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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)

DELAY IN PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND DESPATCH OF ANNUAL REPORT OF THE GROUP FOR THE YEAR ENDED 31 DECEMBER 2003

The Board wishes to inform the Shareholders that there will be a delay in the publication of the annual results announcement and the despatch of the annual report of the Group for the year ended 31 December 2003 to a date not later than 31 May 2004.

The delay in the publication of the annual results announcement and despatch of the annual report of the Group for the year ended 31 December 2003 constitutes a breach of Rule 13.49(1) and Rule 13.46(2)(a) of the Listing Rules respectively, and the Stock Exchange has indicated that it will reserve its right to take appropriate action against the Company and/or the Directors.

The date of the Board Meeting where the results of the Group for the year ended 31 December 2003 are to be approved for publication will be notified to the Stock Exchange in accordance with Rule 13.43 of the Listing Rules.

In order to comply with Rule A3(b) of Appendix 10 to the Listing Rules, the Directors confirm that they have not dealt in the securities of the Company since 29 March 2004, being one month immediately preceding the deadline for the Company to publish an announcement of its annual results, and they have undertaken to the Stock Exchange that they will not deal in the securities of the Company until the date of the annual results announcement of the Group for the year ended 31 December 2003.

The board of directors (the “**Board**”) of Natural Beauty Bio-Technology Limited (the “**Company**”) wishes to inform the shareholders (the “**Shareholders**”) of the Company that there will be a delay in the publication of the annual results announcement and the despatch of the annual report of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2003 to a date not later than 31 May 2004. The delay is to allow the Company to finalise its accounts and the auditors (the “**Auditors**”) of the Group, Messrs. KPMG, which were newly appointed by the Company with effect from 9 February 2004, to complete their audit of the financial statements of the Group for the year ended 31 December 2003. The Auditors have requested the Company to provide additional information in relation to the financial statements of the Group, in particular, the valuation of inventories as at 31 December 2003 and the opening balances as at 1 January 2003 brought forward from the prior year which were audited by

Messrs. PricewaterhouseCoopers. The Auditors have indicated to the Company that they will require more time to review such information. Please refer to the announcement of the Company dated 11 February 2004 regarding a change of auditors from Messrs. PricewaterhouseCoopers to Messrs. KPMG.

Pursuant to Rule 13.49(1) and Rule 13.46(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) respectively, the annual results announcement and the annual report of the Group for the year ended 31 December 2003 have to be published and despatched to the Shareholders not more than four months after the financial year to which they relate i.e. on or before 30 April 2004. As the Auditors were only appointed by the Company with effect from 9 February 2004, the Auditors have indicated to the Company that they would need more time to audit the financial statements of the Group for the year ended 31 December 2003. The management of the Company, having discussed with the Auditors, considers that a further period of not more than 31 days (i.e. a postponement from 30 April 2004 to a date not later than 31 May 2004 as agreed with the Auditors) is required to let the auditors to complete their audit work.

The delay in the publication of the annual results announcement and the despatch of the annual report of the Group for the year ended 31 December 2003 constitutes a breach of said Rule 13.49(1) and Rule 13.46(2)(a) of the Listing Rules respectively, and the Stock Exchange has indicated that it will reserve its right to take appropriate action against the Company and/or the directors (the “**Directors**”) of the Company.

Having discussed with the Auditors during the process of the audit, the Company requires further time and information to review the valuation of inventories as at 31 December 2003 including the compilation of the inventories balances and considering any write-off or write-back of provision against the inventories if necessary which review may or may not result in any changes to the relevant figures. Due to an increase in both the number of entities of the Group and the locations for keeping the inventories of the Group during the year ended 31 December 2003, there was an increase in workload and the time required to finalize the valuation of the inventories of the Group. Therefore the unaudited management accounts of the Group are still being reviewed and finalized by the management of the Company and the Board is of the view that it is not appropriate to disclose information in relation to the unaudited management accounts of the Group at this stage. As far as the Directors are aware, no problem in relation to the valuation of inventories as at 31 December 2003 has been identified.

The date of the Board Meeting where the results of the Group for the year ended 31 December 2003 are to be approved for publication will be notified to the Stock Exchange in accordance with Rule 13.43 of the Listing Rules.

In order to comply with Rule A3(b) of Appendix 10 to the Listing Rules, the Directors confirm that they have not dealt in the securities of the Company since 29 March 2004, being one month immediately preceding the deadline for the Company to publish an announcement of its annual results, and they have undertaken to the Stock Exchange that they will not deal in the securities of the Company until the date of the annual results announcement for the year ended 31 December 2003.

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

Executive Directors

Tsai Yen Yu

Lee Ming Ta

Su Chien Cheng

Non-executive Director

Su Sh Hysu

Independent non-executive Directors

Yeh Liang Fei

Chen Shieh Shu Chen

Hong Kong, 30 April 2004

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