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自然美  
natural beauty

**Standard Cosmos Limited**

*(Incorporated in the British Virgin Islands  
with limited liability)*

Natural Beauty Bio-Technology Limited

自然美生物科技有限公司

*(Incorporated in the Cayman Islands with limited liability)  
(Stock code: 00157)*

**JOINT ANNOUNCEMENT**

**MANDATORY UNCONDITIONAL CASH OFFER BY  
CITIGROUP GLOBAL MARKETS ASIA LIMITED ON BEHALF OF  
STANDARD COSMOS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES IN THE CAPITAL OF  
NATURAL BEAUTY BIO-TECHNOLOGY LIMITED  
(OTHER THAN THOSE ALREADY OWNED BY STANDARD COSMOS LIMITED  
AND PARTIES ACTING IN CONCERT WITH IT)**

**(1) DESPATCH OF COMPOSITE DOCUMENT**

**(2) APPOINTMENT OF NEW DIRECTORS**

**(3) APPOINTMENT OF VICE-CHAIRMEN**

**(4) RE-DESIGNATION OF DIRECTOR**

**(5) CHANGE IN COMPOSITION OF THE AUDIT COMMITTEE AND THE  
REMUNERATION COMMITTEE**

**AND**

**(6) ESTABLISHMENT OF THE EXECUTIVE COMMITTEE**

**Financial Adviser to  
Standard Cosmos Limited**



**Independent Financial Adviser to the Independent Board Committee of  
Natural Beauty Bio-Technology Limited**



**SOMERLEY LIMITED**

## **DESPATCH OF COMPOSITE DOCUMENT**

The Composite Document containing, among other things, (1) the expected timetable in respect of the Offer; (2) details of the Offer; (3) a letter from Citi, the financial adviser to Bidco, to the Independent Shareholders; (4) a letter from the Natural Beauty Board to the Independent Shareholders; (5) a letter from the Independent Board Committee to the Independent Shareholders; and (6) a letter from the Independent Financial Adviser, together with the Form of Acceptance, was despatched to the Independent Shareholders on 23 November 2009.

**Independent Shareholders are strongly advised to read the Composite Document carefully, including the recommendations of the Independent Board Committee and the advice from the Independent Financial Adviser, before deciding whether or not to accept the Offer.**

## **APPOINTMENT OF NEW DIRECTORS**

Ms. Janine Junyuan Feng, Ms. Christina Shieu-Yeing Ng, Mr. Patrick Thomas Siewert and Mr. Gregory Michael Zeluck will be appointed as non-executive directors of Natural Beauty with effect from the business day after the despatch of the Composite Document, being 24 November 2009.

## **APPOINTMENT OF VICE-CHAIRMEN**

Mr. Gregory Michael Zeluck and Mr. Lee Ming Ta (an executive director of Natural Beauty) will be appointed as vice-chairmen of Natural Beauty with effect from 24 November 2009.

## **RE-DESIGNATION OF DIRECTOR**

Dr. Su Sh-Hsyu, an executive director of Natural Beauty, will be re-designated as a non-executive director of Natural Beauty with effect from 24 November 2009.

## **CHANGE IN THE COMPOSITION OF THE AUDIT COMMITTEE AND THE REMUNERATION COMMITTEE**

Dr. Su Sh-Hsyu and Ms. Christina Shieu-Yeing Ng will be appointed as members of the audit committee of Natural Beauty with effect from 24 November 2009. Following such appointments, the audit committee of Natural Beauty will comprise Dr. Su Sh-Hsyu, Ms. Christina Shieu-Yeing Ng, Mr. Yeh Liang Fei, Mrs. Chen Shieh Shu Chen and Mr. Chen Ching.

Dr. Su Chien-Cheng and Mr. Patrick Thomas Siewert will be appointed as members of the remuneration committee of Natural Beauty with effect from 24 November 2009. Following such appointments, the remuneration committee of Natural Beauty will comprise Dr. Su Chien-Cheng, Mr. Patrick Thomas Siewert, Mr. Yeh Liang Fei, Mrs. Chen Shieh Shu Chen and Mr. Chen Ching.

## **ESTABLISHMENT OF THE EXECUTIVE COMMITTEE**

An executive committee of Natural Beauty will be established with effect from 24 November 2009, comprising Dr. Su Chien-Cheng, Dr. Su Sh-Hsyu, Mr. Patrick Thomas Siewert and Mr. Gregory Michael Zeluck, to which the Natural Beauty Board will, until it otherwise determines, delegate such powers, authorities and discretions as may from time to time be approved by the Natural Beauty Board, including, without limitation, all of the powers, authorities and discretions to consider the strategic direction of and for the Natural Beauty Group and review the monthly business and financial performance of the Natural Beauty Group and the implementation and execution of the business plan and annual budget of the Natural Beauty Group.

## **INTRODUCTION**

Reference is made to the joint announcement dated 19 October 2009 issued by Bidco and Natural Beauty in connection with the mandatory unconditional cash offer made by Citi on behalf of Bidco to acquire all the issued shares in the capital of Natural Beauty (other than those already owned by Bidco and parties acting in concert with it) and for the cancellation of all outstanding options of Natural Beauty (the “**Announcement**”) and the joint announcement dated 6 November 2009 issued by Bidco and Natural Beauty in relation to the delay in the despatch of the Composite Document.

All capitalised terms used herein shall, unless otherwise defined, have the same meaning as defined in the Announcement.

## **DESPATCH OF COMPOSITE DOCUMENT**

The Composite Document containing, among other things, (1) the expected timetable in respect of the unconditional cash offer at the Offer Price for all the issued Offer Shares (the “**Offer**”); (2) details of the Offer; (3) a letter from Citi, the financial adviser to Bidco, to the Independent Shareholders; (4) a letter from the Natural Beauty Board to the Independent Shareholders; (5) a letter from the Independent Board Committee to the Independent Shareholders; and (6) a letter from the independent financial adviser (the “**Independent Financial Adviser**”) to the Independent Board Committee, together with the form of acceptance and transfer (“**Form of Acceptance**”), was despatched to the Independent Shareholders on 23 November 2009.

## EXPECTED TIMETABLE

The expected timetable of the Offer is as follows:

Despatch date of the Composite Document and commencement of the Offer .....	23 November 2009
Latest time and date for acceptance of the Offer (Note 1) .....	4:00 p.m. on 14 December 2009
Closing Date of the Offer (Note 2) .....	14 December 2009
Announcement of the results of the Offer published on the Stock Exchange's website .....	7:00 p.m. on 14 December 2009
Latest date for posting remittances for amounts due in respect of valid acceptances received under the Offer (Note 3) .....	24 December 2009

### Notes:

- (1) The Offer, which is unconditional, will close on 14 December 2009 (the “Closing Date”) unless Bidco revises or extends the Offer in accordance with the Takeovers Code. In the event that Bidco decides to extend the Offer, notice in writing of at least 14 days will be given to the Independent Shareholders.
- (2) The Offer is capable of acceptance on and from 23 November 2009, being the date of the Composite Document, until 4:00 p.m. on the Closing Date. Acceptances of the Offer will be irrevocable and not capable of being withdrawn, except in the circumstances set out in Rule 19.2 of the Takeovers Code.
- (3) Remittances in respect of the consideration after deducting the seller's ad valorem stamp duty payable for the Natural Beauty Shares tendered under the Offer will be posted to accepting Independent Shareholders by ordinary post at their own risk as soon as possible, but in any event within 10 days of the date of receipt by the Registrar, Hong Kong Registrars Limited, of the duly completed Form of Acceptance and all the relevant documents.

**Unless otherwise expressly stated, all time and date references refer to Hong Kong times and dates. The timetable set out above is indicative only and further announcements will be made in the event of any changes to the timetable.**

## RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE

Independent Shareholders are strongly advised to read the Composite Document carefully, including the recommendations of the Independent Board Committee and the advice from the Independent Financial Adviser, before deciding whether or not to accept the Offer.

## APPOINTMENT OF NEW DIRECTORS

Ms. Janine Junyuan Feng, Ms. Christina Shieu-Yeing Ng, Mr. Patrick Thomas Siewert and Mr. Gregory Michael Zeluck (each a “**Director**” and, collectively, the “**Directors**”) will be appointed as non-executive directors of Natural Beauty with effect from the business day after despatch of the Composite Document, being 24 November 2009. The biographies of Ms. Janine Junyuan Feng, Ms. Christina Shieu-Yeing Ng, Mr. Patrick Thomas Siewert and Mr. Gregory Michael Zeluck are set out below:

**Ms. Janine Junyuan FENG**, aged 40, is currently a managing director of Carlyle based in Hong Kong and is focused on Asian buyout and growth capital investments in sectors including consumer, financial services, industrial and healthcare. Ms. Feng has been working at Carlyle since 1998, and has been responsible for several investments in China. Ms. Feng currently serves as a director of China Pacific Insurance (Group) Company Limited. Prior to joining Carlyle, Ms. Feng was a senior associate at Credit Suisse First Boston’s investment banking group in New York. Ms. Feng received a Master of Business Administration degree from Harvard Business School and a Bachelor of Arts degree, summa cum laude and Phi Beta Kappa, from Middlebury College.

**Ms. Christina Shieu-Yeing NG**, aged 37, is currently a director of Carlyle based in Hong Kong. Ms. Ng has been working at Carlyle since 1998 and has been a director since January 2006. At Carlyle, Ms. Ng has overseen investments in, among others, Taiwan Broadband Communications Co., Ltd, Eastern Broadcasting Company Limited, China Pacific Insurance (Group) Company Limited, kbco Co., Ltd. and Natural Beauty. Ms. Ng currently sits on the board of directors of a number of companies in which funds of Carlyle have investments, including, without limitation, kbco Co., Ltd. and Eastern Broadcasting Company Limited. Prior to joining Carlyle, Ms. Ng was an associate with Exor Asia, the direct investment arm of the Agnelli Group of Italy from 1997 to 1998. Ms. Ng received a Bachelor of Science degree in management science from the Massachusetts Institute of Technology.

**Mr. Patrick Thomas SIEWERT**, aged 54, is currently a senior director of Carlyle based in Hong Kong. Mr. Siewert has been working at Carlyle since April 2007. Mr. Siewert currently sits on the board of directors of a variety of companies in which funds of Carlyle have investments, including, without limitation, kbco Co., Ltd., Zhejiang Kaiyuan Hotel Management Co., Ltd. and Coates Hire Limited. Mr. Siewert also sits on the board of directors of Avery Dennison Corporation and Computime International Limited. Mr. Siewert has also been the chairman of Eastern Broadcasting Company Limited since August 2008. Prior to joining Carlyle, Mr. Siewert worked at The Coca-Cola Company from 2001 to 2007 as group president and chief operating officer Asia, and was previously president of Kodak Professional and senior vice president of Eastman Kodak Company. Mr. Siewert received a Master of Science degree in service management from Rochester Institute of Technology and a Bachelor of Science degree in business administration from Elmhurst College.

**Mr. Gregory Michael ZELUCK**, aged 47, is currently a managing director of Carlyle and is a co-head of the Fund. Mr. Zeluck has been working at Carlyle since July 1998 and has been a managing director since that time. At Carlyle, Mr. Zeluck has overseen investments in a variety of companies across Asia, including, without limitation, Taiwan Broadband Communications Co., Ltd, Eastern Broadcasting Company Limited, Pacific China Holdings Limited, kbco Co., Ltd., Ta Chong Bank Limited and Natural Beauty. Mr. Zeluck currently sits on the board of directors of a number of companies in which funds of Carlyle have investments, including, without limitation, Caribbean Group, Hyundai Communications & Network Co. Limited, Eastern Broadcasting Company Limited, kbco Co., Ltd. and Ta Chong Bank Limited. Prior to joining Carlyle, Mr. Zeluck worked in Merrill Lynch's Asian high yield team and spent 13 years in Lehman Brothers' corporate finance and merchant banking groups, approximately four of which were spent in Asia. Mr. Zeluck received a Bachelor of Arts degree from Princeton University, graduating magna cum laude in East Asian studies.

Each of the Directors' appointment as a non-executive director of Natural Beauty is for a term of three years. Each of the Directors will hold office until the next annual general meeting of Natural Beauty and will thereafter be subject to retirement by rotation and re-election in accordance with the articles of association of Natural Beauty. As at the date of this announcement, no service contract has been entered into between Natural Beauty and any of the Directors. Shareholders will be notified should any changes be determined hereafter.

Save as disclosed above, none of the Directors has held any directorship in any public company listed in Hong Kong or overseas in the past three years.

As at the date of this announcement, none of the Directors is connected with any directors, senior management, substantial or controlling shareholders of Natural Beauty or has any interest in the securities of Natural Beauty within the meaning of Part XV of the Securities and Futures Ordinance.

Each of the Directors has confirmed that he or she is not aware of any information to be disclosed by him or her pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor is there any other matter that needs to be brought to the attention of the Shareholders in relation to his or her appointment.

## **RE-DESIGNATION OF DIRECTOR**

Dr. Su Sh-Hsyu, an executive director of Natural Beauty since 21 September 2004, will be re-designated as a non-executive director of Natural Beauty with effect from 24 November 2009. Dr. Su Sh-Hsyu, aged 36, is the daughter of Dr. Tsai Yen-Yu and Mr. Lee Ming Ta, (who are the chairlady and an executive director of Natural Beauty, respectively, and the younger sister of Dr. Su Chien-Cheng, who is an executive director of Natural Beauty. Dr. Su Sh-Hsyu graduated from the London School of Economics with a Master of Science degree in industrial relations, personnel management and human resources management and obtained her PhD in international and comparative education from Columbia University in New York, United States. Dr. Su Sh-Hsyu has been actively engaged in the marketing and business development of the Natural Beauty Group in Taiwan and China during the period from 2004 to 2009.

Dr. Su Sh-Hsyu's re-designation as a non-executive director of Natural Beauty is for her remaining term as a director with Natural Beauty pursuant to the director's service contract between Dr. Su Sh-Hsyu and Natural Beauty for a term of three years from 21 September 2007 for an initial annual remuneration of HK\$600,000 (subject to an annual increment at the discretion of the Natural Beauty Board of not more than 10 per cent. of the annual remuneration immediately prior to such increase) plus management bonus as may be recommended by the remuneration committee of Natural Beauty. As at the date of this announcement, Natural Beauty has not entered into any new director's service contract with Dr. Su Sh-Hsyu.

Dr. Su Sh-Hsyu is a director and substantial shareholder of Family Holdco 2, which owns 50 per cent. of the equity interest in Holdco. Holdco in turn wholly-owns Bidco, which indirectly owns approximately 65.52 per cent. of the equity interest in the Company. Dr. Su Sh-Hsyu is deemed to be a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Dr. Su Sh-Hsyu has not held any directorship in any public company listed in Hong Kong or overseas in the past three years.

Dr. Su Sh-Hsyu has confirmed that she is not aware of any information to be disclosed by her pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor is there any other matter that needs to be brought to the attention of the Shareholders in relation to her re-designation as a non-executive director.

#### **APPOINTMENT OF VICE-CHAIRMEN**

Mr. Gregory Michael Zeluck and Mr. Lee Ming Ta (an executive director of Natural Beauty) will be appointed as vice-chairmen of Natural Beauty with effect from 24 November 2009.

#### **CHANGE IN THE COMPOSITION OF THE AUDIT COMMITTEE AND THE REMUNERATION COMMITTEE**

Dr. Su Sh-Hsyu and Ms. Christina Shieu-Yeing Ng will be appointed as members of the audit committee of Natural Beauty with effect from 24 November 2009. Following such appointments, the audit committee of Natural Beauty will comprise Dr. Su Sh-Hsyu, Ms. Christina Shieu-Yeing Ng, Mr. Yeh Liang Fei, Mrs. Chen Shieh Shu Chen and Mr. Chen Ching.

Dr. Su Chien-Cheng and Mr. Patrick Thomas Siewert will be appointed as members of the remuneration committee of Natural Beauty with effect from 24 November 2009. Following such appointments, the remuneration committee of Natural Beauty will comprise Dr. Su Chien-Cheng, Mr. Patrick Thomas Siewert, Mr. Yeh Liang Fei, Mrs. Chen Shieh Shu Chen and Mr. Chen Ching.

## ESTABLISHMENT OF THE EXECUTIVE COMMITTEE

An executive committee of Natural Beauty will be established with effect from 24 November 2009, comprising Dr. Su Chien-Cheng, Dr. Su Sh-Hsyu, Mr. Patrick Thomas Siewert and Mr. Gregory Michael Zeluck, to which the Natural Beauty Board will, until it otherwise determines, delegate such powers, authorities and discretions as may from time to time be approved by the Natural Beauty Board, including, without limitation, all of the powers, authorities and discretions to consider the strategic direction of and for the Natural Beauty Group and review the monthly business and financial performance of the Natural Beauty Group and the implementation and execution of the business plan and annual budget of the Natural Beauty Group.

By order of the board  
**Standard Cosmos Limited**  
**Dr. Tsai Yen-Yu**  
*Chairlady*

By order of the board  
**Natural Beauty Bio-Technology Limited**  
**Mr. Chen Ching**  
*Director*

Hong Kong, 23 November 2009

*The directors of Bidco, Holdco and CA NB jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Natural Beauty Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Natural Beauty Group) have been arrived at after due consideration and there are no other facts not contained in this announcement, the omission of which would make any statement (other than those relating to the Natural Beauty Group) in this announcement misleading.*

*As at the date of this announcement, the board of directors of Bidco comprises Dr. Tsai Yen-Yu, Mr. Lee Ming Ta, Dr. Su Chien-Cheng, Dr. Su Sh-Hsyu, Mr. Gregory Michael Zeluck, Mr. Patrick Thomas Siewert, Ms. Christina Shieu-Yeing Ng and Mr. Alex Ying.*

*As at the date of this announcement, the board of directors of Holdco comprises Dr. Tsai Yen-Yu, Mr. Lee Ming Ta, Dr. Su Chien-Cheng, Dr. Su Sh-Hsyu, Mr. Gregory Michael Zeluck, Mr. Patrick Thomas Siewert, Ms. Christina Shieu-Yeing Ng and Mr. Alex Ying.*

*As at the date of this announcement, the board of directors of CA NB comprises Mr. Gregory Michael Zeluck, Mr. Patrick Thomas Siewert, Ms. Christina Shieu-Yeing Ng and Mr. Alex Ying.*

*The directors of Natural Beauty jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to the Natural Beauty Group and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement by the Natural Beauty Group have been arrived at after due and careful consideration and there are no other facts, the omission of which would make any statement relating to the Natural Beauty Group in this announcement misleading.*

*As at the date of this announcement, the board of Natural Beauty comprises Dr. Tsai Yen-Yu, Mr. Lee Ming Ta, Dr. Su Chien-Cheng and Dr. Su Sh-Hsyu as executive directors and Mr. Yeh Liang Fei, Mrs. Chen Shieh Shu Chen and Mr. Chen Ching as independent non-executive directors.*