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自然美
natural beauty

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)

HIGH CONCENTRATION OF SHAREHOLDING

This announcement is made at the request of the Stock Exchange in respect of the high concentration of the shareholding of the Company in the hands of a limited number of Shareholders as at 6 October 2016.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in respect of the high concentration of the shareholding of Natural Beauty Bio-Technology Limited (the “**Company**”) in the hands of a limited number of shareholders of the Company (the “**Shareholders**”) as at 6 October 2016.

HIGH CONCENTRATION OF SHAREHOLDING

The Company noted that an announcement was published by the Securities and Futures Commission (the “**SFC**”) on 25 October 2016 (the “**SFC Announcement**”).

As disclosed in the SFC Announcement, the SFC has recently completed an enquiry into the shareholding of the Company. The SFC’s findings suggested that as at 6 October 2016, 19 Shareholders held an aggregate of 434,435,570 shares of the Company (the “**Shares**”), representing 21.70% of the issued Shares. Such shareholding, together with 1,466,386,559 Shares (representing 73.24% of the issued Shares) held by a substantial Shareholder of the Company, represented 94.94% of the issued Shares as at 6 October 2016. Therefore, only 101,278,803 Shares (representing 5.06% of the issued Shares) were held by other Shareholders.

As at 6 October 2016, the shareholding structure of the Company was as follows:–

	Number of Shares held <i>(Shares)</i>	% of total number of issued Shares <i>(%)</i>
Next Focus Holdings Limited (<i>Note</i>)	1,466,386,559	73.24
A group of 19 Shareholders	434,435,570	21.70
Other Shareholders	101,278,803	5.06
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Total	<u>2,002,100,932</u>	<u>100.00</u>

Note: The 1,466,386,559 Shares held by Next Focus Holdings Limited included 152,356,559 Shares directly held by Next Focus Holdings Limited and 1,314,030,000 Shares held by the subsidiaries of Next Focus Holdings Limited altogether. Dr. TSAI Yen-Yu (Chairperson and Executive Director of the Company), Dr. SU Chien-Cheng (Executive Director of the Company), and Dr. SU Sh-Hsyu (Non-Executive Director of the Company) directly owns 40%, 30% and 30% of Next Focus Holdings Limited respectively. Mr. LEE Ming-Ta (Vice Chairman and Executive Director of the Company) is the spouse of Dr. TSAI Yen-Yu.

From 4 August 2016 to 6 September 2016, the closing price of the Shares increased by 34.7% from HK\$0.72 on 3 August 2016 to HK\$0.97 on 6 September 2016. During this period, the Company has made the following announcements:

- On 25 August 2016, the Company announced the interim results for the six months ended 30 June 2016, which recorded a net profit of HK\$82,943,000, representing an increase of 5.8% from the net profit of HK\$78,399,000 for the same period in the previous financial year.
- On 26 August 2016, the Company announced that Mr. HSIAO Wen-Chung, the Chief Operating Officer and Interim Chief Executive Officer, would be re-designated as Chief Executive Officer and ceased to be Chief Operating Officer, in each case, with effect from 1 September 2016. The Company also announced that, with effect from 1 July 2016, Mr. TSAI Tien-Chun had been appointed as Chief Financial Officer.

As at 24 October 2016, price of the Shares closed at HK\$0.88, representing an increase of 22.2% from the close of HK\$0.72 on 3 August 2016.

The information above is extracted from the SFC Announcement and the board of directors (the “**Directors**”) of the Company has not independently verified such information. Accordingly, the Directors are not in a position to comment on the accuracy of such information. Please also refer to the SFC Announcement for other information.

PUBLIC FLOAT

Based on the information available and to the best knowledge of the Directors after making all reasonable enquiries, the Directors confirm that not less than 25% of the issued Shares were held in public hands as at 6 October 2016 and the date of this announcement, and the Company is able to comply with the public float requirement under the Rules Governing the Listing of Securities on the Stock Exchange.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

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

Hong Kong, 25 October 2016

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; Dr. Su Sh-Hsyu as non-executive director; and Mr. Chen Ruey-Long, Mr. Lu Chi-Chant and Mr. Hsieh Pang-Chang as independent non-executive directors.