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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 2018 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\$2.0600 per Scrip Share. This announcement is to advise the Shareholders how the scrip entitlements to the 2018 Final Dividend being arrived at.

Reference is made to the circular (the “**Circular**”) of China Flavors and Fragrances Company Limited (the “**Company**”) dated 23 May 2019 in relation to 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 22 March 2019, the Board announced the annual results of the Company for the year ended 31 December 2018 and resolved to recommend the payment of the 2018 Final Dividend of HK\$0.034 per Share by way of cash with an option to elect, on a separate basis, to receive wholly or partly an allotment and issue of Scrip Shares, credited as fully paid, in lieu of cash payment to the Shareholders whose names appear in the register of members of the Company on 22 May 2019 (the “**Record Date**”). At the annual general meeting of the Company held on 10 May 2019, the payment of the 2018 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 2019 up to and including 30 May 2019 and rounding down such figure to four decimal places. It is now determined that the market

value of a Scrip Share is HK\$2.0600 per Scrip Share. Accordingly, the number of the 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:

$$\begin{array}{rcl} \text{Number of Scrip Shares to} & & \text{Number of existing Shares} \\ \text{be received} & & \text{held on the Record Date for} \\ \text{(to be rounded down to} & = & \text{which the election for Scrip} \\ \text{the nearest whole number)} & & \text{Shares is made} \end{array} \times \frac{\text{HK\$0.034}}{\text{HK\$2.0600}}$$

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 2018 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 will be 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 28 June 2019. Dealings in Scrip Shares on the Stock Exchange are expected to commence on 2 July 2019.

On behalf of the Board  
**China Flavors and Fragrances Company Limited**  
**Wang Ming Fan**  
*Chairman*

Hong Kong, 30 May 2019

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