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This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. This announcement is made pursuant to the requirement under section 9(2) of the Securities and Futures (Price Stabilizing) Rules.

Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the prospectus dated 27 January 2006 (the "Prospectus") issued by Modern Beauty Salon Holdings Limited (the "Company").



MODERN BEAUTY SALON HOLDINGS LIMITED

(現代美容控股有限公司)

(incorporated in the Cayman Islands with limited liability)

(Stock code: 919)

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company makes this announcement pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Cap. 571W of the Laws of Hong Kong) and announces that the stabilization period in connection with the Share Offer ended on 5 March 2006.

The stabilizing actions undertaken during the stabilization period were:

- (1) the borrowing of an aggregate of 10,000,000 Shares from Silver Hendon Enterprises Corp., solely to cover over-allocations in the Placing; and
- (2) the purchase of 10,000,000 Shares in the price range of HK\$0.89 to HK\$0.94 per Share in the secondary market, representing approximately 5.56% of the total number of Shares in the Share Offer.

The Over-allotment Option has not been exercised and lapsed on 5 March 2006.

The Company makes this announcement pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Cap. 571W of the Laws of Hong Kong) and announces that the stabilization period in connection with the Share Offer ended on 5 March 2006.

The stabilizing actions that have been taken by Sun Hung Kai, as stabilizing manager, during the stabilization period were:

- (1) the borrowing of an aggregate of 10,000,000 Shares by Sun Hung Kai from Silver Hendon Enterprises Corp. pursuant to the Stock Borrowing Agreement dated 26 January 2006, solely to cover over-allocations in the Placing; and

- (2) the purchase of 10,000,000 Shares in the price range of HK\$0.89 to HK\$0.94 per Share in the secondary market, representing approximately 5.56% of the total number of Shares in the Share Offer, used for the purpose of returning to Silver Hendon Enterprises Corp. the 10,000,000 Shares borrowed.

The last purchase made in the course of the stabilization period on the market was on 10 February 2006 at the price of HK\$0.89 per Share.

The Over-allotment Option has not been exercised and lapsed on 5 March 2006.

By order of the Board
Modern Beauty Salon Holdings Limited
Tsang Yue, Joyce
Chairperson

Hong Kong, 6 March 2006

As at the date of this announcement, the Board consists of five executive Directors, Ms. Tsang Yue, Joyce, Mr. Lee Soo Ghee, Ms. Yuen Siu Ping, Mr. Hung Fan Kwan and Mr. Yip Kai Wing and three independent non-executive Directors, Mr. Wong See Hong, Mr. Yu How Yuen and Mr. Cheng Kai Tai, Allen.

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