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If you are in doubt as to any aspect of this circular, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Flavors and Fragrances Company Limited 中國香精香料有限公司, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed dealer, or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
REFRESHMENT OF SCHEME MANDATE LIMIT OF SHARE OPTION SCHEME
RE-ELECTION OF DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING

A notice dated 3 April 2014 convening the annual general meeting of China Flavors and Fragrances Company Limited 中國香精香料有限公司 to be held at Empire Room 1, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong on 9 May 2014 at 3:00 p.m. is set out in this circular. A form of proxy for use at the annual general meeting is enclosed in this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk).

Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time fixed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the annual general meeting or any adjourned meeting if you so wish.

3 April 2014

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DEFINITIONS

In this circular, the following expressions have the following meanings, unless the context requires otherwise:

“AGM”	the annual general meeting of the Company to be convened at Empire Room 1, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong on 9 May 2014 at 3:00 p.m.;
“Articles”	the articles of association adopted by the Company, and as amended from time to time by resolution of the Shareholders of the Company;
“Board”	the board of Directors;
“Chairman”	chairman of the Board;
“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 with its securities listed on the Stock Exchange;
“Director(s)”	director(s) of the Company;
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Share Issue Mandate;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	31 March 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;

DEFINITIONS

“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to repurchase Shares on the Stock Exchange up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the AGM;
“Scheme Mandate Limit”	the maximum number of Shares that may be issued upon exercise of all the options which may be granted under the Share Option Scheme;
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Share Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the AGM;
“Share Option Scheme”	the share option scheme adopted by the Company on 25 November 2005;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers.

LETTER FROM THE BOARD



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)

Executive directors:

Mr. Wang Ming Fan (*Chairman*)
Mr. Li Qing Long
Mr. Qian Wu

Independent non-executive directors:

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

Registered office:

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681 GT
George Town
Grand Cayman
British West Indies

Principal place of business in Hong Kong:

Room 2101-02, 21/F
Wing On House
71 Des Voeux Road Central
Central
Hong Kong

3 April 2014

To Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
REFRESHMENT OF SCHEME MANDATE LIMIT OF SHARE OPTION SCHEME
RE-ELECTION OF DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM for the approval of (a) the Share Issue Mandate; (b) the Repurchase Mandate; (c) the Extension Mandate; (d) the refreshment of Scheme Mandate Limit of the Share Option Scheme; and (e) the re-elections of Directors. This circular contains the explanatory statement and gives all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolutions to be proposed at the AGM.

A notice convening the AGM is set out on pages 14 to 18 of this circular.

LETTER FROM THE BOARD

GRANT OF SHARE ISSUE MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

Pursuant to the ordinary resolutions passed by the then Shareholders at the last annual general meeting of the Company held on 10 May 2013, the Directors were granted (a) a general unconditional mandate to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of the relevant ordinary resolution; (b) a general unconditional mandate to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of the relevant ordinary resolution; and (c) the power to extend the general mandate mentioned in (a) above by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to the mandate to purchase or repurchase Shares referred to in (b) above.

The above mandates will expire at the conclusion of the AGM. At the AGM, the following resolutions, among other matters, will be proposed:

- (a) to grant the Share Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution;
- (b) to grant the Repurchase Mandate to the Directors to enable them to repurchase Shares on the Stock Exchange up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution; and
- (c) to grant the Extension Mandate to the Directors to increase the total number of Shares which may be allotted and issued under the Share Issue Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 628,783,885 Shares. On the basis that no further Shares are repurchased or issued prior to the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 62,878,388 Shares and under the Share Issue Mandate to issue a maximum of 125,756,777 Shares, representing 10% and 20% of the issued Shares as at the Latest Practicable Date respectively.

Each of the Share Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; (b) the expiration of the period within which the next annual general meeting is required by the Articles or any applicable laws of the Cayman Islands; or (c) when the authority given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

LETTER FROM THE BOARD

The Directors wish to state that they have no immediate plans to allot and issue any new Shares other than such Shares which may fall to be allotted and issued upon the exercise of any options granted under the share option scheme of the Company.

An explanatory statement containing all relevant information relating to the proposed Repurchase Mandate is set out in the Appendix to this circular. The explanatory statement provides you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution in relation to the Repurchase Mandate.

REFRESHMENT OF THE SCHEME MANDATE LIMIT OF THE SHARE OPTION SCHEME

Pursuant to the Share Option Scheme, the maximum number of Shares which may be issued upon exercise of all share options granted or to be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed 10% of the total number of issued Shares as at the date of adoption of the Share Option Scheme, being 25 November 2005. During the period from the date of adoption of the Share Option Scheme to the Latest Practicable Date, the Scheme Mandate Limit has not been refreshed.

On the date of adoption of the Share Option Scheme, 400,000,000 Shares were in issue. The Scheme Mandate Limit is therefore 40,000,000 Shares. As at the Latest Practicable Date, the aggregate number of share options granted by the Company under the Share Option Scheme since its adoption was 13,330,000 share options, of which 10,730,000 share options were lapsed, 2,600,000 share options were exercised and no share options were outstanding. The remaining mandate not utilized under the Share Option Scheme is 26,670,000 Shares (representing approximately 4.242% of the entire issued share capital of the Company).

The Company may refresh the Scheme Mandate Limit by an ordinary resolution of the Shareholders in general meeting. The Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of Shares in issue as at the date of the Shareholders' approval for refreshing the Scheme Mandate Limit (and for the purpose of calculating the limit as refreshed, options previously granted under the Share Option Scheme and any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company, if any) shall not be counted).

The purpose of the Share Option Scheme is to enable the Group to grant to selected participants as incentives or rewards for their contribution to the Group. The Directors are of the view that the proposed refreshment of the Scheme Mandate Limit is in the interests of the Company and the Shareholders as it provides the Company with more flexibility in providing incentives to selected participants by way of granting of share options.

As at the Latest Practicable Date, there were 628,783,885 Shares in issue. Assuming there is no further allotment and issue of Shares prior to the date of the AGM, upon the approval of the refreshment of the Scheme Mandate Limit by the Shareholders at the AGM, the Scheme Mandate Limit as refreshed will allow the Company to grant share options carrying right to subscribe for up to 62,878,388 Shares, being 10% of the issued share capital of the Company as at the date of approval of the refreshment of the Scheme Mandate Limit.

LETTER FROM THE BOARD

No share options may be granted if this will result in the number of Shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company exceeding 30% of the total number of Shares in issue from time to time.

The refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholders at the AGM to approve the refreshment of the Scheme Mandate Limit; and
- (b) the Listing Committee granting approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of share options to be granted under the refreshed Scheme Mandate Limit of the Share Option Scheme.

Application will be made to the Listing Committee of the Stock Exchange for the approval mentioned in paragraph (b) above.

RE-ELECTION OF DIRECTORS

As at the date of this circular, the executive Directors are Mr. Wang Ming Fan, Mr. Li Qing Long and Mr. Qian Wu and the independent non-executive Directors are Mr. Leung Wai Man, Roger, Mr. Ng Kwun Wan and Mr. Zhou Xiao Xiong.

Pursuant to Article 87(1) of the Company's Articles, one-third of the Directors shall retire from office by rotation at each annual general meeting. Accordingly, Mr. Leung Wai Man, Roger and Mr. Zhou Xiao Xiong will retire at the AGM, and who being eligible, offer themselves for re-election.

Pursuant to the code provision set out in paragraph A.4.3 of Appendix 14 of the Listing Rules, any further appointment of independent non-executive director serving more than nine years should be subject to a separate resolution to be approved by the Shareholders. Mr. Leung Wai Man, Roger and Mr. Zhou Xiao Xiong are the independent non-executive Directors who have been serving the Company since 2005. Separate resolutions will be proposed for their re-election at the AGM.

The Board considers that Mr. Leung Wai Man, Roger and Mr. Zhou Xiao Xiong continue to be independent as they have satisfied all the criteria for independence set out in Rule 3.13 of the Listing Rules. During their tenure as independent non-executive Directors, they have made positive contributions to the Company's strategies and policies with independent judgment from their areas of expertise. The Board considers that their continued tenures with the Company will continue to bring wide range of valuable insight and expertise to the Board. The Board also considers that the re-election of Mr. Leung Wai Man, Roger and Mr. Zhou Xiao Xiong as independent non-executive Directors is beneficial to the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

The biographical details of all the retiring Directors are as follows:

Mr. Leung Wai Man, Roger, aged 57, is an independent non-executive director and a member of both the audit committee and the remuneration committee of the Company and at the same time, the chairman of the nomination committee of the Company. Mr. Leung obtained a bachelor's degree of laws from The University of Hong Kong in 1981. Mr. Leung also obtained a bachelor's degree of laws from The University of Western Ontario, Canada in 1990. He has been a practising solicitor in Hong Kong since 1984 and is now a partner of a law firm. Mr. Leung was admitted as a solicitor in England and Wales and Ontario, Canada. Mr. Leung has over 20 years of working experience in the legal field. He has served as a member of the Board of Review (Inland Revenue Ordinance) from 1997 to 2005 and has been serving as an appointed Attesting Officer in the PRC since January 2003. Mr. Leung is currently an independent non-executive director and a member of the audit committee of Hi Sun Technology (China) Limited (Stock Code: 818), the shares of which are listed on the Stock Exchange. Hi Sun Technology (China) Limited is principally engaged in the provision of telecommunication solutions, provision of financial solutions, provision of payment solutions and sales of electronic power meters and solutions.

Save as disclosed above, Mr. Leung has not previously held any position with the Company or any of its subsidiaries and has not been a director in any other listed company in the past 3 years.

As at the Latest Practicable Date, Mr. Leung does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Leung has renewed his service contract with the Company for a term of 2 years, commencing from 9 December 2013 and is subject to retirement by rotation and re-election in accordance with the Articles. The director's fee is HK\$150,000 per annum. Save and except the aforesaid Director's fee, Mr. Leung will not be entitled to any other remuneration for holding his office as an independent non-executive director of the Company.

Mr. Zhou Xiao Xiong, aged 53, is an independent non-executive director of the Company and is a member of the audit committee, nomination committee and remuneration committee of the Company. Mr. Zhou obtained a bachelor's degree in 經濟信息管理系 (Economic Information Management) and had his postgraduate study in 世界經濟 (World Economics) from the 中國人民大學 (Renmin University of China) in 1983 and 1998, respectively. Mr. Zhou obtained a master degree in Master of Businesses Administration from 清華大學 (Qing Hua University) in 2008. Mr. Zhou has worked as senior management in a number of financial institutions in the PRC including 廣東證券有限公司 (Guangdong Securities Company Limited), 中國銀行股份有限公司 (Bank of China Limited) and 中山證券有限責任公司 (Zhongshan Securities Company Limited), and has over 20 years of experience in the fields of financial services and investment banking. Mr. Zhou is at present the chairman of J.P. Morgan Futures Company Limited in China.

LETTER FROM THE BOARD

Save as disclosed above, Mr. Zhou has not previously held any position with the Company or any of its subsidiaries and has not been a director in any other listed company in the past 3 years.

As at the Latest Practicable Date, Mr. Zhou does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Zhou has renewed his service contract with the Company for a term of 2 years, commencing from 9 December 2013 and is subject to retirement by rotation and re-election in accordance with the Articles. The director's fee is HK\$150,000 per annum. Save and except the aforesaid Director's fee, Mr. Zhou will not be entitled to any other remuneration for holding his office as an independent non-executive director of the Company.

Save as disclosed above, there is no information about any of the retiring Directors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters in relation to the aforesaid re-elections that is required to be brought to the attention of the Stock Exchange or the Shareholders.

THE AGM AND PROXY ARRANGEMENT

A notice convening the AGM to be held at Empire Room 1, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong, on 9 May 2014 at 3:00 p.m. is set out on pages 14 to 18 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk). Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM (or any adjournment thereof) to the office of the Company's share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

VOTING BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the voting on all resolutions at the AGM will be conducted by way of poll.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

RECOMMENDATION

Resolutions to be proposed at the AGM include ordinary resolutions relating to (a) the proposed grant of each of the Share Issue Mandate, Repurchase Mandate and Extension Mandate; (b) the proposed refreshment of the Scheme Mandate Limit; and (c) the proposed re-election of each of the retiring Directors. The Directors consider that all these proposed resolutions are in the best interest of the Company and the Shareholders as a whole and, accordingly, recommend all Shareholders to vote in favour of all such resolutions to be proposed at the AGM.

Yours faithfully
For and on behalf of the Board
China Flavors and Fragrances Company Limited
Wang Ming Fan
Chairman

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide all the information in relation to the Repurchase Mandate for your consideration.

1. LISTING RULES RELATING TO THE REPURCHASES OF SECURITIES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid shares on the Stock Exchange subject to certain restrictions, the important of which are summarized below:

(a) Shareholders' approval

All proposed purchase of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by its shareholders by an ordinary resolution, either by way of a general mandate or by a specific approval in relation to a specific transaction.

(b) Share capital

Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the aggregate nominal amount of its issued share capital at the date of the passing of the proposed resolution granting the Repurchase Mandate.

As at the Latest Practicable Date, the Company has 628,783,885 Shares in issue. Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no Shares are issued or repurchased by the Company prior to the AGM, the exercise of the Repurchase Mandate in full would result in up to 62,878,388 Shares being repurchased by the Company during the period from the date of passing of the relevant resolution to the next annual general meeting of the Company or the date upon which the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

(c) Reason for repurchase

The Directors believe that it is in the interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase securities of the Company on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

(d) Funding of repurchase

Any repurchase by the Company may be made out of the profits of the Company or out of a fresh issue of Shares made for the purpose of the purchase or, subject to the laws of the Cayman Islands, out of its capital and, in the case of any premium payable on the purchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, subject to the laws of the Cayman Islands, out of its capital.

As compared with the financial position of the Company as at 31 December 2013 (being the date of its latest audited accounts), the Directors consider that there would not be a material adverse impact on the working capital or gearing position of the Company if the Repurchase Mandate is to be exercised in full during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing level (as compared with the position disclosed in its most recent published audited accounts) which in the opinion of the Directors are from time to time appropriate for the Company.

(e) Connected parties

None of the Directors nor, to the best knowledge of the Directors having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) has any present intention to sell Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

As at the Latest Practicable Date, no connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

(f) Undertaking by Directors

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

(g) Takeovers Code

If as a result of a repurchase of Shares a Shareholder's proportionate interest in the voting rights of the repurchasing company increases, such increase will be treated as an acquisition of voting rights for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors:

- (a) Creative China Limited, being the controlling shareholder of the Company, held 324,551,838 Shares representing approximately 51.62% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the resolution, the shareholding interest of Creative China Limited in the Company would be increased to approximately 57.35% of the issued share capital of the Company and such an increase would not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code; and
- (b) Mr. Wang Ming Fan, an executive Director, had a direct interest of 49,431,540 Shares and was deemed by the Securities and Futures Ordinance to be interested in all the 324,551,838 Shares held by Creative China Limited (for reason that Mr. Wang Ming Fan is interested in approximately 41.19% of the issued share capital of Creative China Limited). As such, Mr. Wang Ming Fan had an aggregate interest of 373,983,378 Shares, representing approximately 59.48% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the resolution, the shareholding interest of Mr. Wang Ming Fan in the Company would be increased to approximately 66.09% of the issued share capital of the Company and such an increase would not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

The Company will not repurchase Shares if that repurchase would result in the number of Shares which are in the hands of the public falling below 25% of the Company's issued share capital.

2. SHARE PURCHASE MADE BY THE COMPANY

No purchase of Shares has been made by the Company during the last six months (whether on the Stock Exchange or otherwise).

3. SHARE PRICES

The highest and lowest prices at which the Shares of the Company have been traded on the Stock Exchange during each of the previous twelve months were as follows:

Month	Per Share	
	Highest (HK\$)	Lowest (HK\$)
2013		
April	1.06	0.92
May	1.05	0.93
June	1.03	0.90
July	1.18	1.00
August	1.29	0.96
September	1.33	1.00
October	1.18	1.07
November	1.20	1.13
December	1.26	1.00
2014		
January	1.42	1.07
February	1.50	1.21
March (<i>Note</i>)	1.51	1.33

Note: Up to the Latest Practicable Date

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of CHINA FLAVORS AND FRAGRANCES COMPANY LIMITED (the “**Company**”) will be held at Empire Room 1, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong, on 9 May 2014 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31 December 2013.
2. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
 - (a) to re-elect Mr. Leung Wai Man, Roger as independent non-executive director;
 - (b) to re-elect Mr. Zhou Xiao Xiong as independent non-executive director; and
 - (c) to authorize the board of directors to fix the directors’ remuneration.
3. To re-appoint the Company’s auditors and to authorize the board of directors to fix the remuneration of the auditors.
4. As special business, to consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

(A) “**THAT**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which (including warrants, bonds and debentures convertible into shares of the Company) would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (a) and (b), otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) an issue of shares under any options granted under the share option scheme adopted by the Company; (iii) an issue of shares upon the exercise of subscription rights attached to the warrants which might be issued by the Company; (iv) an issue of shares in lieu of the whole or part of a dividend pursuant to any scrip dividend scheme or similar arrangement in accordance with the articles of association of the Company; and (v) any adjustment, after the date of grant or issue of any options, rights to subscribe for other securities referred to in (ii) and (iii) above, in the price at which shares in the Company shall be subscribed, and/or in the number of shares in the Company which shall be subscribed, on exercise of relevant rights under such options, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, rights to subscribe or other securities, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the time of passing this resolution; and
- (d) for the purposes of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and
- (iii) the date of which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares or other securities of the Company open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China).”

NOTICE OF ANNUAL GENERAL MEETING

(B) “**THAT**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase shares of the Company, subject to and in accordance with all applicable laws and requirements, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company which may be purchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and
- (iii) the date which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

- (C) “**THAT** conditional upon Resolutions 4(A) and 4(B) set out above being passed, the aggregate nominal amount of the shares of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in Resolution 4(B) above shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Resolution 4(A) above provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution.”

NOTICE OF ANNUAL GENERAL MEETING

(D) “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval for the listing of, and permission to deal in, the shares in the share capital of the Company to be issued pursuant to the exercise of share options under the share option scheme adopted by the Company on 25 November 2005 (the “**Share Option Scheme**”), the existing scheme mandate limit in respect of the granting of options to subscribe for shares of the Company under the Share Option Scheme be refreshed and renewed provided that the total number of shares which may be allotted and issued pursuant to the grant or exercise of the options under the Share Option Scheme (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme) shall not exceed 10 per cent. of the shares of the Company in issue as at the date of passing this resolution (the “**Refreshed Limit**”) and that the Directors of the Company be and are hereby authorised, subject to compliance with the Rules Governing the Listing of Securities on the Stock Exchange, to grant options under the Share Option Scheme up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options.”

By Order of the Board
China Flavors and Fragrances Company Limited
Wang Ming Fan
Chairman

Hong Kong, 3 April 2014

As at the date of this notice, the executive directors of the Company are Mr. Wang Ming Fan, Mr. Li Qing Long 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.

Notes:

1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding of the meeting or the adjourned meeting.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney or other person duly authorized.
4. Delivery of the form of proxy will not preclude a member from attending and voting in person at the meeting convened and in such event, the form of proxy shall be deemed to be revoked.

NOTICE OF ANNUAL GENERAL MEETING

5. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, then one of the said persons so present being the most, or as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holder stand on the register in respect of the relevant joint holding.
6. The enclosed form of proxy must be signed by the appointor or by his attorney authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an office, attorney or other person duly authorized to sign the same.
7. The Register of Members of the Company will be closed from 5 May 2014 to 9 May 2014, both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for attending the forthcoming Annual General Meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on 2 May 2014.