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MODERN BEAUTY SALON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 919)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (“EGM”) of Modern Beauty Salon Holdings Limited (“Company”) will be held at Lower G/F, Far East Finance Centre, No. 16 Harcourt Road, Admiralty, Hong Kong, on Thursday, 27 October 2011 at 11:00 a.m., to consider and, if thought fit, pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (A) notwithstanding anything contained in the Deed of Undertaking (as defined in the circular of the Company dated 30 September 2011 (“**Circular**”), a copy of which is marked “**A**” and signed by the chairman of the meeting for identification purpose and has been tabled at the meeting), the Sale and Purchase Agreement (as defined in the Circular) dated 5 July 2011 (as amended by the Supplemental Sale and Purchase Agreement (as defined in the Circular)) entered into between the Vendor and the Purchaser in respect of the Acquisition (as defined in the Circular) be and is hereby approved;
- (B) subject to the Completion (as defined in the Circular), the creation and issue of the Convertible Note (as defined in the Circular), a draft of which is marked “**B**” and signed by the chairman of the meeting for identification purpose has been tabled at the meeting, on and subject to the terms and conditions of the Sale and Purchase Agreement be and are hereby approved and the allotment and issue of the Conversion Shares (as defined in the Convertible Note) upon exercise of the conversion rights attaching to the Convertible Note in accordance with the terms and conditions of the Convertible Note be and are hereby approved; and
- (C) all other transactions contemplated under the Sale and Purchase Agreement be and are hereby approved and the directors of the Company be and are hereby authorised to do all such acts and things, to sign and execute such documents or agreements or deeds on behalf of the Company and to do such other things and to take all such actions as they consider necessary, appropriate, desirable or expedient for the purposes of giving effect to or in connection with the Sale and Purchase Agreement, the creation and issue of the

Convertible Note and the allotment and issue of the Conversion Shares upon exercise of the conversion rights attaching to the Convertible Note in accordance with the terms and conditions of the Convertible Note, and to agree to such variation, amendments or waivers or matters relating thereto (including any variation, amendments or waiver of such documents or any terms thereof, which are not fundamentally different from those as provided in the Agreement) as are, in the opinion of the directors of the Company, in the interest of the Company and its shareholders as a whole.”

By the order of the Board of
Modern Beauty Salon Holding Limited
Leung Man Kit
Executive Director

Hong Kong, 30 September 2011

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George Town
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As at the date hereof, the Board consists of four executive Directors, Ms. Tsang Yue, Joyce, Mr. Yip Kai Wing, Mr. Leung Man Kit and Mr. Wong Shu Pui and three independent non-executive Directors, Ms. Liu Mei Ling, Rhoda, Mr. Wong Man Hin, Raymond and Mr. Hong Po Kui, Martin.

1. Any member of the Company entitled to attend and vote at the EGM is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. To be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof, must be lodged with the Company's share registrar, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the EGM.
3. Where there are joint holders of any share, any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the EGM the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.