

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

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



# 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)

## PROPOSED SPIN-OFF AND SEPARATE LISTING OF THE MANUFACTURE AND SALE OF PHARMACEUTICAL INTERMEDIATES AND FLAVOR AND FRAGRANCE INGREDIENTS BUSINESS ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Company is considering the Proposed Spin-off and a separate listing of its manufacture and sale of pharmaceutical intermediates and flavor and fragrance ingredients business. To prepare for the Proposed Spin-off, the Group has undergone Restructuring in compliance with the relevant laws and regulations.

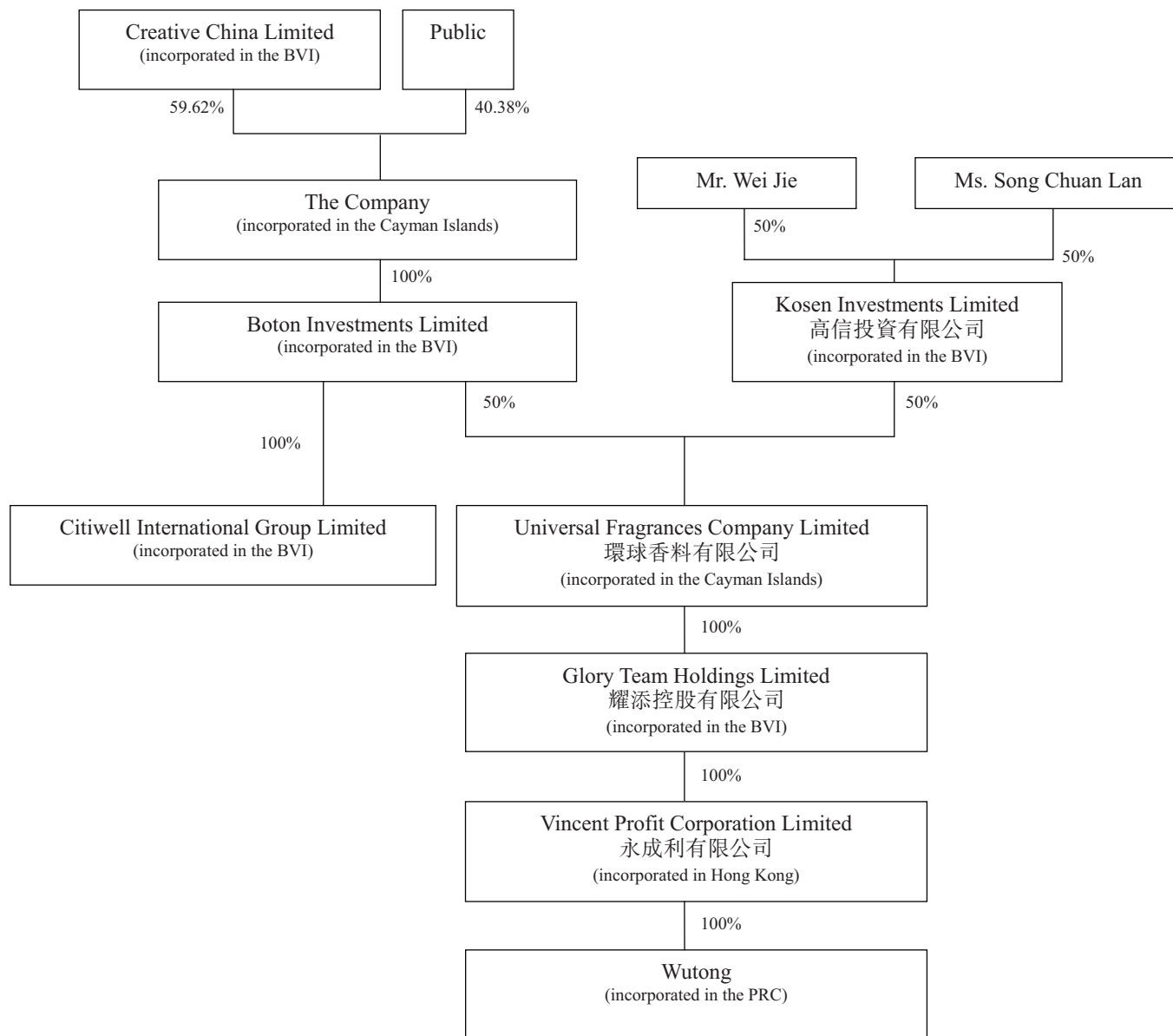
**There is no assurance that the Proposed Spin-off will proceed or the Stock Exchange will grant its approval. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board is considering to spin-off the Group's manufacture and sale of pharmaceutical intermediates and flavor and fragrance ingredients business and a separate listing of the same on GEM. The aforesaid business is operated by the Company's non-wholly owned subsidiary, Wutong Aroma Chemicals Company Limited 滕州市悟通香料有限責任公司 ("Wutong"), the equity interest of which is beneficially owned by the Company as to 50% as at the date hereof. Under Practice Note 15 of the Listing Rules, the Proposed Spin-off will require the approval of the Stock Exchange. In this regard, the Company has submitted a proposal to the Stock Exchange for consideration pursuant to Practice Note 15 of the Listing Rules.

The Group has undergone a series of restructuring steps in relation to the interest of the Company in Wutong in compliance with the relevant laws and regulations. The Group's effective interest in Wutong before and after the completion of the restructuring steps are the same.

As at the date of hereof, the structure of the Group is as follows:



The Company will make further announcements in relation to the Proposed Spin-off as and when appropriate and/or required under the Listing Rules.

**There is no assurance that the Proposed Spin-off will proceed or the Stock Exchange will grant its approval. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

## Definitions

In this announcement, the following words and expressions shall, unless the context otherwise requires, have the following respective meanings:

“Board”	the board of directors of the Company
“BVI”	the British Virgin Islands
“Company”	China Flavors and Fragrances Company Limited (中國香精香料有限公司), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“GEM”	the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rule Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Proposed Spin-off”	the proposed spin-off and separate listing of the manufacture and sale of pharmaceutical intermediates and flavor and fragrance ingredients business on GEM
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“%”	per cent.

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, 23 March 2011

*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. Leung Wai Man, Roger, Mr. Ng Kwun Wan and Mr. Zhou Xiao Xiong.*