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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)

**FINAL DIVIDEND FOR THE YEAR ENDED
31 DECEMBER 2011 IN THE FORM OF SCRIP DIVIDEND
CALCULATION OF MARKET VALUE**

The market value of a Scrip Share to be allotted pursuant to the Scrip Dividend Scheme has been calculated at HK\$1.034. This announcement is to advise the Shareholders how the scrip entitlements to the 2011 Final Dividend being arrived at.

Reference is made to the circular (the “**Circular**”) of China Flavors and Fragrances Company Limited (the “**Company**”) dated 10 April 2012 in relation to, inter alia, the Scrip Dividend Scheme. Capitalized terms used in this announcement shall have the same meanings as those defined in the Circular unless the context requires otherwise.

On 23 March 2012, the Board announced the annual results of the Company for the year ended 31 December 2011 and resolved to recommend the payment of the 2011 Final Dividend wholly in scrip form equivalent to HK\$0.08 per Share to the Shareholders whose names appear in the Register of Members of the Company on 23 May 2012 (the “**Record Date**”). At the annual general meeting of the Company held on 18 May 2012, the payment of the 2011 Final Dividend was approved by the Shareholders.

As stated in the Circular, the number of Scrip Shares to be allotted pursuant to the Scrip Dividend Scheme would be calculated with reference to the market value of a Scrip Share based on the average closing price per Share for the 5 consecutive trading days from 24 May 2012 up to and including 30 May 2012 and rounding down such figure to four decimal places. It is now determined that the market value of a Scrip Share is HK\$1.034. Accordingly, the number of Scrip Shares which the Shareholders will receive in respect of the existing Shares registered in their names as at the Record Date will be calculated as follows:

Number of Scrip		Number of existing Shares		HK\$0.08
Shares to be received	=	held on the Record Date	x	<u>HK\$1.034</u>

Scrip Shares will rank pari passu in all respects with the existing issued Shares, and will rank in full for all future dividends and distribution which may be declared, made or paid (except for the

2011 Final Dividend) by the Company.

The number of Scrip Shares to be issued will be rounded down to the nearest whole number. Fractional entitlements to Scrip Shares will be disregarded and the benefit thereof will accrue to the Company.

Application has been made to the Listing Committee of the Stock Exchange for the listing of and permission to deal in Scrip Shares. It is expected that share certificates for Scrip Shares will be posted to the Shareholders at the risk of those entitled thereto on or about Thursday, 28 June 2012. Dealings in Scrip Shares on the Stock Exchange are expected to commence on or about Friday, 29 June 2012.

On behalf of the Board

China Flavors and Fragrances Company Limited

中國香精香料有限公司

Wong Ming Fan

Director

Hong Kong, 30 May 2012

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.