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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)

GRANT OF OPTIONS

The Board announces that on 8 April 2013, the Company granted options to the Subject Grantees pursuant to the Share Option Scheme to subscribe for up to an aggregate maximum of 74,478,151 Shares, amongst which, options to subscribe for up to an aggregate maximum of 38,039,918 Option Shares was granted to Ms. Chang, the chief executive of the Company. The grant of Options to Ms. Chang is subject to the approval by the Independent Shareholders at the AGM.

I. INTRODUCTION

This announcement is made pursuant to Rule 17.06A of the Listing Rules.

The Board proposes to seek the Independent Shareholders' approval at the AGM on the grant of the Options to Ms. Chang to subscribe for an aggregate of up to a maximum of 38,039,918 Option Shares pursuant to the Share Option Scheme (representing approximately 1.90% of the issued share capital of the Company as at the date of this announcement and approximately 1.820% of the issued capital of the Company on a fully diluted basis).

II. PROPOSED GRANT OF OPTIONS

The Board announces that on 8 April 2013, the Company granted options to the Subject Grantees pursuant to the Share Option Scheme to subscribe for up to an aggregate maximum of 74,478,151 Shares, amongst which, options to subscribe for up to an aggregate maximum of 38,039,918 Option Shares was granted to Ms. Chang, the chief executive of the Company. The grant of Options to Ms. Chang is subject to the approval by the Independent Shareholders at the AGM.

Details of the options are set out below:

Date of grant :	8 April 2013 (the “ Date of Grant ”)
Subscription price of options granted:	HK\$0.99 per Share
Total number of Shares which may be issued upon full exercise of the options and the approximate percentage in the issued share capital of the Company:	74,478,151 Shares representing 3.72% of the issued share capital of the Company as at the date of this announcement
Closing price of the Shares on the Date of Grant:	HK\$0.67 per Share
Exercise period of the options:	<p>All vested options may be exercised by the Grantees prior to the expiry of 10 years from the date of grant of the options and at the earlier of:</p> <ul style="list-style-type: none">(a) the 9-year anniversary of the date of grant of the options; and(b) the occurrence of a change in control of the Company. <p>In the case that a change in control occurs prior to the vesting of all the options, the Board shall have full discretions on the vesting and exercise of such unvested options</p>
Vesting period of the options:	<p>The options will vest over 4 years commencing from the date falling on the publication of the audited financial results of the Group for the financial year 2014 at the rate of up to a maximum of 40% for the first year and up to a maximum of 20% for each of the following three years, subject to (i) the achievement of the performance targets for each financial year as determined by the Board at its sole discretion, and (ii) the relevant Grantee remaining as an Eligible Person at the time of each vesting of the options</p>
Performance targets:	To be notified by the Company in writing separately
The Company’s right to buy back the options or the option Shares	<p>Upon the occurrence of a change in control of the Company, the Company may, in its absolute discretion, purchase any unexercised options or any option Shares at such time held by the Grantees and the Grantees shall sell to the Company such unexercised options or option Shares, at the following price:</p> <ul style="list-style-type: none">- in the case of unexercised options, the price

offered by the offeror in the general offer minus the subscription price of the options; and
- in the case of option Shares, the price offered by the offeror in the general offer.
The Company shall comply with all the applicable laws when exercising such buy back right

A total of 74,478,151 options were granted to the chief executive of the Company and twenty four other employees and senior management of the Group, details of which are set out below:

Subject Grantees	Position held with the Group	Number of options granted
Ms. Chang	Chief Executive Officer	38,039,918
Others (total twenty four Subject Grantees other than Ms. Chang)	Employee and senior management of the Group	36,438,233

Total		74,478,151
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Save as disclosed above, none of the Subject Grantees is a Director, chief executive or substantial shareholder of the Company, or any of their respective Associate(s).

Under Rule 17.04(1) of the Listing Rules and the Share Option Scheme, each grant of options to a Director, chief executive or substantial shareholder of the Company, or any of their respective Associates, must be approved by the independent non-executive Directors.

All independent non-executive Directors attending the Board meeting held on 8 April 2013 voted in favour of the resolution approving the grant of the Options to Ms. Chang, subject to the approval of the grant of the Options at the AGM.

As the Option Shares to be issued to Ms. Chang upon the exercise in full of the Options by her are in excess of the Maximum Limit, according to Rule 17.03(4) of the Listing Rules, approval of the Independent Shareholders is required for the grant of the Options to Ms. Chang. As at the date of this announcement, neither Ms. Chang nor her Associates holds any Share and as a result, they are not entitled to vote on the resolution approving the proposed grant of Options to Ms. Chang at the AGM.

III. GENERAL

The Circular containing, amongst other things, the letter from the Board containing further details of the grant of Options to Ms. Chang and the notice of AGM, will be despatched to the Shareholders as soon as practicable in compliance with the Listing Rules.

IV. DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings set opposite to them below:

“AGM”	the annual general meeting of the Company to be held at 3:00 p.m. on Friday, 10 May 2013 at Room 2, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong, for the purpose of considering and if thought fit, approving, inter alia, the resolutions proposed in the Circular
“Associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors or a duly authorised committee thereof
“chief executive”	has the meaning ascribed to it under the Listing Rules
“Circular”	the circular of the Company in relation to the AGM to be despatched to Shareholders containing, amongst others, further details as to the grant of Options to Ms. Chang
“Company”	Natural Beauty Bio-Technology Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“control”	the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise, and includes (i) ownership directly or indirectly of more than 50% of the shares in issue or other equity interests of such person, (ii) possession directly or indirectly of more than 50% of the voting power of such person or (iii) the power directly or indirectly to appoint a majority of the members of the board of directors or similar governing body of such person
“Director(s)”	the director(s) of the Company
“Eligible Person(s)”	any full-time employee of any member of the Group and the chief executive, any executive or non-executive director of any member of the Group at the time when an option is granted to such person as determined by the Board at its absolute discretion
“Grantee”	any Eligible Person who accepts an offer in accordance with the terms of the Share Option Scheme, or (where the context so permits) his/her personal representatives
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Shareholders”	Shareholders other than Ms. Chang and her Associates
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Maximum Limit”	the maximum limit of Shares issued and to be issued upon the exercise of the share options granted to any grantee (including both exercised and outstanding share options) in any 12-month period under the Share Option Scheme, representing 1% of the Shares in issue
“Ms. Chang”	Ms. CHANG Karen Yi Fen, the chief executive of the Company
“Options”	the options proposed to be granted to Ms. Chang under the Share Option Scheme to subscribe for 38,039,918 Option Shares, subject to approval by the Independent Shareholders
“Option Share(s)”	the Share(s) which Ms. Chang is entitled to subscribe for upon the exercise of the Options, subject to the terms of the grant of the Options
“Share(s)”	share(s) of HK\$0.1 each in the capital of the Company
“Share Option Scheme”	the share option scheme of the Company adopted on 13 May 2011
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subject Grantees”	Ms. Chang and twenty four other employees and senior management of the Group
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.

By Order of the Board
Natural Beauty Bio-Technology Limited

Hong Kong, 8 April 2013

As at the date of this announcement, the Board comprises Dr. Tsai Yen-Yu, Mr. Lee Ming-Ta and Dr. Su Chien-Cheng as executive directors, Mr. Patrick Thomas Siewert, Ms. Janine Junyuan Feng, Ms. Christina Shieu-Yeung Ng, Mr. Poon Yee Man Alwin and Dr. Su Sh-Hsyu as non-executive directors and Mr. Francis Goutenmacher, Ms. Su-Mei Thompson, Mr. Chen Ruey-Long and Mr. Yang Tze-Kaing as independent non-executive directors.