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MODERN BEAUTY SALON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 919)

**APPOINTMENT OF EXECUTIVE DIRECTOR
AND
CHANGE OF CHIEF EXECUTIVE OFFICER,
MEMBER OF NOMINATION COMMITTEE,
MEMBER OF REMUNERATION COMMITTEE AND
CHAIRPERSONS OF EACH OF THE BOARD OF DIRECTORS,
NOMINATION COMMITTEE AND REMUNERATION COMMITTEE
AND
RE-DESIGNATION AND APPOINTMENT OF
CHIEF ADMINISTRATIVE OFFICER**

The board of directors (the “Board”) of Modern Beauty Salon Holdings Limited (the “Company”) together with its subsidiaries (the “Group”) is pleased to announce that Ms. Tsang Yue, Joyce (“Ms. Tsang”) has been appointed as Executive Director, Chief Executive Officer, member of Nomination Committee, member of Remuneration Committee and Chairpersons of each of the Board, Remuneration Committee and Nomination Committee of the Company and whilst Mr. Lee Soo Ghee (“Mr. Lee”) has resigned as Chief Executive Officer, member of Nomination Committee, member of Remuneration Committee, and Chairpersons of each of Nomination Committee, Remuneration Committee and the Board of the Company due to changes in management responsibilities and has been re-designated and appointed as Chief Administrative Officer of the Company. All of the above changes take effect on 16th April, 2010.

The biographical details of Ms. Tsang are set out as follows :-

Ms. Tsang, aged 49, is the founder and substantial shareholder of the Company. She was also the former Chief Executive Officer, Executive Director, member of Nomination Committee, member of Remuneration Committee, and Chairpersons of each of Nomination Committee, Remuneration Committee and the Board of the Company until 26 November 2008. She is a veteran in the beauty and healthcare industry who has profound industry understanding and distinctive knowhow to originate and capitalize on the trends and changes seen in the market. Her wealth of knowledge of the business and corporate management had enabled to spearhead business growth at the Group in a dynamic manner. Ms. Tsang is the spouse of Mr. Lee and the mother of Mr. Kwong Chi Ching, an Executive Director of the Company.

Ms. Tsang does not have a service contract with the Company and has no fixed term of service with the Company. In accordance with the Articles of Association of the Company, Ms. Tsang's tenure as Executive Director will end at the coming Annual General Meeting, but she will be eligible for re-election. No director's fee is payable to Ms. Tsang for her service as Executive Director, member of Nomination Committee, member of Remuneration Committee and Chairpersons of each of the Board, Remuneration Committee and Nomination Committee of the Company.

The remuneration of Ms. Tsang as Chief Executive Officer of the Company is HK\$450,000 per month and she will be entitled to a discretionary bonus and such other benefit schemes as the Board may in its discretion determine having regarded to, among other things, her performance and the operation results of the Group in respect of the relevant financial year of the Company.

Save as disclosed below, as at the date of this announcement, Ms. Tsang does not have, and is not deemed to have, any interests or short positions in the shares or underlying shares of the Company or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Long positions in the Shares and underlying shares of the Company

Name	Capacity	Number of Shares/ underlying Shares interested	Approximate percentage of issued Shares (See Note 1 below)
Ms. Tsang Yue, Joyce	Interests of controlled corporations (See Note 2 below)	468,000,000	64.684%
	Beneficial owner	7,400,000	1.022%
	Founder of Discretionary Trust	4,368,000	0.604%
	Interest of spouse (See Note 3 below)	2,000,000	0.276%
Total :			<u>66.586%</u>

Notes:

1. The relevant percentages are calculated by reference to the Shares in issue on 31 March 2010, i.e. 723,520,000 Shares.
2. Ms. Tsang owns the entire shareholding in Silver Compass Holding Corporation and Silver Hendon Enterprises Corporation, each holding 367,200,000 ordinary shares of the Company and 100,800,000 ordinary shares of the Company respectively.
3. Ms. Tsang is the spouse of Mr. Lee and is deemed to be interested in the Shares in which Mr. Lee is deemed or taken to be interested for the purpose of the SFO.

The Board would like to take this opportunity to welcome Ms. Tsang to join the Board.

Furthermore, the Board hereby announces that Mr. Lee has been re-designated and appointed as Chief Administrative Officer of the Company with effect from 16th April, 2010. After his taking up the role of Chief Administrative Officer, Mr. Lee's remuneration will be adjusted to HK\$200,000 per month. Due to changes in management responsibilities, Mr. Lee had resigned as Chief Executive Officer, member of Nomination Committee, member of Remuneration Committee and Chairpersons of each of Nomination Committee, Remuneration Committee and the Board of the Company with effect from 16th April, 2010 but remains as an Executive Director of the Company.

Mr. Lee, aged 34, had been Chief Executive Officer, member of Nomination Committee, member of Remuneration Committee, and Chairpersons of each of Nomination Committee, Remuneration Committee and the Board of the Company since 26 November 2008. Under the re-designation and appointment, Mr. Lee will be responsible for overseeing finance, legal compliance, marketing and sales, products research and development, technology, property management, procurement and administration, and human resources functions of the Group. He will also be responsible for providing comprehensive, technical, programmatic guidance in the areas of facilities management, logistics management and creative design and engineering as well as overall planning and strategic development of the Group's operation.

Mr. Lee confirms that he has no disagreement in all aspects with the Company and there is no matter relating to his resignation that need to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited.

Save as disclosed herein, (1) Ms. Tsang and Mr. Lee do not hold any other position with the Company or any of its subsidiaries nor did they hold a directorship in any other listed public company in the last three years; (ii) Ms. Tsang and Mr. Lee do not have any relationship with any director, senior management, substantial or controlling shareholders of the Company (as respectively defined in The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")); (iii) there is no information relating to Ms. Tsang and Mr. Lee that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51 (2)(b) of the Listing Rules; and (iv) there is no other matters concerning Ms. Tsang and Mr. Lee that needs to be brought to the attention of the shareholders of the Company.

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

Hong Kong, 16 April 2010

As at the date of this announcement, the Board consists of six executive Directors, Ms. Tsang Yue, Joyce, Mr. Lee Soo Ghee, Mr. Yip Kai Wing, Mr. Kwong Chi Ching, Mr. Tung Kwok Lui 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.