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NB

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)

PROFIT WARNING

This announcement is made by the Company pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group expects to record a significant decline in its profits for the year ended 31 December 2020 as compared to its profits for the corresponding period of 2019.

The information contained in this announcement is only based on a preliminary review and assessment by the Board according to the unaudited management accounts of the Group for the year ended 31 December 2020 and the information currently available to the Company, which have not been audited or reviewed by the Company's auditors.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Natural Beauty Bio-Technology Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the announcement of the Company dated 24 December 2020 in relation to the quarterly update on suspension of trading (the “**Announcement**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The board of directors (the “**Board**”) of the Company would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group expects to record a significant decline in its profits for the year ended 31 December 2020 as compared to its profits for corresponding period of 2019. The Board believes that the main reasons for the profit decline are:

1. the suspension of the business of the Group’s franchising stores in the PRC in the first half year of 2020 and the postponement of the e-commerce expansion plan to be launched in early 2020 until May 2020 due to the impact of the COVID-19 epidemic; and
2. an increase of the Group’s expenses arising from (i) the audit of the consolidated financial statements of the Group for the year ended 31 December 2019, (ii) the Forensic Review at the request of the Company’s former auditors, (iii) the Additional Forensic Review, and (iv) the Internal Control Review in support of the Company’s application for the resumption of trading in Shares.

The Company is in the process of finalising the annual results of the Group for the year ended 31 December 2020. The information contained in this announcement is only based on a preliminary assessment by the Board of the unaudited management accounts of the Group for the year ended 31 December 2020 and the information currently available to the Company, which have not been audited or reviewed by the Company’s auditors. Shareholders of the Company and potential investors should note that detailed information on the Group’s performance for the year ended 31 December 2020 will be disclosed in its results announcement for the same period to be published in due course.

CONTINUED SUSPENSION OF TRADING

Trading in the Shares on the Stock Exchange has been suspended at the request of the Company since 9:00 a.m. on 25 March 2020 and will remain suspended until further notice. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Natural Beauty Bio-Technology Limited
LEI Chien
Chairperson

Hong Kong, 22 January 2021

As at the date of this announcement, the Board comprises Dr. Lei Chien and Mr. Pan Yi-Fan as executive directors; Ms. Lu Yu-Min, Ms. Lin Shu-Hua and Mr. Chen Shou-Huang as non-executive directors; and Mr. Chen Ruey-Long, Mr. Lu Chi-Chant and Mr. Yang Shih-Chien as independent non-executive directors.