

NOTICE OF ANNUAL GENERAL MEETING



BEAUTY CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Company Registration No.: 118384)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Beauty China Holdings Limited (the "Company") will be held at Orchard Ballroom 3, Level 3, Orchard Hotel, 442 Orchard Road, Singapore 238879 on Monday, 6 July 2009 at 3.00 p.m. to transact the following ordinary and special businesses:

AS ORDINARY BUSINESS

- To receive and adopt the Directors' Report and Audited Accounts of the Company for the financial year ended 31 December 2008 and the Auditors' Report thereon. **(Resolution 1)**
- To re-elect Mr Wong Hon Kin, a Director retiring pursuant to Article 85(6) of the Articles of Association of the Company. **(Resolution 2)**
- To re-elect Mr Tong Hing Wah, a Director retiring by rotation pursuant to Article 86(1) of the Articles of Association of the Company. [See Explanatory Note (i)] **(Resolution 3)**
- To approve the payment of Directors' fees of HK\$672,000 for the financial year ended 31 December 2008 (2007 : HK\$504,000). **(Resolution 4)**
- To re-appoint Messrs Foo Kon Tan Grant Thornton and Messrs HLB Hodgson Impey Cheng, as Joint Auditors of the Company, and to authorise the Directors to fix their remuneration. **(Resolution 5)**
- To transact any other ordinary business that may be transacted at an annual general meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as an Ordinary Resolutions, with or without any modifications: -

- Authority to allot and issue shares up to fifty per cent. (50%) of the total number of issued shares**

"That pursuant to the relevant listing rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors to:

- (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this authority may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this authority was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to such authority (including shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed fifty per cent. (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to the existing shareholders (including shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed twenty per cent. (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of the issued share capital shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this authority is given, after adjusting for:

- (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this authority is passed; and
- (ii) any subsequent consolidation or sub-division of shares; and

- (3) (unless revoked or varied by the Company in general meeting) the authority conferred by this authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier." [See Explanatory Note (ii)]

(Resolution 6)

- Authority to allot and issue shares up to one hundred per cent. (100%) of the total number of issued shares via a pro-rata renounceable rights issue**

"That pursuant to the relevant listing rules of the SGX-ST, authority be and is hereby given to the Directors to issue shares in the capital of the Company by way of a pro-rata renounceable rights issue at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that:

- (1) the aggregate number of shares to be issued pursuant to such authority does not exceed one hundred per cent. (100%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of the issued share capital shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this authority is given, after adjusting for:

- (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this authority is passed; and
- (ii) any subsequent consolidation or sub-division of shares; and

- (3) (unless revoked or varied by the Company in general meeting) the authority conferred by this authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier." [See Explanatory Note (iii)]

(Resolution 7)

- Authority to allot and issue shares on a non pro-rata basis at a discount not exceeding twenty per cent. (20%) of the total number of issued shares**

"That subject to and pursuant to the share issue mandate in Ordinary Resolution 6 above being obtained, authority be and is hereby given to the Directors of the Company to issue new shares on a non pro-rata basis to shareholders of the Company at an issue price per new share which shall be determined by the Directors in their absolute discretion provided that such price shall not be more than a twenty per cent. (20%) discount to the weighted average price per share determined in accordance with the requirements of the SGX-ST." [See Explanatory Note (iv)]

(Resolution 8)

- Authority to offer and grant options and issue shares in accordance with the provisions of the Beauty China Employee Share Option Scheme**

"That the Directors be and are hereby empowered to offer and grant options, and to allot and issue from time to time such number of shares as may be required to be issued pursuant to the exercise of options granted in accordance with the provisions of the Beauty China Employee Share Option Scheme (the "Scheme") provided always that the aggregate number of shares in respect of which such options may be granted and which may be issued pursuant to the Scheme shall not exceed fifteen per cent. (15%) of the issued share capital of the Company from time to time." [See Explanatory Note (v)]

(Resolution 9)

BY ORDER OF THE BOARD

WONG KIN TAK
HO CHEE TONG
BENNY LIM HENG CHONG
JOINT COMPANY SECRETARIES

Singapore, 19 June 2009

Explanatory Notes:

- (i) Mr Tong Hing Wah, upon re-election as a Director of the Company, will remain as Chairman as the Audit Committee and as a member of Nominating and Remuneration Committees and will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.

- (ii) The Ordinary Resolution 6, if passed, will authorise the Directors of the Company to allot and issue shares not exceeding fifty per cent. (50%) of the Company's issued share capital (excluding treasury shares), with an aggregate sub-limit of twenty per cent. (20%) of the Company's share capital (excluding treasury shares) for any issue of shares not made on a pro-rata basis to shareholders of the Company.

- (iii) The Ordinary Resolution 7, if passed, will authorise the Directors of the Company to allot and issue shares not exceeding one hundred per cent. (100%) of the Company's issued share capital (excluding treasury shares), up from the fifty per cent. (50%) limit on a pro-rata basis as set out in Ordinary Resolution 6 above, only by way of a pro-rata renounceable rights issue. Accordingly, Ordinary Resolutions 6 and 7 do not confer any authority on the Directors to issue shares exceeding, in aggregate, 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company. The mandate sought under Ordinary Resolution 7 is conditional upon the Company:-

- (a) making periodic announcements on the use of the proceeds as and when the funds are materially disbursed; and
- (b) providing a status report on the use of proceeds in its annual report.

This is one of the new measures introduced by SGX-ST, in consultation with the Monetary Authority of Singapore, to accelerate and facilitate listed issuers' fund raising efforts. This new measure takes effect on 20 February 2009 and will be effective until 31 December 2010.

- (iv) The Ordinary Resolution 8, if passed, will authorise the Directors of the Company to allot and issue new shares on a non pro-rata basis at a discount not exceeding twenty per cent. (20%), as compared to ten per cent. (10%) allowed previously. This is also a new measure introduced by the SGX-ST, and this authority will continue in force until the next annual general meeting of the Company.

- (v) The Ordinary Resolution 9, if passed, will authorise the Directors of the Company, to offer and grant options, and to allot and issue shares upon the exercise of such options in accordance with the Scheme.

Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting of the Company who is the holder of two or more shares is entitled to appoint not more than two proxies to attend and vote instead of him. A proxy need not be a member of the Company.

2. If a member of the Company, being a Depositor (as defined in the Articles of the Company) whose name appears in the Depository Register (as defined in the Articles of the Company) wishes to attend and vote at the Annual General Meeting, he must be shown to have shares entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited.

3. If a member or Depositor wishes to appoint a proxy/proxies, then the Member Proxy Form or Depositor Proxy Form, as the case may be, must be completed, signed and deposited at the office of the Company's Singapore share transfer agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 3 Church Street #08-01, Samsung Hub, Singapore 049483, at least 48 hours before the time of the Annual General Meeting.

4. If a member who has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members is unable to attend the Annual General Meeting and wishes to appoint a proxy, he should use both the Depository Proxy Form and Member Proxy Form accordingly.

5. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register and has shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, the form of proxy will be deemed to relate to all shares held by the member.

6. In any case where an instrument of proxy appoints more than one proxy (including the case when a CDP Proxy Form is used), the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument of proxy.

7. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same or, in the case of the Depository, signed by its duly authorised officer by some method or system of mechanical signature as the Depository may deem appropriate. In the case of an instrument of proxy purporting to be signed on behalf of a Corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument or proxy on behalf of the corporation without further evidence of the fact.

8. A Depositor who is an individual and who wishes to attend the Annual General Meeting in person need not take any further action and can attend and vote at the Annual General Meeting as CDP's proxy without the lodgment of any proxy form.