

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 purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities nor is it calculated to invite any such offer or invitation. In particular, this announcement does not constitute and is not an offer to sell or a solicitation of any offer to buy securities in Hong Kong or elsewhere.



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)

**VOLUNTARY ANNOUNCEMENT
PROPOSED SPIN-OFF AND SEPARATE LISTING OF THE FOOD
FLAVOURS AND FINE FRAGRANCES BUSINESS BY WAY OF
PROPOSED A SHARES LISTING OF THE SPIN-OFF COMPANY ON
THE SHENZHEN STOCK EXCHANGE**

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of China Flavors and Fragrances Company Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”).

PROPOSED SPIN-OFF

The Board wishes to notify shareholders and potential investors of the Company that the Board is considering the feasibility of a proposed spin-off (the “**Proposed Spin-off**”) and listing of Dongguan Boton Flavors and Fragrances Company Limited* (東莞波頓香料有限公司) (formerly known as Dongguan Tian Cheng Fragrances and Technology Company Limited* (東莞天成香料科技有限公司)) (the “**Spin-off Company**”) by way of separate A shares listing (the “**Proposed A Share Listing**”) of the Spin-off Company on the Shenzhen Stock Exchange in the People's Republic of China (the “**PRC**”). The Spin-off Company is a non-wholly owned subsidiary of the Company and is principally engaged in the food flavours and fine fragrances business in the PRC.

The Company is also currently preparing the corporate restructuring of the indirect holding companies of the Spin-off Company in the PRC.

APPROVAL AND WAIVER CONDITIONS IN RESPECT OF THE PROPOSED SPIN-OFF

For purpose of the Proposed Spin-off, the Company had submitted a proposal on the Proposed Spin-off and a waiver application to The Hong Kong Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) pursuant to Practice Note 15 of the Listing Rules

on 9 June 2017 and the Stock Exchange had confirmed on 28 July 2017 that the Company may proceed with the Proposed Spin-off and also granted a waiver in respect of Paragraph 3(f) of the Practice Note 15 on the conditions that the Company would disclose in the announcement of the Proposed Spin-Off: (i) the reasons for not providing its shareholders with the assured entitlement; (ii) the legal restrictions under the PRC laws and regulations on the provision of the assured entitlement; and (iii) the Board's confirmation to the Company that the Proposed Spin-Off and the aforesaid waiver are fair and reasonable and in the interest of the Company and its shareholders as a whole (the "**Waiver Conditions**").

It is expected that the Proposed Spin-off and the Proposed A Share Listing, if materialise, may constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

Shareholders and prospective investors of the Company should note that the Proposed Spin-off and the Proposed A Share Listing will be subject to, among other things, obtaining approvals from the relevant PRC regulators in accordance with all applicable regulations and suitable market conditions, thus may or may not materialize. Accordingly, Shareholders and prospective investors are advised to exercise caution when dealing in the shares of the Company.

The Company will make further announcement(s) in relation to the Proposed Spin-off and the Proposed A Share Listing in accordance with the requirements of the Listing Rules and the Waiver Conditions as and when appropriate.

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

Hong Kong, 10 October 2018

** For identification purposes only.*

As at the date of this announcement, the Board comprises seven Directors, namely Mr. Wang Ming Fan, Mr. Li Qing Long and Mr. Yang Ying Chun as executive Directors, Ms. Sy Wai Shuen as non-executive Director and Mr. Leung Wai Man, Roger, Mr. Ng Kwun Wan and Mr. Zhou Xiao Xiong as independent non-executive Directors.