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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)

REMOVAL OF DIRECTORS

Reference is made to the circular of the Company dated 17 October 2012 in relation to the Removal. The Board (save and except WMB and WMY) wishes to provide more information in relation to the Removal.

Reference is made to the circular (the “**Circular**”) of China Flavors and Fragrances Company Limited (the “**Company**”) dated 17 October 2012 in relation to the proposed removal (the “**Removal**”) of Mr. Wong Ming Bun (“**WMB**”) and Mr. Wang Ming You (“**WMY**”) as directors of the Company. The board of directors (the “**Board**”) of the Company (save and except WMB and WMY) wishes to provide more information in relation to the Removal, especially why it is in the best interest of the Company to remove WMB and WMY.

The Board wishes to announce that the legal advisers of WMB and WMY have respectively written substantial amount of letters (the “**Letters**”) to the Company and Creative China Limited (“**CCL**”), the controlling shareholder of the Company, in the past 3 months in relation to, inter alia, the validity of the board resolutions of the Company and its subsidiaries (the “**Group Companies**”) passed in July, August and September 2012 and the shareholding structure of CCL. During the parallel period, WMB and WMY voted against all resolutions of the Board during Board meetings (including but not limited to the interim results of the Company for the 6 months ended 30 June 2012, without giving specific reasons in relation to voting against the relevant resolutions) and disagreed with the contents of the announcements and circular issued by the Company.

In relation to the challenge by WMB and WMY of the validity of the board resolutions of the Group Companies passed in July, August and September 2012, the Cayman legal advisers of the Company in respect of laws of Cayman Islands and British Virgin Islands have confirmed that such board resolutions were duly passed and thus the challenge by WMB and WMY is not substantiated.

In relation to the disagreement of WMB and WMY in respect of the shareholding structure of CCL, the Board (save and except WMB and WMY) is of the view that such disagreement is neither related to the operation nor management of the Company and hence the issue should be dealt with by the relevant shareholder. WMB and WMY were of the view that the true reason for the proposed Removal was in relation to their disagreement on the shareholding structure of CCL.

Mr. Wang Ming Fan, Mr. Li Qing Long and Mr. Qian Wu (being the executive Directors and directors of CCL) are of the view that WMB and WMY were not acting in the best interest of the Company as they engaged legal advisers to write substantial amount of Letters to the Company making unsubstantiated allegations which wasted the Company's resources to address them. The mutual trust and confidence among the Directors were lost. Also, WMB and WMY voted against all the proposed resolutions during the Board meetings (including but not limited to the interim results of the Company for the 6 months ended 30 June 2012) because of their disagreement with the shareholding structure of CCL. By so doing, Mr. Wang Ming Fan, Mr. Li Qing Long and Mr. Qian Wu are of the view that WMB and WMY have obstructed the operation of the Company and placed their personal interests over the best interests of the Company, which resulted in the difference in the management style and ideology with the other board members of the Company. As such, resolutions of the board of directors of CCL were passed to make a requisition notice to the Company in relation to the Removal to safeguard the best interest of the Company.

The content of this announcement was approved by all the directors of the Company save and except WMB and WMY. The Board (save and except WMB and WMY) understands from the legal advisers of WMB and WMY that WMB and WMY were exercising their rights as directors of the Company to write the Letters to the Company, though the other members of the Board may disagree with this approach. Also, WMB and WMY do not agree that the reasons given by the other three executive directors of the Company for the proposed Removal are true or represent a "difference in management style and ideology".

The Board (save and except WMB and WMY) is of the view that the information contained in the Circular and this announcement is accurate and complete in all material aspects and not misleading or deceptive in relation to the Removal.

By order of the Board
China Flavors and Fragrances Company Limited
中國香精香料有限公司
Wang Ming Fan
Director

Hong Kong, 24 October 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 and Mr. Qian Wu; the non-executive director of the Company is Mr. Wang Ming You and the independent non-executive directors of the Company are Mr. Leung Wai Man, Roger, Mr. Ng Kwun Wan and Mr. Zhou Xiao Xiong.