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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)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an extraordinary general meeting of CHINA FLAVORS AND FRAGRANCES COMPANY LIMITED (the “**Company**”) will be held at Jasmine Room, Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on 15 July 2016 at 11:00 a.m. for the following purpose of considering and, if thought fit, passing, with or without modifications or amendments, the following as ordinary resolution of the Company. Unless otherwise indicated, terms defined in the Company’s circular dated 21 June 2016 shall apply to this notice of EGM:

### ORDINARY RESOLUTION

1. “**THAT:**

- (a) (i) the terms and conditions of the business transfer agreement (the “**First Agreement**”) dated 26 April 2016 entered into between Shenzhen Huiji Company Limited\* (深圳市輝際實業有限公司) (the “**First Vendor**”) and the Company in relation to the transfer of the business currently carried on by the First Vendor at an aggregate consideration of RMB432,000,000 and all transactions contemplated thereunder, including but not limited to the issuance by the Company of the perpetual subordinated convertible securities (“**PSCS**”) to the First Vendor pursuant to the terms and conditions of the First Agreement, such PSCS being convertible into new shares of the Company (“**Conversion Share(s)**”) at an initial conversion price of HK\$3.00 per Conversion Share to satisfy part of the consideration in the amount of RMB297,000,000, be and are hereby approved, confirmed and rectified;
- (ii) the terms and conditions of the business transfer agreement (the “**Second Agreement**”) dated 26 April 2016 entered into between Shenzhen Da Herong Spice Company Limited\* (深圳市大合榮香料實業有限公司) (the “**Second Vendor**”) and the Company in relation to the transfer of the business currently carried on by the Second Vendor at an aggregate consideration of RMB432,000,000 and all transactions contemplated thereunder, including but not limited to the issuance by the Company of the PSCS to the Second Vendor pursuant to the terms and conditions of the Second Agreement, such PSCS being

convertible into Conversion Shares at an initial conversion price of HK\$3.00 per Conversion Share, to satisfy part of the consideration in the amount of RMB243,000,000, be and are hereby approved, confirmed and rectified;

(iii) the terms and conditions of the business transfer agreement (the “**Third Agreement**”) dated 26 April 2016 entered into between Guangzhou Fangyuan Spice Company Limited\* (廣州市芳源香料有限公司) (the “**Third Vendor**”) and the Company in relation to the transfer of the business currently carried on by the Third Vendor at an aggregate consideration of RMB320,000,000 and all transactions contemplated thereunder, including but not limited to the issuance by the Company of the PSCS to the Third Vendor pursuant to the terms and conditions of the Third Agreement, such PSCS being convertible into Conversion Shares at an initial conversion price of HK\$3.00 per Conversion Share, to satisfy part of the consideration in the amount of RMB220,000,000, be and are hereby approved, confirmed and rectified;

(iv) the terms and conditions of the business transfer agreement (the “**Fourth Agreement**”) dated 26 April 2016 entered into between Hainan Central South Island Spice and Fragrance Company Limited\* (海南中南島香精香料有限公司) (the “**Fourth Vendor**”) and the Company in relation to the transfer of the business currently carried on by the Fourth Vendor at an aggregate consideration of RMB368,000,000 and all transactions contemplated thereunder, including but not limited to the issuance by the Company of the PSCS to the Fourth Vendor pursuant to the terms and conditions of the Fourth Agreement, such PSCS being convertible into Conversion Shares at an initial conversion price of HK\$3.00 per Conversion Share to satisfy part of the consideration in the amount of RMB202,400,000, be and are hereby approved, confirmed and rectified;

(b) subject to the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the Conversion Shares to be allotted and issued upon conversion of the PSCS, the directors of the Company (the “**Director(s)**”) be and is/are hereby granted a specific mandate to exercise the powers of the Company to issue the PSCS, and to allot and issue the Conversion Shares pursuant and subject to the terms of the instruments of the PSCS, the First Agreement, the Second Agreement, the Third Agreement and the Fourth Agreement; and

(c) any one Director be and is hereby authorized for and on behalf of the Company to sign, execute, perfect, deliver, negotiate and agree all such documents, instruments, agreements and deeds and do all such acts, matters and things for and on behalf of the Company, as he/she may in his/her opinion or absolute discretion consider reasonable, necessary or desirable to implement and/or give effect to the First Agreement, the Second Agreement, the Third Agreement and the Fourth Agreement and the transactions contemplated thereunder, including but not limited to the issue of the PSCS, and to agree to any changes as such Director may in his or her absolute discretion consider reasonable, necessary or desirable.”

2. “**THAT**

- (a) the authorised share capital of the Company be increased from HK\$80,000,000 (divided into 800,000,000 Shares of HK\$0.10 each (“**Share(s)**”)) to HK\$160,000,000 (divided into 1,600,000,000 Shares) by the creation of an additional 800,000,000 Shares, and that each such new Share, upon issue, shall rank *pari passu* in all respects with the existing Shares; and
- (b) any one director of the Company be authorized on behalf of the Company to do all such acts and things and execute and deliver all such documents which he/she considers necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to resolution 2(a).”

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

Hong Kong, 21 June 2016

*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; non-executive director of the Company is Ms. Sy Wai Shuen; 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.
- 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 11 July 2016 to 15 July 2016, both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for attending the forthcoming EGM, 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 4:30 pm on 8 July 2016.