan, Chairman and Executive Director of Nature Home stated, "In the first six months of 2014, we continued to strengthen our efforts on brand building and sales, to further broaden the coverage in international markets under the intensified industry competition, this is reflected in the significant increase in the trading revenue of timber and wood products. The turnaround recorded during the Period reflected the success of our business development strategies, brand building and sales efforts. With the change of our Company name to "Nature Home Holding Company Limited", we aim at achieving our goal

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in offering integrated household products with our “Nature” brand, representing an image of high quality, safe and environmentally-friendly household brand.”

Manufacturing and Sale of Wood Products

During the Period, turnover of the Group’s manufacturing and sale of wooden products has increased 39.2% to approximately RMB527 million, mainly attributable to the continued recovery of the Group’s flooring business in the PRC and the overall increased sales in flooring products.

The Group has successfully developed a solid and extensive sales network in the PRC. It has 1,856 “Nature” stores, 1,121 “Nature No.1 My Space” stores, 152 “Nature Aesthetics” stores, 99 foreign imported brand stores and 116 other brand stores as at 30 June 2014, amounting to 3,344 stores in total.

Nature Home will continue to focus on the development in the business of wooden doors, wardrobes and cabinets with the “Nature” brand, striving to improve such business in future with the completion and operation of the new product line in the newly opened Taizhou Production Plant in Jiangsu Province, the PRC and the planned trial production of the Zhongshan Wardrobes and Cabinets Plant in the second half of 2014.

Trading of Timber and Wood Products

For the overseas market, the recovery of the global economy, especially the economy of the U.S., has created a favorable environment for the development of the Group’s business and brought to the group significant growth in the trading business revenue of timber and wood products. The Group’s subsidiaries located in the U.S. have further boosted the Group’s business development by establishing additional sales channels, which resulted in a sustained growth in the Group’s sales for the trading of wood flooring products in the U.S. During the Period, the Group’s trading business of timber and wood products contributed a revenue of approximately RMB165 million, representing a significant increase of 61.8% as compared to approximately RMB102 million in corresponding period of 2013.

Chairman Se concluded, “Looking forward, the Group is still facing various challenges. However, the Group has captured the opportunities from the trend of online and offline shopping. We plan to establish an online housing O2O platform for household industry to provide our customers with one-stop solution in combination of household products, logistics and decoration as well as installation service. The Group also plans to open ‘O2O Household Package Experience Stores’ which will display different packages of household products, offering customers an open experience for household products. We will also continue to implement our strategy of integrated household products and enhancing household brand with a combination of online and offline platform, in order to maximize the effectiveness in sales of the household brand. We will also strive for better performance in the future for the relevant business, especially with the new production line of wooden doors in Taizhou Plant and new production line of wardrobes and cabinets in Zhongshan Plant. As one of the largest wood flooring brands in China, we have full confidence in our business and we will continue to reinforce our leading position in the industry to maximize returns to our shareholders.”

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About Nature Home Holding Company Limited

Nature Home is the largest wood flooring brand in China in terms of market share by retail sales value of branded wood flooring products. According to an industry report of China's flooring market conducted by an independent global market research and consulting company (the "Industry Report"), the Group's "Nature" branded products accounted for 7.0% market share in terms of China's total retail sales value of branded wood flooring products in 2011. The Group's branded products are manufactured through a combination of its own manufacturing facilities and exclusive authorized manufacturers.

According to Industry Report, in 2011, the Group's branded products ranked second in laminated flooring, first in multi-layered engineered flooring and first in solid wood flooring, each in terms of both the market share of retail sales volume and retail sales value in China. The Group is the only company to achieve a top two market share position across the three primary wood flooring product categories in China in 2011. Leveraging its strong brand, extensive distribution network, comprehensive product portfolio and flexible manufacturing model, the Group grew rapidly and gained market share in China from 2008 to 2011.