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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:157)

PLACING OF EXISTING SHARES BY A SUBSTANTIAL SHAREHOLDER

The directors of the Company have noted the increase in trading volume of the shares of the Company today and wish to state that they are not aware of any reasons for such increase save as disclosed in this announcement.

The Company has been informed by Efficient Market, a substantial shareholder of the Company and is 100% held by Knightcote which in turn 70% beneficially owned by Dr. Tsai, 15% beneficially owned by Mr. Su and 15% beneficially owned by Dr. Su. Dr. Tsai, Mr. Su and Dr. Su are the directors of the Company. Efficient Market has placed 100,000,000 ordinary shares in the share capital of the Company to independent investors at the placing price of HK\$0.86 per share on 17 October 2006 to broaden the shareholder base of the Company. The placing shares represent 5% of the existing issued share capital of the Company. Upon completion of the placing, Efficient Market's interests in the Company will be reduced from 1,500,000,000 shares to 1,400,000,000 shares or 75% to 70% of the existing issued share capital of the Company.

Other than disclosed above, the Company confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

The directors of Natural Beauty Bio-Technology Limited (the "Company") have noted the increase in trading volume of the shares of the Company today and wish to state that they are not aware of any reasons for such increase save as disclosed in this announcement.

The Company has been informed by Efficient Market Investments Limited ("Efficient Market"), a substantial shareholder of the Company and is 100% held by Knightcote Enterprises Limited ("Knightcote") which in turn 70% beneficially owned by Dr. Tsai Yen Yu ("Dr. Tsai"), 15% beneficially owned by Mr. Su Chien Cheng ("Mr. Su") and 15% beneficially owned by Dr. Su Sh Hsyu ("Dr. Su"). Dr. Tsai, Mr. Su and Dr. Su are the directors of the Company. Efficient Market has placed 100,000,000 ordinary shares in the share capital of the Company to independent investors at the placing price of HK\$0.86 per share on 17 October 2006 to broaden the shareholder base of the Company.

The placees are independent institutional investors who are not connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules")) of the Company. Approximately 60% of the 100,000,000 shares were placed to investors based in the US and 40% went to a UK investor.

The 100,000,000 shares represent 5% of the existing issued share capital of the Company. The placing price of HK\$0.86 per share represents a discount of approximately 4.4% to the closing price of HK\$0.90 per share as quoted on The Stock Exchange of Hong Kong Limited on 16 October 2006.

Efficient Market is a substantial shareholder of the Company. Upon completion of the placing, Efficient Market's interests in the Company will be reduced from 1,500,000,000 shares to 1,400,000,000 shares or 75% to 70% of the existing issued share capital of the Company.

Other than disclosed above, the Company confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

By Order of the Board
Natural Beauty Bio-Technology Limited
Su Chien Cheng
Executive Director

As of the date hereof, the Executive Directors of the Company are Dr. Tsai Yen Yu, Mr. Lee Ming Ta, Mr. Su Chien Cheng and Dr. Su Sh Hsyu. The Independent Non-executive Directors of the Company are Mr. Yeh Liang Fei, Mrs. Chen Shieh Shu Chen and Mr. Chen Ching.

Hong Kong, 17 October 2006

"Please also refer to the published version of this announcement in The Standard."