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*This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.*

*Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as defined in the prospectus (the "Prospectus") of China Flavors and Fragrances Company Limited (the "Company") dated 30th November, 2005.*

*All times and dates of this announcement refer to Hong Kong local time and date.*



**China Flavors and Fragrances Company Limited**  
**中國香精香料有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**LISTING ON THE MAIN BOARD OF  
THE STOCK EXCHANGE OF HONG KONG LIMITED  
BY WAY OF  
PUBLIC OFFER AND PLACING**

<b>Number of Offer Shares</b>	<b>:</b>	<b>100,000,000 New Shares (subject to the Over-allotment Option)</b>
<b>Number of Public Offer Shares</b>	<b>:</b>	<b>10,000,000 New Shares (subject to reallocation)</b>
<b>Number of Placing Shares</b>	<b>:</b>	<b>90,000,000 New Shares (subject to the Over-allotment Option and reallocation)</b>
<b>Maximum Offer Price</b>	<b>:</b>	<b>HK\$1.20 (payable in full on application and subject to refund) per Offer Share, plus brokerage fee of 1%, Stock Exchange trading fee of 0.005%, SFC transaction levy of 0.005% and investor compensation levy of 0.002%</b>
<b>Nominal value</b>	<b>:</b>	<b>HK\$0.10 for each Share</b>
<b>Stock code</b>	<b>:</b>	<b>3318</b>

**Sponsor, Bookrunner and Joint Lead Manager**



**SUN HUNG KAI INTERNATIONAL LIMITED**

**Joint Lead Manager**



**Taiwan Securities (Hong Kong) Company Limited**

**Co-Lead Manager**

**Core Pacific - Yamaichi International (H.K.) Limited**

**Co-Managers**

**CMB International Capital Corporation Limited**  
**UOB Asia (Hong Kong) Limited**

**Tai Fook Securities Company Limited**  
**Watterson Asia Limited**

Application has been made by the Company to the Stock Exchange for the granting of the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in the Prospectus and the Application Forms, and any Shares that may fall to be allotted and issued pursuant to the exercise of the Over-allotment Option and any options that may be granted under the Share Option Scheme. Dealings in the Shares on the Main Board are expected to commence at 9:30 a.m. on Friday, 9th December, 2005. Subject to the granting of the listing of, and permission to deal in, the Shares on the Main Board of the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date as determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

Applications for the Public Offer Shares will only be considered on the basis of the Prospectus and the **WHITE** or **YELLOW** Application Forms in accordance with the relevant provisions of the Prospectus. It should be noted that multiple applications or suspected multiple applications will be rejected. Only one application on either a **WHITE** or **YELLOW** Application Form may be made for the benefit of any person.

Applicants under the Public Offer should pay, on application, the maximum Offer Price of HK\$1.20 per Share plus 1% brokerage, 0.005% Stock Exchange trading fee, 0.005% SFC transaction levy and 0.002% investor compensation levy imposed by the SFC. The Offer Price is expected to be fixed by agreement between the Company and Sun Hung Kai (for itself and on behalf of the Underwriters) on the Price Determination Time, which is currently scheduled at or before 5:00 p.m. on Tuesday, 6th December, 2005 or, in any event, by no later than 12:00 noon on Wednesday, 7th December, 2005. If Sun Hung Kai (for itself and on behalf of the Underwriters) and the Company are unable to reach an agreement on the Offer Price on or before the Price Determination Time, the Share Offer will not proceed and will lapse. The Offer Price will not be more than HK\$1.20 per Share and is currently expected to be not less than HK\$1.00 per Share. **Prospective investors should be aware that the Offer Price to be determined at or before the Price Determination Time may be, but is not expected to be, lower than the indicative Offer Price range as stated in the Prospectus.** If, based on the level of interest expressed by prospective investors during the book-building process, Sun Hung Kai (for itself and on behalf of the Underwriters) and with the consent of the Company thinks it appropriate (for instance, if the level of interest expressed by prospective investors is below the indicative Offer Price range as stated in the Prospectus), the indicative Offer Price range may be reduced below that as stated in the Prospectus at any time not later than the morning of the day which is the last day for lodging applications under the Public Offer. In such a case, the Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Public Offer, cause to be published in South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) notice of such a change. If applications for the Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Public Offer, then even if the Offer Price is so reduced, such applications cannot be subsequently withdrawn.

The Share Offer comprises the Placing and the Public Offer. A total of initially 100,000,000 Offer Shares will be made available under the Share Offer, of which 90,000,000 Placing

Shares, representing 90% of the Offer Shares, will conditionally be placed with selected professional, institutional and private investors under the Placing. The remaining 10,000,000 Public Offer Shares, representing 10% of the Offer Shares, will be offered to the public in Hong Kong under the Public Offer. For allocation only, the number of the Public Offer Shares will be divided equally into two pools: pool A and pool B. The Public Offer Shares in pool A will initially consist of 5,000,000 Shares and will be allocated on an equitable basis only to successful applicants who have validly applied for the Public Offer Shares in the value of HK\$5 million (excluding the brokerage, the Stock Exchange trading fee, the SFC transaction levy and the investor compensation levy payable thereon) or less. The Public Offer Shares available in pool B will initially consist of 5,000,000 Shares and will be allocated on an equitable basis only to successful applicants who have validly applied for Public Offer Shares in the value of more than HK\$5 million (excluding the brokerage, the Stock Exchange trading fee, the SFC transaction and the investor compensation levy payable thereon). Investors should be aware that the allocation ratios for applications in the two pools, as well as the allocation ratios for applications in the same pool, are likely to be different. Where one of the pools is undersubscribed, the undersubscribed Public Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. Applicants can only receive an allocation of Public Offer Shares from any one pool but not from both pools and can only make applications to either pool A or pool B. Any application made for more than 100% of the Public Offer Shares initially available under pool A or pool B will be rejected. Allocation of the Public Offer Shares to investors under the Public Offer will be based solely on the level of valid applications received under the Public Offer. When there is over-subscription under the Public Offer, allocation of the Public Offer Shares will be based solely on the level of valid applications received under the Public Offer. The basis of allocation may vary, depending on the number of the Public Offer Shares validly applied for by the applicants in each of pool A and pool B, but, subject to that, will be made strictly on a pro rata basis, although this could, where appropriate, involve balloting, which would mean that some applicants may be allotted more Public Offer Shares than others who have applied for the same number of the Public Offer Shares, and those applicants who are not successful in the ballot may not receive any Public Offer Shares.

Multiple or suspected multiple applications within either pool or between pools will be liable to be rejected. In addition, applicants are required to undertake and confirm that they or the relevant beneficial owner(s) have not indicated and will not indicate an interest for, and have not received or been placed or allotted (including conditionally and/or provisionally) with, any Placing Shares. Applications where cheques or banker's cashier orders are dishonoured upon first presentation are liable to be rejected. The allocation of the Offer Shares between the Placing and the Public Offer is subject to reallocation.

In connection with the Share Offer, the Company has granted to the Placing Underwriters the Over-allotment Option which is exercisable by Sun Hung Kai (for itself and on behalf of the Placing Underwriters) at any time within 30 days from the last day for lodging applications under the Public Offer. Pursuant to the Over-allotment Option, the Company may be required to issue and allot up to and not more than an aggregate of 15,000,000 additional new Shares (representing 15% of the total number of the Offer Shares initially available under the Share Offer) to cover over-allocations in the Placing, if any. Sun Hung Kai (for itself and on behalf of the Placing Underwriters) may also cover such over-allocations by, among other means,

purchasing Shares in the secondary market or through stock borrowing arrangements from holder of Shares or exercise of the Over-allotment Option or by a combination of these means or otherwise as may be permitted under applicable laws. Any such secondary market purchases will be made in compliance with all applicable laws, rules and regulations. If the Over-allotment Option is exercised in full, the additional 15,000,000 new Shares will represent approximately 3.61% of the Company's issued share capital immediately after the completion of the Capitalisation Issue and the Share Offer as enlarged by the exercise of the Over-allotment Option in full. If the Over-allotment Option is exercised, a press announcement will be made.

In connection with the Share Offer, Sun Hung Kai (for itself and on behalf of the Underwriters) may effect transactions which stabilise or maintain the market price of the Shares at levels above those which might otherwise prevail for a limited period after the issue date. There is no obligation on Sun Hung Kai to conduct such stabilising activity. Such stabilisation action, if commenced, may be discontinued at any time, and is required to be brought to an end after a limited period. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements including the Securities and Futures (Price Stabilising) Rules of the SFO. The details of the intended stabilisation and how it will be regulated under the SFO are contained in the Prospectus.

**The Share Offer is conditional upon fulfillment of the conditions as stated in the section headed "Structure and conditions of the Share Offer" of the Prospectus. If the conditions are not fulfilled or waived prior to the times and dates specified in the Prospectus, all application monies received from applicants under the Public Offer will be refunded, WITHOUT INTEREST, on the terms set out in the paragraph headed "Refund of your application monies" in the section headed "How to apply for the Public Offer Shares" in the Prospectus. An announcement will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) in the event that the Share Offer does not proceed.**

Applicants who would like to be allotted the Public Offer Shares in their own names should complete and sign the **WHITE** Application Forms which will be available for collection together with copies of the Prospectus at the venues set out below. Applicants who would like to have the allotted Public Offer Shares issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS investor participant stock accounts or the stock accounts of their designated CCASS participants maintained in CCASS should complete and sign the **YELLOW** Application Forms, copies of which, together with copies of the Prospectus, may be obtained during normal business hours from 9:00 a.m. on Wednesday, 30th November, 2005 until 12:00 noon on Monday, 5th December, 2005 at the Depository Counter of HKSCC at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong or the Customer Service Centre of HKSCC at Upper Ground Floor, V-Heun Building, 128-140 Queen's Road Central, Hong Kong.

The Company will not issue temporary document of title. No receipt will be issued for application monies paid.

Copies of the Prospectus, together with the WHITE Application Forms, may be obtained during normal business hours in the same period from:

1. **Any participant of the Stock Exchange;**
2. **Sun Hung Kai International Limited**, Level 12, One Pacific Place, 88 Queensway, Hong Kong;
3. **Taiwan Securities (Hong Kong) Company Limited**, Room 4001-3, 40th Floor, Tower Two, Lippo Centre, 89 Queensway, Hong Kong;
4. **Core Pacific - Yamaichi International (H.K.) Limited**, 36th Floor, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong;
5. **CMB International Capital Corporation Limited**, 21st Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong;
6. **Tai Fook Securities Company Limited**, 25th Floor, New World Tower, 16-18 Queen's Road Central, Hong Kong;
7. **UOB Asia (Hong Kong) Limited**, Suite 601, 6th Floor, Aon China Building, 29 Queen's Road Central, Hong Kong;
8. **Watterson Asia Limited**, 5th Floor, 8 Queen's Road Central, Hong Kong;

or any of the following branches of Standard Chartered Bank (Hong Kong) Limited:-

#### **Hong Kong Island**

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|----|---------------------------|--|
| 1. | <b>88 Des Voeux Road</b>  | <b>88 Des Voeux Road Central,<br/>Central</b>  |
| 2. | <b>Central Branch</b>     | <b>Shop No. 16, G/F &amp; LG/F,<br/>New World Tower,<br/>16-18 Queen's Road Central,<br/>Central</b> |
| 3. | <b>Hennessy Road</b>      | <b>399 Hennessy Road,<br/>Wanchai</b>  |
| 4. | <b>Quarry Bay</b>         | <b>G/F, Westlands Gardens,<br/>1027 King's Road,<br/>Quarry Bay</b>                                  |
| 5. | <b>North Point Centre</b> | <b>North Point Centre,<br/>284 King's Road,<br/>North Point</b>                                      |

**Kowloon**

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|----|------------------------|---|
| 6. | <b>Tsimshatsui</b>     | <b>G/F, 10 Granville Road,<br/>Tsimshatsui</b>                          |
| 7. | <b>Yaumati</b>         | <b>546-550 Nathan Road,<br/>Yaumati</b>                                 |
| 8. | <b>Kwun Tong</b>       | <b>88-90 Fu Yan Street,<br/>Kwun Tong</b>                               |
| 9. | <b>Mei Foo Stage I</b> | <b>G/F, 1C Broadway,<br/>Mei Foo Sun Chuen Stage I,<br/>Lai Chi Kok</b> |

**New Territories**

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| 10. | <b>Metroplaza</b>    | <b>Shop Nos. 186-188,<br/>Level 1, Metroplaza,<br/>223 Hing Fong Road,<br/>Kwai Chung</b>                     |
| 11. | <b>Shatin Centre</b> | <b>Shop 32C, Level 3,<br/>Shatin Shopping Arcade,<br/>Shatin Centre,<br/>2-16 Wang Pok Street,<br/>Shatin</b> |

Completed **WHITE** and **YELLOW** Application Forms (to which cheques or banker's cashier orders made payable to "Horsford Nominees Limited — CFF Public Offer" should be securely stapled) should be deposited in the special collection boxes provided at any of the branches of Standard Chartered Bank (Hong Kong) Limited referred to above at the following times on the following dates:

**Wednesday, 30th November, 2005 — 9:00 a.m. to 4:00 p.m.**  
**Thursday, 1st December, 2005 — 9:00 a.m. to 4:00 p.m.**  
**Friday, 2nd December, 2005 — 9:00 a.m. to 4:00 p.m.**  
**Saturday, 3rd December, 2005 — 9:00 a.m. to 12:00 noon**  
**Monday, 5th December, 2005 — 9:00 a.m. to 12:00 noon**

The application lists will be open from 11:45 a.m. to 12:00 noon on Monday, 5th December, 2005.

Subject to the terms and conditions set out in the Prospectus and the Application Forms, completed **WHITE** and **YELLOW** Application Forms must be received by no later than 12:00 noon on Monday, 5th December, 2005 (or such later date as may apply in the case of a tropical cyclone warning signal no. 8 or above or a "black" rainstorm warning being in force in Hong Kong as described in the paragraph headed "Effect of bad weather on the opening of the application lists of the Public Offer" in the section headed "How to apply for the Public Offer Shares" in the Prospectus). It is expected that the announcement of the Offer Price, the indication of the level of interest in the Placing, the basis of allocation and the results of applications for the Public Offer Shares (with successful applicants' identification numbers) will be published in South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) on Thursday, 8th December, 2005.



If you have applied for 1,000,000 Public Offer Shares or more on a **WHITE** or **YELLOW** Application Form and have indicated on your Application Form that you will collect your Share certificate(s) (where applicable) and/or refund cheque (if any) in person, you may collect it/them from Tricor Investor Services Limited and have provided all information required by your Application Form, you may collect the same in person from Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Thursday, 8th December, 2005 or any other date notified by the Company in the newspapers as the date of despatch of the same. If you do not collect your Share certificate (where applicable) and/or refund cheque (if any), they will be despatched promptly to you by ordinary post to the address as specified in your Application Form at your own risk. Applicants being individuals must not authorise any other person to make collection on their behalf. You must show identification documents (which must be acceptable to Tricor Investor Services Limited) to collect your refund cheque(s) (if any) and/or Share certificate(s) (where relevant). Applicants being corporations must attend by their authorised representatives each bearing a letter of authorisation from such corporation stamped with the corporation's chop. Both individuals and authorised representatives (if applicable) must produce at the time of collection evidence of identity acceptable to Tricor Investor Services Limited. Unallocated Shares certificates and/or refund cheques will be despatched promptly thereafter by ordinary post at the applicants' own risk to the addresses specified in the relevant Application Forms. In relation to applicants who have applied for less than 1,000,000 Public Offer Shares, or applicants who have applied for 1,000,000 or more Public Offer Shares and have not elected to collect their (where relevant) refund cheque(s) (if any) and/or Share certificate(s) (where relevant), their refund cheque(s) and/or Share certificate(s) will be sent by ordinary post at the applicants' own risk to the addresses specified in the relevant Application Forms on or around Thursday, 8th December, 2005.

If you apply for the Public Offer Shares by using a **YELLOW** Application Form and your application is wholly or partially successful, your Share certificate will be issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to your CCASS investor participant stock account or the stock account of any designated CCASS participant as instructed by you in your Application Form at the close of business on Thursday, 8th December, 2005, or under contingent situation, on any other date as shall be determined by HKSCC or HKSCC Nominees Limited. You should check the number of Public Offer Shares allotted to you with your designated CCASS participant if you are applying through a designated CCASS participant, or in the announcement to be published by the Company on Thursday 8th December, 2005, and report any discrepancies to HKSCC before 5:00 p.m. on Thursday, 8th December, 2005 or such other later date as shall be determined by HKSCC or HKSCC Nominees Limited. Immediately after the credit of the Public Offer Shares to your stock account, you can also check your new account balance via the CCASS Phone System and CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) immediately after the credit of the Public Offer Shares to your stock account if you are applying as CCASS investor participants. HKSCC will also make available to CCASS investor participants an activity statement showing the number of Public Offer Shares credited to your account.

Share certificates will only become valid certificates of title after 8:00 a.m. (Hong Kong time) on Friday, 9th December, 2005 provided that the Share Offer has become unconditional and the Underwriting Agreement has not been terminated in accordance with its terms.

If your application is wholly or partially unsuccessful or the Offer Price as finally determined is less than the indicative maximum Offer Price or any application is revoked or any allocation pursuant thereto has become void or any of the reasons set forth under “Circumstances in which you will not be allotted Public Offer Shares” in the relevant Application Forms, the Company will refund (in whole or in part, as applicable) your application monies, including relevant brokerage fee, the SFC transaction levy, the Stock Exchange trading fee and the SFC investor compensation levy to you **WITHOUT INTEREST**. For applicants using **WHITE** or **YELLOW** Application Forms, all refunds will be made by a cheque crossed “Account payee only”, and made out to you or, if you are joint applicants, to the first-named applicant on your Application Form on the terms set out under “Refund of your application monies” on the Application Form. The refund cheque will be sent to the address on your Application Form or if you are joint applicants, to the address of the first-named applicant on your application form by ordinary post and at your own risk on Thursday, 8th December, 2005 unless otherwise provided herein.

As at date of this announcement, the executive Directors are Mr. Wong Ming Bun, Mr. Wang Ming Fan and Mr. Li Qing Long; the independent non-executive Directors are Mr. Goh Gen Cheung, Mr. Leung Wai Man, Roger and Mr. Zhou Xiao Xiong.

By Order of the Board  
**Mr. Wong Ming Bun**  
*Chairman*

Hong Kong, 30th November, 2005

*Please also refer to the published version of this announcement in South China Morning Post.*