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自然美
natural beauty

Next Focus Holdings Limited

(a company 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

**(1) CLOSE OF MANDATORY UNCONDITIONAL CASH OFFERS BY
KARL-THOMSON SECURITIES COMPANY LIMITED ON BEHALF OF NEXT
FOCUS HOLDINGS LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF
NATURAL BEAUTY BIO-TECHNOLOGY LIMITED (OTHER THAN THOSE
ALREADY OWNED OR AGREED TO BE ACQUIRED BY NEXT FOCUS
HOLDINGS LIMITED AND PARTIES ACTING IN CONCERT WITH NEXT FOCUS
HOLDINGS LIMITED) AND FOR CANCELLATION OF ALL THE OUTSTANDING
SHARE OPTIONS OF
NATURAL BEAUTY BIO-TECHNOLOGY LIMITED;
(2) RESULTS OF THE OFFERS;
(3) RESIGNATION OF DIRECTORS;
(4) APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR;
(5) CHANGES TO COMPOSITION OF AUDIT COMMITTEE, REMUNERATION
COMMITTEE, EXECUTIVE COMMITTEE AND NOMINATION COMMITTEE;
AND
(6) PUBLIC FLOAT**

Financial adviser to Next Focus Holdings Limited



Independent Financial Adviser to the Independent Board Committee



SOMERLEY CAPITAL LIMITED

INTRODUCTION

References are made to the announcement dated 23 October 2015 and the composite offer document and offeree board circular dated 27 November 2015 (the “**Composite Document**”) jointly issued by Natural Beauty Bio-Technology Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) and the Offeror in relation to, amongst other things, the mandatory unconditional cash offers made by Karl Thomson Securities on behalf of the Offeror to acquire all issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) and for cancellation of all the outstanding Share Options of the Company (together, the “**Offers**”).

Unless stated otherwise, capitalised terms used herein shall have the same respective meanings as those defined in the Composite Document.

CLOSE OF THE OFFERS

The Offers made by Karl Thomson Securities, on behalf of the Offeror, closed at 4:00 p.m. on Friday, 18 December 2015 and were not revised or extended by the Offeror.

RESULTS OF THE OFFERS

As at 4:00 p.m. on Friday, 18 December 2015, being the latest time and date for acceptance of the Share Offer, the Offeror received valid acceptances in respect of a total of 554,666,559 Offer Shares, representing approximately 27.70% of the issued share capital of the Company as at the date of this joint announcement, under the Share Offer.

As at 4:00 p.m. on Friday, 18 December 2015, being the latest time and date for acceptance of the Option Offer, 79,379,622 Share Options, representing all outstanding and unexercised Share Options, were tendered by the Optionholders for acceptance under the Option Offer.

SHAREHOLDING STRUCTURE OF THE COMPANY

Immediately before the commencement of the Offer Period (i.e., before the date of the holding announcement of the Company dated 9 September 2015), the Offeror held 50% of the issued share capital of Starsign, which in turn held indirectly and in aggregate 1,314,030,000 Shares, representing approximately 65.63% of the entire issued share capital of the Company as at the date of this joint announcement.

Immediately following the Acquisition Closing, the Offeror and parties acting in concert with it came to hold the entire issued share capital of Starsign, consolidating its control, through its wholly-owned subsidiaries, of an aggregate of 1,314,030,000 Shares, representing approximately 65.63% of the entire issued share capital of the Company as at the date of this joint announcement.

Immediately following the close of the Offers, taking into account the valid acceptances in respect of 554,666,559 Offer Shares under the Share Offer, the Offeror and parties acting in concert with it are interested in an aggregate of 1,868,696,559 Shares, representing approximately 93.33% of the entire issued share capital of the Company as at the date of this joint announcement.

Save for the acquisition of the remaining 50% of the issued share capital of Starsign not already owned by it prior to the Acquisition Closing and the valid acceptances under the Share Offer as described above, the Offeror and parties acting in concert with it (i) did not acquire or agree to acquire any Shares or any rights over Shares during the Offer Period; nor (ii) borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period.

The following table sets out the shareholding structure of the Company (i) immediately before the commencement of the Offer Period, (ii) immediately following the Acquisition Closing, and (iii) immediately following the close of the Offers:

	Immediately before the commencement of the Offer Period		Immediately following the Acquisition Closing		Immediately following the close of the Offers	
	Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %
The Offeror and parties acting in concert with it (<i>Note</i>)						
Offeror	-	-	-	-	554,666,559	27.70
Efficient Market Investments Limited	838,530,000	41.88	838,530,000	41.88	838,530,000	41.88
Adventa Group Limited	236,580,000	11.82	236,580,000	11.82	236,580,000	11.82
Fortune Bright Group Limited	236,580,000	11.82	236,580,000	11.82	236,580,000	11.82
Standard Cosmos	<u>2,340,000</u>	<u>0.11</u>	<u>2,340,000</u>	<u>0.11</u>	<u>2,340,000</u>	<u>0.11</u>
Subtotal of the Offeror and parties acting in concert with it	<u>1,314,030,000</u>	<u>65.63</u>	<u>1,314,030,000</u>	<u>65.63</u>	<u>1,868,696,559</u>	<u>93.33</u>
Public Shareholders	<u>688,070,932</u>	<u>34.37</u>	<u>688,070,932</u>	<u>34.37</u>	<u>133,404,373</u>	<u>6.67</u>
Total	<u><u>2,002,100,932</u></u>	<u><u>100.00</u></u>	<u><u>2,002,100,932</u></u>	<u><u>100.00</u></u>	<u><u>2,002,100,932</u></u>	<u><u>100.00</u></u>

Note:

Efficient Market Investments Limited, Adventa Group Limited and Fortune Bright Group Limited are all directly wholly owned by Standard Cosmos, which in turn is wholly owned by Starsign, which (i) was owned as to 50% by the Offeror and 50% by the Vendor before the commencement of the Offer Period; and (ii) has been wholly owned by the Offeror since the Acquisition Closing and up to and including the date of this joint announcement. The Offeror is owned as to 40%, 30%, 30% by Dr. Tsai Yen-Yu, Dr. Su Chien-Cheng and Dr. Su Sh-Hsyu, respectively.

SETTLEMENT OF THE OFFERS

Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty in respect of acceptances of the Share Offer) payable for the Offer Share or the Share Options tendered under the Offers will be posted to the accepting Independent Shareholders or the Optionholders (as the case may be) by ordinary post at their own risk as soon as possible, but in any event within seven (7) Business Days of the date of receipt by the Registrar (as regards the Share Offer) or the company secretary of the Company (as regards the Option Offer) of duly completed acceptances.

The latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offers on Friday, 18 December 2015 will be Wednesday, 30 December 2015.

PUBLIC FLOAT

Immediately following the close of the Offers, subject to the due registration by the Registrar of the transfer of the Offer Shares (in respect of which valid acceptances were received), 133,404,373 Shares, representing approximately 6.67% of the entire issued share capital of the Company as at the date of this joint announcement, are held by the public (within the meaning of the Listing Rules).

Accordingly, the Company cannot satisfy the minimum public float requirement under Rule 8.08(1) (a) of the Listing Rules following the close of the Offers. Further announcement(s) will be made by the Company regarding the restoration of public float as and when appropriate.

RESIGNATION OF DIRECTORS

As a result of the disposal of CA NB's entire interest in Starsign, it was stated in the Composite Document that the Investor Directors (namely, Mr. Patrick Thomas Siewert, Mr. Gregory Michael Zeluck, Ms. Gong Zhizhi and Mr. Chang Hsiuguo) intended to resign as non-executive Directors with effect from the earliest time permitted under the Takeovers Code (which is the close of the Offers) pursuant to their respective resignation letters dated the date of the Acquisition Closing.

On 18 December 2015, in order to devote more time to their respective business commitments, Mr. Francis Goutenmacher and Ms. Su-Mei Thompson also tendered their resignation letters such that they will both resign with effect from the earliest time permitted under the Takeovers Code (which is the close of the Offers).

The Board announces that with effect from the close of the Offers at 4:00 p.m. on Friday, 18 December 2015:

- (i) Mr. Patrick Thomas Siewert ceased to be a non-executive Director, the Vice Chairman of the Board, the Chairman of the Executive Committee of the Board (the "**Executive Committee**"), a member of the Nomination Committee of the Board (the "**Nomination Committee**") and a member of the Remuneration Committee of the Board (the "**Remuneration Committee**");
- (ii) Mr. Gregory Michael Zeluck ceased to be a non-executive Director, and a member of the Executive Committee;
- (iii) Ms. Gong Zhizhi ceased to be a non-executive Director, and a member of the Audit Committee of the Board (the "**Audit Committee**");

- (iv) Mr. Chang Hsiuguo ceased to be a non-executive Director;
- (v) Mr. Francis Goutenmacher ceased to be an independent non-executive Director, a member of the Audit Committee, a member of the Remuneration Committee, a member of the Executive Committee and a member of the Nomination Committee; and
- (vi) Ms. Su-Mei Thompson ceased to be an independent non-executive Director, the Chairperson of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee.

Each of Mr. Patrick Thomas Siewert, Mr. Gregory Michael Zeluck, Ms. Gong Zhizhi, Mr. Chang Hsiuguo, Mr. Francis Goutenmacher and Ms. Su-Mei Thompson has confirmed to the Board that he/she has no disagreements with the Board and that there are no other matters in relation to his/her resignation that needs to be brought to the attention of the Shareholders or the Stock Exchange.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The Board is pleased to announce that, with effect from the close of the Offers at 4:00 p.m. on Friday, 18 December 2015, Mr. Lu Chi-Chant (“**Mr. Lu**”) was appointed as an independent non-executive Director.

The biographical details of Mr. Lu are as follows:

Mr. Lu, aged 64, is currently an independent non-executive director of Eagle Nice (International) Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 02368), and an independent director of K Laser Technology Inc. (stock code: 2461) and Li Peng Enterprise Co., Ltd. (stock code: 1447), both listed on the stock exchange of Taiwan. From 2012 to 2013, Mr. Lu was an independent director of First Sino Bank, a licensed bank established in the People’s Republic of China. Mr. Lu obtained a bachelor’s degree in Mechanical Engineering from National Taiwan University in 1974 and passed the professional qualification examinations in Taiwan for certified public accountant in 1983 and for securities investment analyst in 1988. During the period from 1976 to 1984, Mr. Lu worked as a mechanical engineer in Formosa Plastics Corporation, a company established in Taiwan which is principally engaged in the manufacturing of plastic raw materials and products. Mr. Lu joined Deloitte & Touche Taiwan as an auditor in 1984 and he became a partner there in 1986. Mr. Lu left Deloitte & Touche Taiwan in 2011.

Save as disclosed above, Mr. Lu did not hold any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Lu does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company.

As at the date of this joint announcement, Mr. Lu is not interested in and does not have any interest or short positions in any shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Mr. Lu is appointed as an independent non-executive Director for an initial term of one year commencing from 18 December 2015. He is subject to retirement by rotation and re-election in accordance with the Listing Rules and the articles of association of the Company.

Mr. Lu has entered into a service contract with the Company for a term of one year effective from 18 December 2015. Pursuant to the service contract, Mr. Lu is entitled to a Director's fee of HK\$240,000 per annum and entitled to a quota of free products of the Group at staff discount prices of up to HK\$30,000 per annum. The Director's fee payable to Mr. Lu was recommended by the Remuneration Committee and confirmed by the Board with reference to his duties, responsibilities and performance and results of the Company, and shall be reviewed by the Remuneration Committee from time to time.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders in connection with the appointment of Mr. Lu as an independent non-executive Director and there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

CHANGES TO COMPOSITION OF AUDIT COMMITTEE, REMUNERATION COMMITTEE, EXECUTIVE COMMITTEE AND NOMINATION COMMITTEE

The Board announces that Mr. Lu has been appointed to fill the casual vacancy arising from the resignation of Ms. Su-Mei Thompson as Chairperson of the Remuneration Committee and a member of both the Audit Committee and Nomination Committee, all appointments with effect from the close of the Offers at 4:00 p.m. on Friday, 18 December 2015.

The Board further announces that, with effect from 4:00 p.m. on Friday, 18 December 2015:

- (i) Mr. Lee Ming-Ta (an executive Director) has been appointed as the Chairman of the Executive Committee and a member of the Nomination Committee;
- (ii) Dr. Su Chien-Cheng (an executive Director) has been appointed as a member of the Executive Committee; and
- (iii) Dr. Su Sh-Hsyu (a non-executive Director) has been appointed as a member of the Remuneration Committee.

GENERAL

The Board would like to (i) express its appreciation for the valuable contribution and excellent service of Mr. Patrick Thomas Siewert, Mr. Gregory Michael Zeluck, Ms. Gong Zhizhi, Mr. Chang Hsiuguo, Mr. Francis Goutenmacher and Ms. Su-Mei Thompson to the Company during their respective terms of service and (ii) express its warm welcome to Mr. Lu on his appointment as an independent non-executive Director.

By order of the board of
Next Focus Holdings Limited
Tsai Yen-Yu
Director

By order of the Board
Natural Beauty Bio-Technology Limited
Tsai Yen-Yu
Chairperson

Taipei, Taiwan, 18 December 2015

As at the date of this joint announcement, the Board comprises Dr. Tsai Yen-Yu, Mr. Lee Ming-Ta and Dr. Su Chien-Cheng as executive directors; Dr. Su Sh-Hsyu as non-executive director; and Mr. Chen Ruey-Long, Mr. Yang Tze-Kaing and Mr. Lu Chi-Chant as independent non-executive directors.

As at the date of this joint announcement, the board of directors of the Offeror comprises three directors, namely Dr. Tsai Yen-Yu, Dr. Su Chien-Cheng and Dr. Su Sh-Hsyu.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (in relation to the information relating the Group only) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (in relation to opinions expressed by the Directors only) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

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