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**GLOBAL RADIANCE
COMPANY LIMITED**

*(Incorporated in the Cayman Islands as an exempted company
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

**(A) PROPOSED PRIVATISATION BY GLOBAL RADIANCE COMPANY LIMITED
OF**

NATURAL BEAUTY BIO-TECHNOLOGY LIMITED

BY WAY OF A SCHEME OF ARRANGEMENT

**(UNDER SECTION 86 OF THE COMPANIES LAW OF THE CAYMAN ISLANDS)
WITH CANCELLATION CONSIDERATION OF EITHER**

(I) CASH OF HK\$1.20 FOR EVERY SCHEME SHARE

OR

**(II) 0.000047 HOLDCO ORD SHARES AND 0.117868 HOLDCO PREF SHARES
PLUS CASH OF HK\$0.28
FOR EVERY SCHEME SHARE**

**(B) RESUMPTION OF TRADING IN SHARES OF NATURAL BEAUTY
BIO-TECHNOLOGY LIMITED**

Financial adviser to Global Radiance Company Limited



CITIGROUP GLOBAL MARKETS ASIA LIMITED

**Independent financial adviser
to the independent committee of the board of directors of
Natural Beauty Bio-Technology Limited**



SOMERLEY LIMITED

THE PROPOSAL

The Bidco Board and the NBBL Board wish to announce that Bidco and NBBL have on 10 November 2008 entered into the Implementation Agreement. The parties have agreed under the Implementation Agreement that Bidco will pursue the proposed privatisation of NBBL by way of a scheme of arrangement under Section 86 of the Companies Law. Following the Effective Date, the listing of NBBL Shares on the Stock Exchange will be withdrawn, and NBBL will become a wholly-owned subsidiary of Bidco.

Under the Proposal, the Scheme Shares will be cancelled in exchange for either:

- (a) **Cash Alternative:** Cash of HK\$1.20 for every Scheme Share; or
- (b) **Private Holdco Shares Alternative:** 0.000047 Holdco Ord Share(s) and 0.117868 Holdco Pref Share(s), plus cash of HK\$0.28, for every Scheme Share.

The Cash Alternative and the cash element of the Private Holdco Shares Alternative will be financed by Bidco. The Scheme Shareholders may elect either the Cash Alternative or the Private Holdco Shares Alternative as the form of Cancellation Consideration in respect of their entire holdings of Scheme Shares (but not, for the avoidance of doubt, a combination of the two). Scheme Shareholders who do not make any election will receive the Cash Alternative.

The actual number of Holdco Shares to be made available for allotment and issuance under the Private Holdco Shares Alternative will be determined at the Record Date. If all the Scheme Shareholders elect the Private Holdco Shares Alternative, 235,905,398 Holdco Shares shall be issued, representing approximately 59.44% of the fully diluted issued share capital of Holdco.

Bidco and Holdco have agreed, subject to the Scheme becoming effective, that Holdco will make available for allotment and issuance such number of Holdco Shares as will be required under the Private Holdco Shares Alternative.

Holdco Shares are not listed on any stock exchange and Holdco Shareholders will not have the benefits and protections of the Listing Rules in terms of disclosure of material information, appointment of directors (including independent non-executive directors) and restrictions on connected and notifiable transactions. Holdco Shareholders may also find it difficult to find a purchaser for their Holdco Shares, in the event that they wish to dispose of their interest, as there is unlikely to be a ready market for Holdco Shares.

Investors should be aware of, among other things but not limited to, the following risk factors of holding Holdco Shares:

- **Holdco Shares are illiquid and there is no ready market in Holdco Shares;**
- **Holdco Shares are not listed on any stock exchange and does not benefit from the protections afforded by the Listing Rules;**
- **there is no guarantee that any dividend payments will be paid in respect of Holdco Shares;**

- **changes in the business and economic environment could adversely affect operating profits or the value of Holdco's assets. For example, financial factors such as currency controls, devaluation or regulatory changes, or stability factors such as mass riots, civil war and other potential events could contribute to Holdco's operational risks;**
- **currency risk as a result of NBBL's assets and business operations being across national borders; and**
- **general business risk associated with the skin and beauty industry.**

The Proposal is conditional upon the fulfilment or waiver, as applicable, of the Conditions described in the section headed "Conditions of the Proposal" and Schedule 1 below. All Conditions will have to be fulfilled or waived, as applicable, on or before 31 March 2009 (or such later date as Bidco and NBBL may agree in writing), otherwise the Scheme will lapse.

As at the date of this announcement, there were 2,000,639,430 NBBL Shares in issue. Other than the 2,852,887 NBBL Options convertible into 2,852,887 NBBL Shares, there are no outstanding convertible securities, warrants, options or derivatives in respect of any NBBL Shares. The Scheme will also be extended to all NBBL Shares validly issued pursuant to the exercise of the NBBL Options prior to the Record Date.

Confirmation of financial resources

On the basis that the Committed Shareholders elect the Private Holdco Shares Alternative and all the other Scheme Shareholders elect the Cash Alternative and that the NBBL Options are cancelled pursuant to the Option Proposal, the total maximum cash consideration payable under the Proposal is HK\$1,194,012,807 for 2,000,639,430 Scheme Shares and 2,852,887 NBBL Options, of which HK\$826,739,316 will be payable under the Cash Alternative in respect of 688,949,430 Scheme Shares (excluding the Committed Shares), HK\$367,273,200 will be payable under the cash consideration portion of the Private Holdco Shares Alternative in respect of 1,311,690,000 Committed Shares and HK\$291 will be payable under the Option Proposal to the NBBL Optionholders. Citi, the financial adviser to Bidco, is satisfied that resources are available to Bidco sufficient to implement the Proposal.

Offer to the NBBL Optionholders

As at the date of this announcement, there are 2,852,887 NBBL Options held by NBBL Optionholders which are convertible into 2,852,887 NBBL Shares, of which 639,431 NBBL Options have an exercise price of HK\$1.76 and 2,213,456 NBBL Options have an exercise price of HK\$1.69.

A cash offer will be made by Bidco conditional on the Scheme becoming effective to cancel the NBBL Options under the NBBL Share Option Scheme. The offer to cancel each NBBL Option will be calculated on a "see-through" basis, so that each NBBL Optionholder will be entitled to receive a price for his/her NBBL Options being the amount by which the Cash Alternative under the Scheme exceeds the exercise price of his/her NBBL Options. As the exercise price of all the NBBL Options is above the Cash Alternative, the offer price under the Option Proposal will be HK\$1.00 per board lot (which comprises 10,000 NBBL Shares) or part board lot of NBBL Shares which would be issued if the relevant NBBL Options were exercised in full. Further details of the Option Proposal will be set out in the Scheme Document.

Irrevocable Undertakings

Bidco has received Irrevocable Undertakings from the Committed Shareholders, pursuant to which the Committed Shareholders have undertaken to, amongst other things, vote (or procure votes) to approve the Proposal at the Court Meeting and the Extraordinary General Meeting in respect of the Committed Shares (which represent approximately 65.56% of the fully diluted issued share capital of NBBL) and elect the Private Holdco Shares Alternative as the form of Cancellation Consideration in respect of the Committed Shares.

Under the terms of the Irrevocable Undertakings, the obligations of the respective Committed Shareholders are also irrevocably guaranteed by their respective Controlling Parties.

Independent Board Committee

The Independent Board Committee has been formed to advise the Disinterested Scheme Shareholders in connection with the Proposal. The NBBL Board wishes to announce that Somerley has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Proposal. The Independent Board Committee has approved the appointment of Somerley.

Despatch of the Scheme Document

NBBL will send to NBBL Shareholders the Scheme Document (containing, *inter alia*, further details about the Proposal and the Scheme, the expected timetable, an explanatory statement as required under the Companies Law, the recommendation of the Independent Board Committee, a letter of advice from the independent financial adviser to the Independent Board Committee, a notice of the Court Meeting and a notice of the Extraordinary General Meeting) as soon as practicable and in compliance with the requirements of the Takeovers Code.

Withdrawal of listing of NBBL Shares on the Stock Exchange

Bidco will apply to the Stock Exchange for the withdrawal of the listing of the NBBL Shares on the Stock Exchange immediately following the Effective Date. The listing of the NBBL Shares on the Stock Exchange will not be withdrawn if the Scheme is not approved or lapses.

Suspension and resumption of trading in NBBL Shares

At the request of NBBL, trading in NBBL Shares on the Stock Exchange was suspended from 9:30 a.m. on 6 November 2008, pending the issue of this announcement. Application has been made by NBBL to the Stock Exchange for resumption of trading in NBBL Shares on the Stock Exchange with effect from 9:30 a.m. on 26 November 2008.

WARNING: NBBL Shareholders and/or potential investors should be aware that the implementation of the Scheme is subject to the Conditions as set out below being fulfilled or waived, as applicable, and that the Proposal and the Scheme may or may not become effective. They should therefore exercise caution when dealing in NBBL Shares.

INTRODUCTION

On 10 November 2008, Bidco and NBBL entered into the Implementation Agreement, pursuant to which the parties agreed that Bidco will pursue the proposed privatisation of NBBL by way of a scheme of arrangement under Section 86 of the Companies Law involving the cancellation of all the Scheme Shares and allotment and issue of new shares in NBBL to Bidco. If the Proposal is implemented, it will result in NBBL becoming a wholly-owned subsidiary of Bidco.

As at 21 November 2008, Citibank N.A., an affiliate of Citi, held 5,535,400 NBBL Shares, representing approximately 0.28% of the issued share capital of NBBL. Citi will obtain the updated position of Citibank N.A.'s shareholdings in NBBL as at the date of this announcement as soon as practicable and a further announcement disclosing its shareholdings in NBBL will be issued in the event its shareholdings in NBBL as at the date of this announcement is significantly different from its shareholdings as at 21 November 2008 as disclosed above.

Save as disclosed above, neither Bidco nor parties acting in concert with Bidco owns or controls any NBBL Shares, NBBL Options or any convertible securities, warrants, options or derivatives in respect of the NBBL Shares.

Neither NBBL nor parties acting in concert with it owns or controls any Bidco Shares, Holdco Shares or any convertible securities, warrants, options or derivatives in respect of the Bidco Shares or Holdco Shares.

TERMS OF THE PROPOSAL

Under the Proposal, the Scheme Shares will be cancelled in exchange for either:

- (a) **Cash Alternative:** Cash of HK\$1.20 for every Scheme Share; or
- (b) **Private Holdco Shares Alternative:** 0.000047 Holdco Ord Share(s) and 0.117868 Holdco Pref Share(s), plus cash of HK\$0.28 for every Scheme Share.

The Cash Alternative and the cash element of Private Holdco Shares Alternative will be financed by Bidco. The Scheme Shareholders may elect either the Cash Alternative or the Private Holdco Shares Alternative as the form of Cancellation Consideration in respect of their entire holdings of Scheme Shares (but not, for the avoidance of doubt, a combination of the two). Scheme Shareholders who do not make any election will receive the Cash Alternative.

Bidco and Holdco have agreed, subject to the Scheme becoming effective, that Holdco will make available for allotment and issuance such number of Holdco Shares as will be required under the Private Holdco Shares Alternative.

Issued NBBL Shares, outstanding NBBL Options, convertible securities, warrants, options or derivatives of NBBL

As at the date of this announcement, there are 2,000,639,430 NBBL Shares in issue and 2,852,887 NBBL Options which are convertible into 2,852,887 NBBL Shares. Save as disclosed above, NBBL does not have any outstanding convertible securities, warrants, options or derivatives in respect of any NBBL Shares.

The Cash Alternative

The cash consideration of HK\$1.20 per Scheme Share under the Cash Alternative represents:

- (a) a premium of approximately 9.89% over the volume weighted average closing price of HK\$1.092 per NBBL Share for the 10 trading days up to and including 5 November 2008, the last day of trading before the NBBL Shares were suspended from trading on 6 November 2008;
- (b) a premium of approximately 1.78% over the volume weighted average closing price of HK\$1.179 per NBBL Share for the 20 trading days up to and including 5 November 2008, the last day of trading before the NBBL Shares were suspended from trading on 6 November 2008;
- (c) a premium of approximately 163.74% to the audited consolidated net asset value attributable to NBBL Shareholders per NBBL Share of about HK\$0.455 as at 31 December 2007; and
- (d) a premium of approximately 166.08% to the unaudited consolidated net asset value attributable to NBBL Shareholders per NBBL Share of about HK\$0.451 as at 30 June 2008 as disclosed in NBBL's unaudited financial results for the six-month period ended on 30 June 2008 published on 24 September 2008.

NBBL Shareholders should note that on 5 November 2008 the share price of NBBL increased by 17.4% to HK\$1.42, which was the largest single day percentage increase in NBBL's share price since April 2002 (the only larger single day percentage increase occurring on the second trading day following the listing of NBBL Shares on the Stock Exchange).

Scheme Shareholders should further note that since 5 November 2008 (the last day of trading before the NBBL Shares were suspended from trading on 6 November 2008) to 25 November 2008, the Hang Seng Index has decreased by 13.2%.

The Private Holdco Shares Alternative

The actual number of Holdco Shares to be made available for allotment and issuance under the Private Holdco Shares Alternative will be determined at the Record Date. If all the Scheme Shareholders elect the Private Holdco Shares Alternative, 235,905,398 Holdco Shares shall be issued, representing approximately 59.44% of the fully diluted issued share capital of Holdco.

The Holdco Shares are shares of a newly incorporated unlisted and exempted company in the Cayman Islands. Following the Effective Date, Holdco will indirectly own NBBL through Bidco and the value of Holdco Shares will primarily be dictated by the value of NBBL and funds contributed by the Investment Funds to Holdco. NBBL had a net asset value of HK\$909,626,000 (approximately HK\$0.455 per NBBL Share) attributable to NBBL Shareholders as at 31 December 2007 as disclosed in the audited consolidated financial results of the NBBL Group for the year ended 31 December 2007. Further, it is currently estimated that Holdco's cash on hand where (a) only the Committed Shareholders elect the Private Holdco Shares Alternative and (b) all NBBL Shareholders elect the Private Holdco Shares Alternative is approximately HK\$60 million and HK\$700 million, respectively, before all fees and expenses of the Offeror Group incurred in connection with the Proposal have been paid. Details of the valuation of Holdco Shares will be set out in the Scheme Document.

The Holdco Ord Shares to be issued pursuant to the Proposal will be issued and credited as fully paid up and will rank pari passu with the existing Holdco Ord Share at the date of issue. There is no dividend policy in respect of the Holdco Ord Shares. There is no guarantee that any dividends will be paid nor is there any dividend payment schedule in respect of the Holdco Ord Shares. Payment of Holdco Ord Shares dividends (if any) is dependent solely on whether such payment is recommended or declared by the Holdco Board and is also subject to the prior rights of payment of Holdco Pref Shares dividends to the Holdco Pref Shareholders. The holders of Holdco Ord Shares shall be entitled to receive notice of general meetings of Holdco and shall have the right to one vote per Holdco Ord Share at such meetings.

The Holdco Pref Shares to be issued pursuant to the Proposal will be issued and credited as fully paid up and will rank for any dividends or other distributions declared ahead of the Holdco Ord Shares. The Holdco Pref Shares do not offer any downside protection in that there is no capital protection guaranteed in the same way as there is none for Holdco Ord Shares. The Holdco Pref Shares dividends will accrue on a non-cash and non-compounded basis and payment of such dividends (if any) is dependent solely on whether such payment is recommended or declared by the Holdco Board. There is no dividend policy in respect of the Holdco Pref Shares. There is no guarantee that any dividends will be paid nor is there any dividend payment schedule in respect of the Holdco Pref Shares. In addition, the Holdco Pref Shares can only be redeemed at the election of Holdco, subject to the consent of the holders of a majority of not less than two-thirds of the Holdco Pref Shares in issue. The Holdco Pref Shares will be redeemed at an amount equal to the aggregate of (i) the par value of such Holdco Pref Shares, together with any amount credited to the share premium account in respect of such Holdco Pref Shares and (ii) any accrued and unpaid Holdco Pref Share dividends as calculated up to and including the date on which such Holdco Pref Shares are redeemed by Holdco.

The Holdco Pref Shareholders shall be entitled to receive notice of general meetings of Holdco but not to attend or vote thereat unless the business of the meeting includes a resolution (in which case Holdco Pref Shareholders shall have the right to attend and have one vote per Holdco Pref Share):

- (i) for winding up Holdco; or
- (ii) affecting, altering or abrogating the rights or privileges or restrictions attached to the Holdco Pref Shares.

The Holdco Shares will not be tradable or transferable without the prior written consent of the Holdco Board (which may be withheld in its absolute discretion, subject always to the laws of Cayman Islands, including but not limited to the fiduciary duties of the Holdco Directors) and will be shares of an unlisted Cayman Islands incorporated exempted company. The ability of the Holdco Board to withhold its consent in its absolute discretion to permit the transfer of Holdco Shares is common restrictive wording adopted by many private companies in the Cayman Islands. The issue and/or transfer of such new Holdco Shares will be strictly regulated pursuant to the Bye-Laws and the rights of Scheme Shareholders in Holdco will primarily be governed by the Companies Law and the laws of Cayman Islands.

Further details of the rights of the Holdco Ord Shares and Holdco Pref Shares will be set out in the Scheme Document.

Offer to the NBBL Optionholders

As at the date of this announcement, there are 2,852,887 NBBL Options held by the NBBL Optionholders which are convertible into 2,852,887 NBBL Shares, of which 639,431 NBBL Options have an exercise price of HK\$1.76 and 2,213,456 NBBL Options have an exercise price of HK\$1.69.

A cash offer will be made by Bidco conditional on the Scheme becoming effective to cancel the NBBL Options under the NBBL Share Option Scheme. The offer to cancel each NBBL Option will be calculated on a “see-through” basis, so that each NBBL Optionholder will be entitled to receive a price for his/her NBBL Options being the amount by which the Cash Alternative under the Scheme exceeds the exercise price of his/her NBBL Options. As the exercise price of all the NBBL Options is above the Cash Alternative, the offer price under the Option Proposal will be HK\$1.00 per board lot (which comprises 10,000 NBBL Shares) or part board lot of NBBL Shares which would be issued if the relevant NBBL Options were exercised in full. Further details of the Option Proposal will be set out in the Scheme Document.

Confirmation of financial resources

On the basis that the Committed Shareholders elect the Private Holdco Shares Alternative and all the other Scheme Shareholders elect the Cash Alternative and that the NBBL Options are cancelled pursuant to the Option Proposal, the total maximum cash consideration payable under the Proposal is HK\$1,194,012,807 for 2,000,639,430 Scheme Shares and 2,852,887 NBBL Options, of which HK\$826,739,316 will be payable under the Cash Alternative in respect of 688,949,430 Scheme Shares (excluding the Committed Shares), HK\$367,273,200 will be payable under the cash consideration portion of the Private Holdco Shares Alternative in respect of 1,311,690,000 Committed Shares and HK\$291 will be payable under the Option Proposal to the NBBL Optionholders. Bidco will finance the amount payable under the Proposal from funds contributed by the Investment Funds to Holdco (via a special purpose vehicle) by way of equity subscription. Holdco will then contribute the funds to Bidco by way of an equity subscription or shareholder loan. Additionally, a letter of credit of HK\$1,255,652,000, which comprises the exact amount required to settle the total maximum cash consideration payable under the Proposal and the estimated fees and expenses of the Offeror Group incurred in connection with the Proposal, from The Royal Bank of Scotland plc is also available to Bidco for drawdown. Citi, the financial adviser to Bidco, is satisfied that resources are available to Bidco sufficient to implement the Proposal.

Overseas Scheme Shareholders and Overseas NBBL Optionholders

The making of the Proposal and the Option Proposal to and acceptance of the Proposal and the Option Proposal by persons not resident in Hong Kong may be subject to the laws of the relevant jurisdictions. Such persons should inform themselves about and observe any applicable legal or regulatory requirements. It is the responsibility of any overseas Scheme Shareholders and any overseas NBBL Optionholders wishing to accept the Proposal and the Option Proposal to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction.

Investors should be aware of, among other things but not limited to, the following risk factors of holding Holdco Shares:

- **Holdco Shares are illiquid and there is no ready market in Holdco Shares;**
- **Holdco Shares are not listed on any stock exchange and does not benefit from the protections afforded by the Listing Rules;**
- **there is no guarantee that any dividend payments will be paid in respect of Holdco Shares;**

- **changes in the business and economic environment could adversely affect operating profits or the value of Holdco's assets. For example, financial factors such as currency controls, devaluation or regulatory changes, or stability factors such as mass riots, civil war and other potential events could contribute to Holdco's operational risks;**
- **currency risk as a result of NBBL's assets and business operations being across national borders; and**
- **general business risk associated with the skin and beauty industry.**

CONDITIONS OF THE PROPOSAL

The Proposal will become effective and binding on NBBL and all Scheme Shareholders subject to fulfilment or waiver, as applicable, of the Conditions as set out in Schedule 1 to this announcement.

Bidco reserves the right (but is in no way obliged) to waive Conditions (h), (i), (j) and (k), either in whole or in respect of any particular matter. All of the Conditions will have to be fulfilled or waived, as applicable, on or before 31 March 2009 (or such later date as Bidco and NBBL may agree in writing), otherwise the Proposal will lapse.

WARNING: NBBL Shareholders and/or potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and that the Proposal and the Scheme may or may not become effective. They should therefore exercise caution when dealing in NBBL Shares.

IMPLEMENTATION AGREEMENT

On 10 November 2008, Bidco and NBBL entered into the Implementation Agreement, pursuant to which the parties agreed that Bidco will effect the proposed privatisation of NBBL by way of a scheme of arrangement under Section 86 of the Companies Law involving the cancellation of all the Scheme Shares and allotment and issue of new NBBL Shares to Bidco. If the Proposal is completed, it will result in NBBL becoming a wholly-owned subsidiary of Bidco.

Pursuant to the Implementation Agreement, NBBL has agreed to use its reasonable endeavours to implement the Scheme and has further undertaken to Bidco that it will not (and will procure that each member of the NBBL Group will not) without the prior written consent of Bidco (during the period between the date of the Implementation Agreement and the earlier of the Effective Date and the date of termination of the Implementation Agreement) do, among other things, the following (save for any action required to give effect to the Proposal and otherwise than as contemplated in the Scheme Document or other document required to be published in connection with the Scheme and the Implementation Agreement):

- carry on their respective businesses other than in the ordinary and usual course;
- transfer, assign or sub-license to any third party any intellectual property which it owns or has the right of use as at the date of the Implementation Agreement as well as any other intellectual property which it subsequently acquires or obtains the right of use of;

- (c) save for the obligations in respect of existing NBBL Options, allot, issue, authorise or propose the issue of any securities or make any change to its share capital;
- (d) recommend, propose, declare, pay or make any bonus issue, dividend or other distribution whether payable in cash or otherwise;
- (e) merge with any body corporate or acquire or dispose of any assets or authorise, proposed or announce any intention to propose any merger, demerger, acquisition or disposal;
- (f) issue, authorise or propose the issue of any debentures or, save in the ordinary course of business, incur or increase any indebtedness or contingent liability; and
- (g) enter into any contract, arrangement or commitment which is of a long-term, onerous or unusual nature or magnitude which, in any case, is material in the context of the NBBL Group taken as a whole.

Under the terms of the Implementation Agreement, Bidco will be entitled to terminate the Implementation Agreement prior to the Effective Date, by way of service of a written notice to NBBL, following a failure of any of the Conditions (which cannot be waived), or if the recommendation of the NBBL Directors as to whether the Scheme Shareholders should vote to approve the Proposal at the Court Meeting and the Extraordinary General Meeting contained in the Scheme Document is withdrawn prior to the Court's sanction of the Scheme and confirmation of the Reduction. There are no prescribed circumstances under the Implementation Agreement under which such recommendation of the NBBL Directors may be withdrawn. The NBBL Directors may, for example, withdraw any recommendation for the Proposal in the future if it receives a takeover offer from a third party on terms which are more favourable to Scheme Shareholders than the terms of the Proposal and Bidco fails to within five Business Days revise the terms of the Proposal such that the terms of the Proposal (as so revised) are no less favourable than those offered by the third party.

The Court and other corporate procedures for implementing the Proposal are carried out by NBBL in accordance with the terms of the Implementation Agreement, subject to the relevant laws in the Cayman Islands and the Takeovers Code. Should the Implementation Agreement be terminated, the continued implementation of the Proposal is dependant upon NBBL, the result of which is effectively controlled by the NBBL Board, and NBBL's implementation of the Proposal will be subject to the relevant laws in the Cayman Islands and the Takeovers Code and in particular, the NBBL Directors will have regard to their duties as directors of NBBL as to whether or not to proceed with the Proposal.

The NBBL Directors (other than members of the Independent Board Committee, which has been formed to advise the Disinterested Scheme Shareholders in connection with the Proposal, has yet to consider or evaluate the Proposal and which will set out its advice in the Scheme Document) agree with the Bidco Board's view in respect of the Proposal as set out under the section headed "Reasons for and Benefits to NBBL Shareholders of the Proposal" below and they intend to recommend the Proposal to the NBBL Shareholders. In the circumstances, the NBBL Directors (other than members of the Independent Board Committee as set out above) have decided to put forward to the Scheme Shareholders for their consideration, and proceed with, the Proposal. The Independent Board Committee will give its recommendation to the NBBL Shareholders in due course after having taken into account the advice of Somerley.

The termination of the Implementation Agreement will not affect Bidco's obligations under the Takeovers Code in respect of the Proposal and therefore Bidco's obligations under the Takeovers Code in respect of the Proposal (including the obligation under the Takeovers Code for an offeror to proceed with an offer unless the offer is subject to the fulfilment of a specific condition and that condition has not been

met) remain unaffected regardless of whether the Implementation Agreement is terminated. As discussed above, the Court and other corporate procedures for implementing the Proposal are carried out by NBBL. Therefore to that extent, Bidco is reliant on NBBL Directors to implement the Proposal in accordance with the relevant laws in the Cayman Islands and the Takeovers Code, and in this regard, NBBL Directors are under a fiduciary duty to act in the best interest of NBBL. This is the case irrespective of whether the Implementation Agreement exists or is terminated. Accordingly, the position of the NBBL Shareholders in relation to the Scheme will not be prejudiced in the event of a termination of the Implementation Agreement.

IRREVOCABLE UNDERTAKING TO ACCEPT THE PROPOSAL

Bidco has received Irrevocable Undertakings from the Committed Shareholders, pursuant to which the Committed Shareholders have undertaken to, amongst other things, vote (or procure votes) to approve the Proposal at the Court Meeting and the Extraordinary General Meeting in respect of the Committed Shares (which represent approximately 65.56% of the fully diluted issued share capital of NBBL) and elect the Private Holdco Shares Alternative as the form of Cancellation Consideration in respect of the Committed Shares. As at the date of this announcement, none of the Committed Shareholders holds any outstanding NBBL Options.

Under the terms of the Irrevocable Undertakings, the obligations of the respective Committed Shareholders are also irrevocably guaranteed by their respective Controlling Parties.

SHAREHOLDING STRUCTURE

As at the date of this announcement, there are 2,000,639,430 NBBL Shares in issue. All Disinterested Scheme Shareholders are entitled to vote at the Court Meeting and all NBBL Shareholders are entitled to vote at the Extraordinary General Meeting.

The table below sets out the shareholding structure of NBBL as at the date of this announcement:

	Number of NBBL Shares owned ('000)	% of the total issued share capital (rounded up to the nearest four decimal places)
Efficient Market ^(a)	838,530	41.9131
Adventa Group ^(b)	236,580	11.8252
Fortune Bright ^(c)	236,580	11.8252
Martin Currie (Holdings) Limited ^(d)	174,096	8.7020
Keywise Capital Management (HK) Limited ^(e)	161,540	8.0744
UBS AG	102,570	5.1269
Citibank N.A. ^(f)	5,535.4	0.2767
Others	245,208.03	12.2565
	<hr/>	<hr/>
Total	<u>2,000,639.43</u>	<u>100.0000</u>

Notes:

- (a) Efficient Market is beneficially wholly-owned by Knightcote Enterprises Limited. Knightcote Enterprises Limited is beneficially wholly-owned by Dr. Tsai Yen-Yu, the Chairwoman of NBBL and an NBBL Director. These shares are attributable to Dr. Tsai in respect of her 100% interest in Knightcote Enterprises Limited.
- (b) Adventa Group is beneficially wholly-owned by Beautivalue Holdings Limited. Beautivalue Holdings Limited, is beneficially wholly-owned by Dr. Su Chien Cheng, an NBBL Director. These shares are attributable to Dr. Su Chien Cheng in respect of his 100% interest in Beautivalue Holdings Limited.
- (c) Fortune Bright is beneficially wholly-owned by Colour Shine Holdings Limited. Colour Shine Holdings Limited, is beneficially wholly-owned by Dr. Su Sh Hsyu, an NBBL Director. These shares are attributable to Dr. Su Sh Hsyu in respect of her 100% interest in Colour Shine Holdings Limited.
- (d) Martin Currie (Holdings) Limited was incorporated in Bermuda in October 2007. It is headquartered in Edinburgh and is the holding company of Martin Currie Ltd, an investment management services firm managing over US\$25.0 billion in funds as at 30 June 2008.
- (e) Keywise Capital Management (HK) Limited, headquartered in Hong Kong, is a hedge fund specialising in small-cap investments across the Greater China region, according to www.InvestHK.gov.hk.
- (f) Citibank N.A., who is presumed to be a person acting in concert with Bidco, held 5,535,400 NBBL Shares as at 21 November 2008. Citi will obtain the updated position of Citibank N.A.'s shareholdings in NBBL as at the date of this announcement as soon as practicable and a further announcement disclosing its shareholdings in NBBL will be issued in the event its shareholdings in NBBL as at the date of this announcement is significantly different from its shareholdings as at 21 November 2008 as disclosed above.

Following the Effective Date and the withdrawal of the listing of the NBBL Shares on the Stock Exchange, NBBL will be wholly-owned by Bidco. As at the date of this announcement, other than the 2,852,887 NBBL Options convertible into 2,852,887 NBBL Shares which were granted under the NBBL Share Option Scheme, NBBL does not have any outstanding convertible securities, warrants, options or derivatives in respect of any NBBL Shares.

As at the date of this announcement, there is 1 Bidco Share and 1 Holdco Share in issue and there are no outstanding convertible securities, warrants, options or derivatives in respect of any Bidco Shares or Holdco Shares.

The table below sets out the shareholding structure of Holdco as at the date of this announcement and immediately following implementation of the Proposal assuming only the Committed Shareholders elected for the Private Holdco Shares Alternative:

	As at the date of this announcement		Immediately following implementation of the Proposal		
	% of the issued share capital	Number of Holdco Ord Shares	Number of Holdco Pref Shares	Amount of the issued share capital (HK\$ millions)	% of the issued share capital
CVC Holdco ^(a)	100	64,166 ^(b)	160,916,746 ^(b)	1,255.65 ^(b)	51.00
Committed Shareholders	0	61,649	154,606,277	1,206.41 ^(b)	49.00
Others	0	0	0	0	0.00
Total	100	125,815^(b)	315,523,023^(b)	2,462.06^(b)	100.00

Note:

- (a) As at the date of this announcement, CVC Holdco owns all the issued shares in Holdco which in turn owns all the issued shares in Bidco.
- (b) The number of Holdco Ord Shares and Holdco Pref Shares held by CVC Holdco immediately following the implementation of the Proposal as well as the amount of the issued share capital are calculated based on the exchange rate of HK\$7.80 : US\$1.

The table below sets out the shareholding structure of Holdco as at the date of this announcement and immediately following implementation of the Proposal assuming all Scheme Shareholders (including the Committed Shareholders) elected for the Private Holdco Shares Alternative:

	As at the date of this announcement	Immediately following implementation of the Proposal			
	% of the issued share capital	Number of Holdco Ord Shares	Number of Holdco Pref Shares	Amount of the issued share capital (HK\$ millions)	% of the issued share capital
CVC Holdco ^(a)	100	64,166 ^(b)	160,916,746 ^(b)	1,255.65 ^(b)	40.56
Committed Shareholders	0	61,649	154,606,277	1,206.41 ^(b)	38.97
Others	0	32,381	81,205,091	633.65 ^(b)	20.47
Total	100	158,196^(b)	396,728,114^(b)	3,095.71^(b)	100.00

Note:

- (a) As at the date of this announcement, CVC Holdco owns all the issued shares in Holdco which in turn owns all the issued shares in Bidco.
- (b) The number of Holdco Ord Shares and Holdco Pref Shares held by CVC Holdco immediately following the implementation of the Proposal as well as the amount of the issued share capital are calculated based on the exchange rate of HK\$7.80 : US\$1.

INFORMATION ON BIDCO, HOLDCO AND CVC HOLDCO

Bidco and Holdco are exempted companies incorporated in the Cayman Islands with limited liability on 31 October 2008. CVC Holdco is an exempted company incorporated in the Cayman Islands with limited liability on 19 June 2007. The principal business of each of the Offeror Group Companies is investment holding and to date, none of the Offeror Group Companies has conducted any business. Bidco is a wholly-owned subsidiary of Holdco which in turn is a wholly-owned subsidiary of CVC Holdco. Each of the Offeror Group Companies is ultimately owned by the Investment Funds of which CVC is the investment adviser. CVC is a private equity investment advisory company established in 1999 with offices in Hong Kong, Beijing, Seoul, Singapore, Tokyo and Sydney and advises funds managing equity capital of over US\$6.8 billion. CVC advises funds, including the Investment Funds which were established in July and September 2007 and which have a total of approximately US\$4.1 billion under management. Currently, funds advised by CVC have invested in over 30 companies with a combined enterprise value of approximately US\$20 billion. The Investment Funds are widely held among a large

number of investors comprising pension funds, financial institutions, university endowment funds, funds of funds and private individuals. Each of the Offeror Group Companies is an independent third party and is not connected with and is not a person acting in concert with NBBL or its subsidiaries or any connected persons of NBBL.

As at the date of this announcement, the Holdco Board comprises Mr. Roy Kuan, Mr. Hans Wang Watganai, Mr. Budi Mulyana and Mr. Roger Lin.

Mr. Roy Kuan, aged 42, is a managing partner of CVC. Mr. Kuan holds a BA from Georgetown University and an MBA from the Wharton School, University of Pennsylvania. Mr. Kuan joined CVC in 1999 and prior to that, he worked in Citigroup's Asia private equity investment team. Mr. Kuan is currently a director of several portfolio companies of funds managed by CVC.

Mr. Hans Wang Watganai, aged 38, is a director of CVC. Mr. Watganai holds a BS from Columbia University, a MS from Stanford University, and an MBA from Harvard Business School. Mr. Watganai joined CVC in 2006 and was previously head of M&A, Asia Pacific, at InBev S.A. Prior to that, he worked at McKinsey & Co. Mr. Watganai is currently a director of several portfolio companies of funds managed by CVC.

Mr. Budi Mulyana, aged 33, is an associate investment director of CVC. Mr. Mulyana holds a BS from Stanford University and a MS from University of Pennsylvania. Mr. Mulyana joined CVC in 2006 and prior to that, he worked at DBS Bank and Bear Stearns. Mr. Mulyana is currently a director of several portfolio companies of funds managed by CVC.

Mr. Roger Lin, aged 29, is an investment manager of CVC. Mr. Lin holds a BS in Engineering from the University of California, Berkeley. Mr. Lin joined CVC in 2008, and was previously an analyst in the Investment Banking Division of Citi.

The intention is to increase the size of the Holdco Board to 8 directors and for the composition to be reflective of the shareholding base of Holdco.

FURTHER INFORMATION ON HOLDCO

The registered office of Holdco is at Walker House, 87 Mary Street, George Town, Grand Cayman KY1-9002, Cayman Islands.

On 9 November 2008, the sole shareholder of Holdco had passed a resolution to authorise the increase of the authorised issued share capital of Holdco from US\$50,000 (divided into 5,000,000 Holdco Ord Shares) to US\$5,000,000 (divided into 10,000,000 Holdco Ord Shares and 490,000,000 Holdco Pref Shares).

As at the date of this announcement, the authorised and issued share capital of Holdco are as follows:

Authorised	<i>US\$</i>
10,000,000 Holdco Ord Shares of US\$0.01 each	100,000
490,000,000 Holdco Pref Shares of US\$0.01 each	<u>4,900,000</u>
Total	<u>5,000,000</u>
Issued and fully paid	
1 Holdco Ord Share of US\$0.01 each	<u>0.01</u>
Total	<u>0.01</u>

Since 31 October 2008 (being the date of incorporation of Holdco) and up to and including the date of this announcement:

- (a) Holdco has in issue 1 Holdco Ord Share and has not repurchased the Holdco Ord Share;
- (b) save as disclosed above, Holdco has not undergone any re-organisation of capital; and
- (c) Holdco has not entered into any material contracts, other than contracts entered into in the ordinary course of business carried on or intended to be carried on by Holdco or any of its subsidiaries.

As at the date of this announcement,:

- (a) there are no options, warrants or conversion rights affecting any Holdco Shares;
- (b) neither Holdco nor any of its subsidiaries have any bank overdrafts or loans, or other similar indebtedness, mortgages, charges or guarantees or other material contingent liabilities; and
- (c) Holdco is not engaged in any litigation or arbitration or claim of material importance and no litigation or claim of material importance is known to the Holdco Directors to be pending or threatened by or against Holdco.

Details of how and when the documents of title to the Holdco Shares will be issued will be set out in the Scheme Document.

INFORMATION ON NBBL

NBBL is an exempted company incorporated in the Cayman Islands with limited liability, the shares of which have been listed on the Stock Exchange since March 2002. The NBBL Group is principally engaged in the manufacture and selling of skin care, beauty and aromatherapeutic products, the provision of skin treatments, beauty and spa services, skin care consulting and beauty training.

A summary of the audited consolidated results of the NBBL Group for each of the two years ended 31 December 2006 and 2007 and the unaudited financial results for the six-month period ended on 30 June 2008 (published on 24 September 2008) is set out below:

	For the year ended 31 December		For the six months ended 30 June
	2006	2007	2008
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i> (unaudited)
Turnover	363,746	450,147	315,651
Profit before taxation	174,453	208,029	168,287
Profit after taxation	122,812	178,781	149,778
Profit attributable to NBBL Shareholders	123,198	178,707	149,655
Dividends	80,000	185,000	100,032
Dividends per NBBL Share (HK\$)	0.04	0.09	0.05
Basic Earnings per NBBL Share (HK\$)	0.062	0.089	0.075

As at 30 June 2008, the unaudited consolidated net assets of the NBBL Group attributable to NBBL Shareholders were approximately HK\$901,915,000, or approximately HK\$0.451 per NBBL Share (based on 2,000,639,430 NBBL Shares in issue as at the date of this announcement).

BIDCO'S INTENTION REGARDING NBBL

Following implementation of the Proposal, the Offeror Group intends that the NBBL Group will continue to carry on its current business of manufacturing and selling of skin care, beauty and aromatherapeutic products, the provision of skin treatments, beauty and spa services, skin care consulting and beauty training.

The Offeror Group has no plans, in the event the Scheme becomes effective, to (i) make any major disposal or redeployment of assets (including fixed assets) of the NBBL Group; or (ii) discontinue the employment of the employees of the NBBL Group.

Bidco intends to hold its shares in NBBL following the Effective Date for at least 3 to 5 years.

WITHDRAWAL OF LISTING OF NBBL SHARES ON THE STOCK EXCHANGE

Upon the Scheme becoming effective, all Scheme Shares will be cancelled (with an equivalent number of new NBBL Shares being issued to Bidco) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. Bidco will apply to the Stock Exchange for the withdrawal of the listing of NBBL on the Stock Exchange immediately following the Effective Date. NBBL will issue an announcement setting out a detailed timetable of the exact dates of the last day of dealing in NBBL Shares and on which the Scheme and the withdrawal of the listing of NBBL Shares will become effective in due course. A detailed timetable will also be set out in the Scheme Document, which will also contain, *inter alia*, further details of the Scheme.

The listing of the NBBL Shares on the Stock Exchange will not be withdrawn if the Scheme is not approved or lapses.

REASONS FOR AND BENEFITS TO NBBL SHAREHOLDERS OF THE PROPOSAL

The Bidco Board is of the view that the terms of the Proposal are attractive to the NBBL Shareholders and that the proposed privatisation of NBBL will be beneficial to the NBBL Shareholders in a number of ways.

The Bidco Board is of the view that the Proposal provides an opportunity for NBBL Shareholders to realise their holdings in an illiquid stock in return for cash. In this regard, the Bidco Board notes that the average daily traded volume of NBBL Shares from 2 January 2008 to 5 November 2008 was less than 1 million NBBL Shares per day, which is less than 0.05% of the total number of NBBL Shares in issue. The Bidco Board is of the view that the Proposal also provides NBBL Shareholders with an opportunity to realise their investment in NBBL for cash during current poor market conditions and allows NBBL Shareholders the opportunity to invest such cash in other investment opportunities that they may consider more attractive. In addition, the Bidco Board is of the view that the Proposal also provides NBBL Shareholders the opportunity to continue to participate in NBBL if desired through the election of the Private Holdco Shares Alternative.

Investors should be aware of, among other things but not limited to, the following risk factors of holding Holdco Shares:

- **Holdco Shares are illiquid and there is no ready market in Holdco Shares;**
- **Holdco Shares are not listed on any stock exchange and does not benefit from the protections afforded by the Listing Rules;**
- **there is no guarantee that any dividend payments will be paid in respect of Holdco Shares;**
- **changes in the business and economic environment could adversely affect operating profits or the value of Holdco's assets. For example, financial factors such as currency controls, devaluation or regulatory changes, or stability factors such as mass riots, civil war and other potential events could contribute to Holdco's operational risks;**
- **currency risk as a result of NBBL's assets and business operations being across national borders; and**
- **general business risk associated with the skin and beauty industry.**

DISCLOSURE OF DEALINGS

Associates of Bidco and NBBL are reminded to disclose their dealings in NBBL Shares, Bidco Shares and Holdco Shares.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

FINANCIAL ADVISERS, INDEPENDENT BOARD COMMITTEE AND GENERAL

Bidco has appointed Citi as its financial adviser in connection with the Proposal.

The Independent Board Committee has been formed to advise the Disinterested Scheme Shareholders in connection with the Proposal. Somerley has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Proposal. The Independent Board Committee has approved the appointment of Somerley.

NBBL will send to the NBBL Shareholders a Scheme Document (containing, *inter alia*, further details about the Proposal, the Scheme and the Option Proposal, the expected timetable, an explanatory statement as required under the Companies Law, the recommendation of the Independent Board Committee, a letter of advice from Somerley to the Independent Board Committee, a notice of the Court Meeting and a notice of the Extraordinary General Meeting) as soon as practicable and in compliance with the requirements of the Takeovers Code.

Trading of NBBL Shares on the Stock Exchange will be suspended on the day of the Court Meeting and the Extraordinary General Meeting. Trading of NBBL Shares on the Stock Exchange will also be suspended on the day of the hearing of the Court to (inter alia) sanction the Scheme and if the Scheme is sanctioned by the Court, will continue to be suspended until listing on the Stock Exchange is withdrawn. Further suspension of trading of NBBL Shares on the Stock Exchange as may be required will be further announced.

Save for the Proposal and the Scheme, there are no arrangements (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code between Bidco or any person acting in concert with it in relation to the shares of NBBL or Bidco which might be material to the Proposal.

The Bidco Board confirms that there is no agreement or arrangement to which Bidco is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Proposal.

The Bidco Board confirms that there are no relevant securities in NBBL which Bidco or any person acting in concert with it has borrowed or lent, save for any borrowed shares which have been either on-lent or sold.

The Holdco Board confirms that none of the emoluments of the Holdco Directors will be affected by the implementation of the Proposal.

At the request of NBBL, trading in NBBL Shares on the Stock Exchange was suspended from 9:30 a.m. on 6 November 2008, pending the issue of this announcement. Application has been made by NBBL to the Stock Exchange for resumption of trading in NBBL Shares on the Stock Exchange with effect from 9:30 a.m. on 26 November 2008.

SCHEDULE 1

CONDITIONS

- (a) the approval (by way of a poll) of the Scheme by a majority in number of the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting representing not less than three-fourths in value of those Disinterested Scheme Shares that are voted either in person or by proxy by the Disinterested Scheme Shareholders at the Court Meeting, provided that the Scheme is not disapproved at the Court Meeting by the Disinterested Scheme Shareholders holding more than 10% of the votes attaching to all the Disinterested Scheme Shares;
- (b) the passing of a special resolution to approve and give effect to the Reduction by cancelling all of the issued NBBL Shares by a majority of at least three-fourths of votes cast by the NBBL Shareholders present and voting in person or by proxy at the Extraordinary General Meeting and immediately thereafter, to apply the reserves created as a result of the aforesaid cancellation to pay up in full and issue to Bidco such number of new shares as is equal to the total issued share capital of NBBL (prior to the Reduction);
- (c) the sanction of the Scheme (with or without modifications) by the Court and to the extent necessary, the Court's confirmation of the Reduction and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Court for registration;
- (d) compliance, to the extent necessary, with the procedural requirements of Section 15 of the Companies Law and compliance with any conditions imposed under Section 16 of the Companies Law in each case in relation to the Reduction;
- (e) all Authorisations having been obtained in connection with the Scheme from the relevant Authorities, in Cayman Islands, Hong Kong and/or any other relevant jurisdictions;
- (f) the Authorisations remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any of the relevant Authorities which is not expressly provided for, or is in addition to requirements expressly provided for, in relevant laws, rules, regulations or codes in connection with the Proposal or any matters, documents (including circulars) or things relating thereto, in each aforesaid case up to and on the Effective Date;
- (g) all necessary consents from third parties (other than, for the avoidance of doubt, any that may be required from Bidco, Holdco, CVC Holdco, CVC or the Investments Funds or any of their respective associates) which may be required under any existing contractual obligations of NBBL or its subsidiaries being obtained and remaining in full force and effect without modification;
- (h) save as disclosed to Bidco and including publicly disclosed through filings by NBBL with the Stock Exchange up to the date of this announcement, there being no provision of any arrangement, agreement, licence or other instrument to which any member of the NBBL Group is a party or by or to which any of them is or are or may be bound, entitled or subject which as a consequence of the implementation of the Proposal or because of a change in control or management of NBBL could or might reasonably result in, to an extent which is material in the context of the NBBL taken as a whole:

- (i) any monies borrowed by or other indebtedness (actual or contingent) of any member of the NBBL Group being repayable or being capable of being declared payable prior to their stated maturity;
 - (ii) the creation of any mortgage, charge or other security interest over the whole or any material part of the business, property or assets of any member of the NBBL Group or any such security (whether arising or having arisen) becoming enforceable;
 - (iii) any such arrangement, agreement, licence or other instrument being terminated or adversely modified or any obligation or liability arising thereunder;
- (i) save as publicly announced prior to 25 November 2008 (being the date of this announcement and except in so far as such event forms part of the Proposal or the Scheme), no member of the NBBL Group having since 30 June 2008 (being the date to which the latest published unaudited accounts of NBBL were made up):
- (i) save for transactions between members of the NBBL Group, issued, agreed or authorised or proposed the issue of additional shares of any class, or securities convertible into, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities and including, for the avoidance of doubt, any scrip dividend or alter its authorised issue share capital, other than pursuant to the obligations in respect of existing NBBL Options;
 - (ii) other than lawfully to another member of the NBBL Group recommended, proposed, declared, paid or made any bonus issue, dividend or other distribution whether payable by cash or otherwise;
 - (iii) save for transactions between members of the NBBL Group, merged with any body corporate or acquired or disposed of any assets or authorised, proposed or announced any intention to propose any merger, demerger, acquisition or disposal;
 - (iv) save for transactions between members of the NBBL Group, issued, authorised or proposed the issue of any debentures or, save in the ordinary course of business, incurred or increased any indebtedness or contingent liability;
 - (v) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or redeemed or reduced or made any other change to any part of its share capital; or
 - (vi) save for transactions between members of the NBBL Group, entered into any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long-term, onerous or unusual nature or magnitude, and which involves or is likely to involve an obligation of a nature or magnitude which, in any case, is material in the context of the NBBL Group taken as a whole;

- (j) save as publicly announced prior to 25 November 2008 (being the date of this announcement and except in so far as such event forms part of the Proposal or the Scheme), since 30 June 2008 (being the date to which the latest published unaudited accounts of NBBL were made up):
- (i) there having been no material adverse change in the business, financial or trading position or prospects of any member of the NBBL Group to an extent which is material in the context of the NBBL Group taken as a whole; and
 - (ii) there not having been instituted or remaining outstanding any material litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the NBBL Group is a party (whether as plaintiff or defendant or otherwise) and no such proceedings having been threatened in writing against any such member and no investigation by any government or quasi-governmental, supranational, regulatory or investigative body or court against or in respect of any such member or the business carried on by any such member having been threatened in writing, announced, instituted or remaining outstanding by, against or in respect of any such member in each case which is material and adverse in the context of the NBBL Group taken as a whole; and
- (k) each member of the NBBL Group remaining solvent and not being subject to any insolvency or bankruptcy proceedings or likewise and no liquidator, receiver or other person carrying out any similar function having been appointed anywhere in the world in respect of the whole or any substantial part of the assets and undertakings of any member of the NBBL Group from the date of this announcement up to the date when all the Conditions are satisfied or waived, as applicable.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“acting in concert”	has the meaning ascribed to this term under the Takeovers Code
“Adventa Group”	Adventa Group Limited, a company incorporated in the British Virgin Islands
“Associates”	has the meaning ascribed to this term under the Takeovers Code
“Authority”	any relevant government, administrative or regulatory body or court tribunal, arbitrator or governmental agency or authority or department
“Authorisation”	all necessary approvals, licences, consents, registrations, filing, rulings, permits and authorisations from any Authority in connection with the Proposal
“Bidco”	Global Radiance Company Limited, an exempted company incorporated in the Cayman Islands with limited liability (registered no.WK-219222), whose registered office is at Walker House, 87 Mary Street, George Town, Grand Cayman KY1-9002, Cayman Islands and which is a wholly-owned subsidiary of Holdco

“Bidco Board”	the board of Bidco Directors
“Bidco Directors”	the directors of Bidco
“Bidco Shares”	ordinary shares of US\$0.01 each in the share capital of Bidco
“Business Day”	a day other than a Saturday, Sunday or public holiday in Hong Kong or the Cayman Islands
“Bye-Laws”	the articles of association of Holdco
“Cancellation Consideration”	the Cash Alternative or the Private Holdco Shares Alternative
“Cash Alternative”	the cash consideration alternative under the Proposal, being HK\$1.20 in cash for every Scheme Share
“Citi”	Citigroup Global Markets Asia Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) of the regulated activities
“Class” or “Classes”	any class or classes of Holdco Shares as may from time to time be issued by Holdco
“Companies Law”	the Companies Law (2007 Revision) of the Cayman Islands
“Committed Shareholders”	Efficient Market, Adventa Group and Fortune Bright
“Committed Shares”	(i) the aggregate of 1,311,690,000 NBBL Shares owned by Efficient Market, Adventa Group and Fortune Bright, representing approximately 65.56% of the NBBL Shares in issue); (ii) any other NBBL Share which Efficient Market, Adventa Group or Fortune Bright may acquire on or after the date hereof; and (iii) any other NBBL Shares attributable to or derived from the NBBL Shares referred to in (i) and (ii)
“Conditions”	the conditions to the implementation of the Proposal as set out above in Schedule 1 to this announcement
“Controlling Parties”	in the case of Efficient Market, Dr. Tsai Yen-Yu; in the case of Adventa Group, Dr. Su Chien Cheng; and in the case of Fortune Bright, Dr. Su Sh Hsyu
“Court”	the Grand Court of the Cayman Islands
“Court Meeting”	a meeting of the Disinterested Scheme Shareholders to be convened at the direction of the Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof

“CVC”	CVC Asia Pacific Ltd., a company incorporated in Hong Kong
“CVC Holdco”	Global Radiance Group Limited, an exempted company incorporated in the Cayman Islands with limited liability (registered no. MC-189470), whose registered office is at Walker House, 87 Mary Street, George Town, Grand Cayman KY1-9002, Cayman Islands, and which is wholly-owned by the Investment Funds
“CVC Holdco Board”	the board of CVC Holdco Directors
“CVC Holdco Directors”	the directors of CVC Holdco
“Disinterested Scheme Shareholders”	the Scheme Shareholders other than the Offeror Group and any other persons acting in concert with Bidco
“Disinterested Scheme Shares”	the NBBL Shares held by the Disinterested Scheme Shareholders
“Effective Date”	the date on which the Scheme becomes effective in accordance with its terms and which date will, in any event, be no later than 31 March 2009 (or such other date as Bidco and NBBL may agree from time to time)
“Efficient Market”	Efficient Market Investments Limited, a company incorporated in the British Virgin Islands
“Executive”	the executive director of the Corporate Finance Division of the SFC, or any delegate of the executive director
“Extraordinary General Meeting”	an extraordinary general meeting of the NBBL Shareholders (including any adjournment thereof) to be convened to consider and vote on, among other things, the Reduction (but not the Scheme as approval of the Scheme by the Disinterested Scheme Shareholders takes place at the Court Meeting)
“Fortune Bright”	Fortune Bright Group Limited, a company incorporated in the British Virgin Islands
“Holdco”	Global Radiance Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability (registered no. WK-219223), whose registered office is at Walker House, 87 Mary Street, George Town, Grand Cayman KY1-9002, Cayman Islands and which is ultimately wholly-owned by funds advised by CVC
“Holdco Board”	the board of Holdco Directors
“Holdco Directors”	the directors of Holdco
“Holdco Ord Shares”	ordinary shares of US\$0.01 each in the share capital of Holdco

“Holdco Pref Shares”	preference shares of US\$0.01 each in the share capital of Holdco
“Holdco Pref Shareholders”	a person who is registered as the holder of Holdco Pref Shares
“Holdco Shareholder”	a person who is registered as the holder of Holdco Shares
“Holdco Shares”	a share in the capital of Holdco following the implementation of the Proposal and the Scheme and shall be deemed to be shares of any or all Classes, including Holdco Ord Shares and Holdco Pref Shares, as the context may require
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Implementation Agreement”	the agreement entered into between Bidco and NBBL on 10 November 2008 whereby the parties have agreed that Bidco will effect the proposed privatisation of NBBL by way of a scheme of arrangement under Section 86 of the Companies Law and on the terms and conditions of the implementation of the Proposal
“Independent Board Committee”	the independent committee of the NBBL Board comprising of all the independent non-executive directors of NBBL, namely Mr. Yeh Liang Fei, Mrs. Chen Shieh Shu Chen and Mr. Chen Ching, established for the purpose of advising the Disinterested Scheme Shareholders in relation to the Scheme
“Investment Funds”	CVC Capital Partners Asia Pacific III L.P. and CVC Capital Partners Asia Pacific III Parallel Fund – A, L.P. which ultimately own Holdco
“Irrevocable Undertakings”	the irrevocable undertaking given by each of Efficient Market, Adventa Group and Fortune Bright all dated 9 November 2008 respectively in respect of the Committed Shares in favour of Bidco as mentioned above in this announcement under the section headed “Irrevocable Undertaking to Accept the Proposal”
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NBBL”	Natural Beauty Bio-Technology Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“NBBL Board”	the board of NBBL Directors
“NBBL Directors”	the directors of NBBL
“NBBL Group”	NBBL and its subsidiaries
“NBBL Option”	option(s) granted under the NBBL Share Option Scheme

“NBBL Optionholders”	Holders of NBBL Options under the NBBL Share Option Scheme
“NBBL Shareholder”	a person entered in the register of members of NBBL as the holder from time to time of NBBL Shares
“NBBL Shares”	ordinary shares of HK\$0.10 each in the share capital of NBBL
“NBBL Share Option Scheme”	the share option scheme of NBBL adopted on 11 March 2002
“Offeror Group”	Bidco, Holdco and CVC Holdco
“Offeror Group Company”	any member of the Offeror Group and “Offeror Group Companies” shall be construed accordingly
“Option Proposal”	the cash offer to be made by Bidco to cancel the NBBL Options under the NBBL Share Option Scheme and which will be conditional on the Scheme becoming effective
“person”	any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires
“Private Holdco Shares Alternative”	the cash and share alternative under the Proposal, being 0.000047 Holdco Ord Shares and 0.117868 Holdco Pref Share(s), plus cash of HK\$0.28, for every Scheme Share
“Proposal”	the proposal for the privatisation of NBBL by Bidco to be effected by way of the Scheme
“Record Date”	record date for determining entitlements under the Scheme
“Reduction”	the proposed reduction of the issued share capital of NBBL in connection with the Proposal under the Companies Law
“Scheme”	a scheme of arrangement under section 86 of the Companies Law involving the cancellation of all the Scheme Shares, and the subsequent issue of an equivalent number of new NBBL Shares to Bidco
“Scheme Document”	the document to be despatched to the NBBL Shareholders containing, <i>inter alia</i> , further details about the Proposal and the Scheme, the expected timetable, an explanatory statement as required under the Companies Law, the recommendation of the Independent Board Committee, a letter of advice from the independent financial adviser to the Independent Board Committee, a notice of the Court Meeting and a notice of the Extraordinary General Meeting
“Scheme Shares”	the NBBL Shares held by the Scheme Shareholders

“Scheme Shareholders”	the NBBL Shareholders whose names appear on NBBL’s register of members on the Record Date
“SFC”	the Securities and Futures Commission of Hong Kong
“Somerley”	Somerley Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) of the regulated activities and the independent financial adviser to the Independent Board Committee
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

By order of the board of
**GLOBAL RADIANCE
COMPANY LIMITED**
Mr. Hans Wang Watganai
Director

By order of the board of
**NATURAL BEAUTY
BIO-TECHNOLOGY LIMITED**
Mr. Yeh Liang Fei
Independent Non-executive Director

Hong Kong, 25 November 2008

As at the date of this announcement, the Bidco Board comprises Mr. Roy Kuan, Mr. Hans Wang Watganai, Mr. Budi Mulyana and Mr. Roger Lin.

As at the date of this announcement, the Holdco Board comprises Mr. Roy Kuan, Mr. Hans Wang Watganai, Mr. Budi Mulyana and Mr. Roger Lin.

As at the date of this announcement, the CVC Holdco Board comprises Mr. Roy Kuan, Mr. Hans Wang Watganai, Mr. Budi Mulyana and Mr. Roger Lin.

As at the date of this announcement, the NBBL Board comprises Dr. Tsai Yen-Yu (Chairman), Mr. Lee Ming Ta, Dr. Su Chien Cheng and Dr. Su Sh Hsyu as executive directors; and Mr. Yeh Liang Fei, Mrs. Chen Shieh Shu Chen and Mr. Chen Ching as independent non-executive directors.

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

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