
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Natural Beauty Bio-Technology Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Natural Beauty Bio-Technology Limited to be held at Room 2, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 24 May 2018 at 10:00 a.m. is set out on pages 14 to 18 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.ir-cloud.com/hongkong/00157/irwebsite>).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10:00 a.m. on Tuesday, 22 May 2018) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish.

20 April 2018

CONTENTS

| | <i>Page</i> |
|---|-------------|
| Definitions | 1 |
| Letter from the Board | |
| 1. Introduction | 3 |
| 2. Proposed Re-election of Retiring Directors | 4 |
| 3. Proposed Granting of General Mandate to Repurchase Shares | 4 |
| 4. Proposed Granting of General Mandate to Issue Shares | 4 |
| 5. Annual General Meeting and Proxy Arrangement | 5 |
| 6. Recommendation | 5 |
| 7. Responsibility Statement | 5 |
| Appendix I – Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting | |
| | 6 |
| Appendix II – Explanatory Statement on the Share Repurchase Mandate | |
| | 10 |
| Notice of Annual General Meeting | 14 |

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

| | |
|----------------------------|--|
| “Annual General Meeting” | the annual general meeting of the Company to be held at Room 2, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 24 May 2018 at 10:00 a.m. (or at any adjournment thereof), to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 14 to 18 of this circular, or any adjournment thereof |
| “Articles of Association” | the articles of association of the Company currently in force |
| “Board” | the board of Directors |
| “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 |
| “Controlling Shareholders” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollar(s), the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Issuance Mandate” | a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting as set out on pages 14 to 18 of this circular |
| “Latest Practicable Date” | 9 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular |

DEFINITIONS

| | |
|----------------------------|---|
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “SFO” | the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong |
| “Share(s)” | ordinary share(s) of HK\$0.10 each in the issued capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company |
| “Share Repurchase Mandate” | a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting as set out on pages 14 to 18 of this circular |
| “Shareholder(s)” | holder(s) of Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time |
| “%” | per cent |

LETTER FROM THE BOARD



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)

Executive Directors:

Dr. TSAI Yen-Yu (*alias TSAI Yen-Pin*) (*Chairperson*)

Mr. LEE Ming-Ta (*alias LEE Ming-Tah*) (*Vice Chairman*)

Dr. SU Chien-Cheng

Non-executive Director:

Dr. SU Sh-Hsyu (*alias Spring Sh-Hsyu SU*)

Independent Non-executive Directors:

Mr. CHEN Ruey-Long

Mr. LU Chi-Chant

Mr. HSIEH Pang-Chang (*alias SHIA Ben-Chang*)

Registered Office:

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

Principal Place of Business

in Hong Kong:

Level 54, Hopewell Centre

183 Queen's Road East

Hong Kong

20 April 2018

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 24 May 2018.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 117 of the Articles of Association, Mr. LEE Ming-Ta, Dr. SU Chien-Cheng (both being Executive Directors) and Mr. LU Chi-Chant (an Independent Non-executive Director), shall retire at the Annual General Meeting. All the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Details of the retiring Directors are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 25 May 2017, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting as set out on pages 14 to 18 of this circular (i.e. a total of 200,210,093 Shares on the basis that no further Shares are issued or repurchased before the Annual General Meeting). The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 25 May 2017, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting as set out on pages 14 to 18 of this circular (i.e. a total of 400,420,186 Shares on the basis that no further Shares are issued or repurchased before the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

LETTER FROM THE BOARD

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 14 to 18 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.ir-cloud.com/hongkong/00157/irwebsite>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, at the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10:00 a.m. on Tuesday, 22 May 2018) or the adjourned meeting (as the case may be). Please, however, be reminded that 22 May 2018 is a public holiday in Hong Kong and the office of Hong Kong Registrars Limited will not be open for physical delivery of the form of proxy. Please make proper arrangement to ensure the delivery of the form of proxy before the deadline. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

6. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and granting of the Share Repurchase Mandate and the Issuance Mandate are in the best interests of the Company as well as the Shareholders. Accordingly, the Directors recommended the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and is not misleading or deceptive, and there are no other matters the omission of which would make this circular or any content herein misleading.

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

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

(1) Mr. LEE Ming-Ta

Mr. LEE Ming-Ta (alias LEE Ming-Tah) (“Mr. Lee”), aged 70, is the Vice Chairman and an Executive Director of the Company. He is the Chairman of the Executive Committee and a member of the Nomination Committee of the Company since 18 December 2015. Mr. Lee is the husband of Dr. TSAI Yen-Yu (“**Dr. Tsai**”), whom is the Chairperson and an Executive Director of the Company. He is also the father of Dr. SU Chien-Cheng (Executive Director) (“**Dr. Su**”) and Dr. SU Sh-Hsyu (Non-executive Director). Prior to joining the Group in 1993, Mr. Lee had worked for various financial institutions at senior management level for over 10 years in corporate management and staff training. Mr. Lee graduated in Fengchia University in Taiwan with a bachelor degree in Banking and Insurance. He has also been a director of Natural Beauty Bio-Technology (Hong Kong) Company Limited since 16 May 2001. He is currently also a director of some of our British Virgin Islands, PRC and Taiwan subsidiaries.

Mr. Lee is appointed as an Executive Director of the Company for a term of 3 years and is subject to retirement by rotation and re-election at the Annual General Meeting in accordance with the Articles of Association. In October 2017, Mr. Lee renewed his Director’s service contract with the Company for a term of 3 years effective from 1 January 2018. Pursuant to the service contract, Mr. Lee is entitled to a Director’s fee at a nominal rate of HK\$1 per annum and a discretionary bonus to be determined by the Board at its sole discretion provided that the aggregate amount of bonus payable to all the Directors (including Executive and Non-executive Directors) in the financial year will not exceed 15% of the audited consolidated profits of the Group attributable to Shareholders (after tax and minority interests but before extraordinary items) for that financial year. No discretionary bonus was proposed and paid to the Directors for the year ended 31 December 2017. The Director’s fee payable to Mr. Lee and basis of bonus were determined by the Board with reference to the contribution of Mr. Lee to the Group, his experience in the relevant business of the Group, the then market rate and the financial position of the Group as a whole, and is subject to review by the Remuneration Committee from time to time. Apart from the Director’s fee, other emoluments of approximately HK\$620,000 were received by Mr. Lee from the Group for the year ended 31 December 2017.

As at the Latest Practicable Date, Mr. Lee was deemed to have interest in 1,466,386,559 Shares of the Company and interest in 20,000 shares of Next Focus Holdings Limited (as associated corporation of the Company within the meaning of Part XV of the SFO) attributable to Dr. Tsai as he is the spouse of Dr. Tsai.

Next Focus Holdings Limited currently controls approximately 73.24% of the voting rights in the Company and is therefore a Controlling Shareholder of the Company.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as disclosed above, Mr. Lee has not held any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas and does not have any relationship with any other Directors, senior management, substantial Shareholders or Controlling Shareholders of the Company.

Save as disclosed above, there is no information of Mr. Lee that is disclosable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Lee that need to be brought to the attention of the Shareholders.

(2) Dr. SU Chien-Cheng

Dr. Su, aged 46, is the son of Dr. Tsai (Chairperson and Executive Director) and Mr. Lee (Vice Chairman and Executive Director) and the elder brother of Dr. SU Sh-Hsyu (Non-executive Director). Dr. Su was a Non-executive Director and was re-designated as Executive Director effective from 15 December 2011. He is involved in the financial and strategic management of the Group at Board level. He is also a member of the Remuneration Committee and the Executive Committee since 7 February 2013 and 18 December 2015, respectively. Dr. Su graduated from the University of Westminster in the United Kingdom with a master degree of business administration and obtained his PhD in Business Administration in Shanghai University of Finance and Economics in China. He joined the Group in 1999. He has been a director of Natural Beauty Bio-Technology (Hong Kong) Company Limited and Natural Beauty China Holding Limited since 16 May 2001 and 11 July 2008, respectively. He is currently also a director of some of our British Virgin Islands, PRC and Taiwan subsidiaries.

Dr. Su is appointed as an Executive Director of the Company for a term of 3 years and is subject to retirement by rotation and re-election at the Annual General Meeting in accordance with the Articles of Association. In October 2017, Dr. Su renewed his Director's service contract with the Company for a term of 3 years effective from 1 January 2018. Pursuant to the service contract, Dr. Su is entitled to a Director's fee of HK\$1,250,000 per annum and a discretionary bonus to be determined by the Board at its sole discretion provided that the aggregate amount of bonus payable to all the Directors (including Executive and Non-executive Directors) in the financial year will not exceed 15% of the audited consolidated profits of the Group attributable to Shareholders (after tax and minority interests but before extraordinary items) for that financial year. No discretionary bonus was proposed and paid to the Directors for the year ended 31 December 2017. The Director's fee payable to Dr. Su and basis of bonus were determined by the Board with reference to the contribution of Dr. Su to the Group, his experience in the relevant business of the Group, the then market rate and the financial position of the Group as a whole, and is subject to review by the Remuneration Committee from time to time. Apart from the Director's fee, other emoluments of approximately HK\$328,000 were received by Dr. Su from the Group for the year ended 31 December 2017.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

As at the Latest Practicable Date, Dr. Su was not interested in and did not have any interest or short positions in any Shares or underlying Shares in or any debentures of the Company but had interest in 15,000 shares in Next Focus Holdings Limited (as associated corporation of the Company) within the meaning of Part XV of the SFO.

Next Focus Holdings Limited currently controls approximately 73.24% of the voting rights in the Company and is therefore a Controlling Shareholder of the Company.

Save as disclosed above, Dr. Su has not held any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas and does not have any relationship with any other Directors, senior management, substantial Shareholders or Controlling Shareholders of the Company.

Save as disclosed above, there is no information of Dr. Su that is disclosable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Dr. Su that need to be brought to the attention of the Shareholders.

(3) Mr. LU Chi-Chant

Mr. LU Chi-Chant (“**Mr. Lu**”), aged 66, 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), an independent director of Li Peng Enterprise Co., Ltd. (stock code: 1447), Lealea Enterprise Co., Ltd. (stock code: 1444) and Hannstar Board Corp. (stock code: 5469), all listed on the Taiwan Stock Exchange. He is also an independent director of Nyquest Technology Co., Ltd. (stock code: 6494), a company listed on the Taiwan GreTai Securities Market. From June 2014 to May 2017, Mr. Lu was an independent director of K Laser Technology Inc. (stock code: 2461), a company listed on the Taiwan Stock Exchange. 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 became a partner there in 1986. Mr. Lu left Deloitte & Touche Taiwan in 2011. He was appointed as the Company’s Independent Non-executive Director on 18 December 2015. He is also the Chairman of Remuneration Committee and a member of both the Audit Committee and Nomination Committee of the Company.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Mr. Lu is appointed as an Independent Non-executive Director of the Company for a term of 1 year and is subject to retirement by rotation and re-election at the Annual General Meeting in accordance with the Articles of Association. In October 2017, Mr. Lu renewed the letter of appointment with the Company for a term of 1 year effective from 18 December 2017. Pursuant to the letter of appointment, Mr. Lu is entitled to a Director's fee of HK\$240,000 per annum and a quota of free products of the Group at staff discount prices of up to HK\$30,000 per annum. No discretionary bonus was proposed and paid to the Directors for the year ended 31 December 2017. The Director's fee payable to Mr. Lu was determined by the Board with reference to his duties, responsibilities and performance and results of the Company, and is subject to review by the Remuneration Committee from time to time.

As at the Latest Practicable Date, Mr. Lu was not interested in and did 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.

Save as disclosed above, Mr. Lu has not held any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas and does not have any relationship with any other Directors, senior management, substantial Shareholders or Controlling Shareholders of the Company.

Save as disclosed above, there is no information of Mr. Lu that is disclosable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Lu that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,002,100,932 Shares.

Subject to the passing of the ordinary resolution set out in item 8 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, i.e. being 2,002,100,932 Shares, the Directors would be allowed under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a maximum of 200,210,093 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the Share Repurchase Mandate is in the best interests of the Company and the Shareholders. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might think it appropriate to repurchase Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders can be assured that the Directors would only make such purchases in circumstances where they consider them to be in the best interests of the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

In making repurchases, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association and the laws of the Cayman Islands. The Company may not purchase shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange in effect from time to time.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2017) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares were traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

| Year & Month | Highest HK\$ | Lowest HK\$ |
|--|-------------------------|------------------------|
| 2017 | | |
| April | 0.867 | 0.789 |
| May | 0.847 | 0.780 |
| June | 0.833 | 0.764 |
| July | 0.823 | 0.704 |
| August | 0.754 | 0.655 |
| September | 0.724 | 0.605 |
| October | 0.650 | 0.560 |
| November | 0.660 | 0.570 |
| December | 0.620 | 0.580 |
| 2018 | | |
| January | 0.630 | 0.580 |
| February | 0.600 | 0.550 |
| March | 0.610 | 0.550 |
| April (<i>up to the Latest Practicable Date</i>) | 0.620 | 0.590 |

6. GENERAL

To the best of knowledge of the Directors and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands and the Articles of Association of the Company.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Efficient Market Investments Limited, Adventa Group Limited, Fortune Bright Group Limited and Standard Cosmos Limited are collectively interested in the 1,314,030,000 Shares (representing 65.63% of the total issued share capital of the Company). Efficient Market Investments Limited, Adventa Group Limited and Fortune Bright Group Limited are wholly-owned subsidiaries of Standard Cosmos Limited, which is in turn wholly-owned by Starsign International Limited (collectively, "**Starsign and its subsidiaries**"). Starsign International Limited is wholly-owned by Next Focus Holdings Limited, which is directly interested in 152,356,559 Shares. Dr. Tsai directly owns 40% of Next Focus Holdings Limited. Next Focus Holdings Limited and its concert parties are therefore controlled corporations of Dr. Tsai pursuant to Section 316 of the SFO and accordingly, Dr. Tsai and her spouse, Mr. Lee are interested in 1,466,386,559 Shares (representing 73.24% of the total issued share capital of the Company) in which Next Focus Holdings Limited is interested.

On the basis of the current shareholding of the Company, in the event that the Directors exercise the proposed Share Repurchase Mandate in full, the aggregate shareholding of Starsign and its subsidiaries will be increased to approximately 72.92% of the issued share capital of the Company whereas the aggregate shareholding of Next Focus Holdings Limited and Dr. Tsai would be increased to approximately 81.38% of the issued share capital of the Company.

The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code but it would reduce the percentage of shares held by the public to less than the prescribed minimum percentage of 25% required by the Listing Rules. The Directors have no intention to exercise the Share Repurchase Mandate to such extent as may result in the aggregate number of Shares held by the public falling below the prescribed minimum percentage required under the Listing Rules.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Natural Beauty Bio-Technology Limited (the “**Company**”) will be held at Room 2, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 24 May 2018 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Group and the directors’ report and the independent auditors’ report for the year ended 31 December 2017.
2. To re-elect Mr. LEE Ming-Ta as an Executive Director of the Company.
3. To re-elect Dr. SU Chien-Cheng as an Executive Director of the Company.
4. To re-elect Mr. LU Chi-Chant as an Independent Non-executive Director of the Company.
5. To authorise the board of Directors to fix the remuneration of the Directors of the Company.
6. To re-appoint Messrs. Deloitte Touche Tohmatsu as the Auditors of the Company and to authorise the board of Directors to fix their remuneration.
7. To declare a final dividend of HK\$0.0335 per share for the year ended 31 December 2017 (“**Final Dividend**”).
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the Directors of the Company to exercise during the Relevant Period (as defined in paragraph (c) below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (c) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the Directors of the Company during the Relevant Period (as defined in paragraph (d) below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorize the Directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph (d) below);
 - (ii) the exercise of options under a share option scheme of the Company; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

NOTICE OF ANNUAL GENERAL MEETING

10. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 8 and 9 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 9 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in the resolution set out in item 8 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

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

Hong Kong, 20 April 2018

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.ir-cloud.com/hongkong/00157/irwebsite>).
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the above meeting (i.e. not later than 10:00 a.m. on Tuesday, 22 May 2018) or the adjourned meeting (as the case may be). Please, however, be reminded that 22 May 2018 is a public holiday in Hong Kong and the office of Hong Kong Registrars Limited will not open for physical delivery of the form of proxy. Please make proper arrangement to ensure the delivery of the form of proxy before the deadline. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Thursday, 17 May 2018 to Thursday, 24 May 2018, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Hong Kong Registrars Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 16 May 2018.

In the event that the Annual General Meeting is adjourned to a date later than 24 May 2018 because of bad weather or other reasons, the period of close of the register of members and the last registration date for determination of the entitlement to attend and vote at the Annual General Meeting will remain as the aforesaid period and date.

5. For determining the entitlement to the proposed Final Dividend (subject to approval by the shareholders at the Annual General Meeting), the Register of Members of the Company will be closed from Tuesday, 5 June 2018 to Wednesday, 6 June 2018, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 4 June 2018.
6. The board of Directors has proposed the payment of a Final Dividend of HK\$0.0335 per share for the year ended 31 December 2017 and, if such dividends are approved by the shareholders by passing Resolution 7, it is expected to be paid on Wednesday, 29 August 2018 to those shareholders whose names appear on the register of members on Wednesday, 6 June 2018.
7. In case of joint holders of shares, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders are present at any meeting personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company.
8. Bad Weather Arrangements

If a Typhoon Warning Signal No. 8 or above is hoisted or is expected to be hoisted or a Black Rainstorm Warning Signal is in force or expected to be in force in Hong Kong at any time between 8:00 a.m. and 10:00 a.m. on the date of the meeting, the meeting will be automatically postponed to a later date. The Company will post an announcement on the websites of the Hong Kong Exchanges and Clearing Limited and the Company to notify shareholders of the date, time and location of the rescheduled meeting. The meeting will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force in Hong Kong. Shareholders should in any event exercise due care and caution when deciding to attend the meeting in adverse weather conditions.