



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

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3318)

DISCLOSURE PURSUANT TO RULES 13.13 AND 13.15 OF THE LISTING RULES

The Board announces that Shenzhen-Boton, an indirect wholly owned subsidiary of the Company, is in negotiation with the Government in relation to the acquisition of a piece of land in Shenzhen. No agreement has been entered into as at the date hereof, but as a procedural requirement of the Government, an aggregate amount of RMB58,267,476 (equivalent to approximately HK\$58,887,659) has been paid by Shenzhen-Boton to the Government, which constitutes an advance to an entity pursuant to Rule 13.13 of the Listing Rules.

The Acquisition may or may not proceed, shareholders of the Company are advised to exercise caution when trading in the shares of the Company. Further announcement will be made as and when appropriate.

The following disclosure is made by China Flavors and Fragrances Company Limited 中國香精香料有限公司 (the “Company”) in compliance with the disclosure requirements under Rules 13.13 and 13.15 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors (the “Board”) of the Company wishes to announce that 深圳波頓香料有限公司 (Shenzhen-Boton Flavors and Fragrances Co., Ltd) (“Shenzhen-Boton”), an indirect wholly owned subsidiary of the Company, is in negotiation with 深圳市國土資源和房產管理局 (Shenzhen National Land Resources and Estate Management Bureau) (the “Government”) in relation to the acquisition of a piece of land in Shenzhen (the “Acquisition”). It is the intention of the Board to construct a factory on the said piece of land for manufacturing products of the Company.

As at the date hereof, Shenzhen-Boton has not entered into any agreement with the Government. However, as a procedural requirement of the Government, the Government issued 土地使用權出讓金繳費通知單 (debit note for acquisition of land use right) and 土地開發金、市政配套設施金繳費通知單 (debit note for exploitation of land and infrastructure) to Shenzhen-Boton requesting for payment of an aggregate amount of RMB58,267,476 (equivalent to approximately HK\$58,887,659) (the “Amount”). Shenzhen-Boton paid the Amount accordingly on 23 March 2007. The Amount is not subject to any interest rate. As at the date hereof, no repayment terms have been agreed between the Government and Shenzhen-Boton and no collateral or security has been provided by Shenzhen-Boton in favour of the Government, or vice versa, in respect of the Amount. Save as disclosed above, no further request for payment in relation to the Acquisition has been received from the Government.

The Amount exceeded 8% of the assets ratio of the Company as defined under Rule 14.07(1) of the Listing Rules and constitutes an advance to an entity pursuant to Rule 13.13 of the Listing Rules. If the Acquisition materializes, it may constitute a notifiable transaction under Chapter 14 of the Listing Rules. Further announcement in relation to the Acquisition will be made as and when appropriate.

The Acquisition may or may not proceed, shareholders of the Company are advised to exercise caution when trading in the shares of the Company.

For use in this announcement and for illustration purpose only, conversion of Renminbi into Hong Kong dollars is based on the approximate exchange rate of RMB1.00 to HK\$1.0106.

By Order of the Board
China Flavors and Fragrances Company Limited
中國香精香料有限公司
Wong Ming Bun
Chairman

Hong Kong, 19 April 2007

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

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