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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your licensed securities dealer or other registered institution in securities, 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 with the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or 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)

- (1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**
(2) PROPOSED CHANGES OF COMPANY NAME, STOCK SHORT NAME
AND COMPANY LOGO
(3) RE-ELECTION OF DIRECTORS
AND
(4) NOTICE OF ANNUAL GENERAL MEETING

A notice dated 9 April 2020 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 Jasmine Room, 3rd Floor, Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on 15 May 2020 at 3:30 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.

9 April 2020

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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 held at Jasmine Room, 3rd Floor, Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on 15 May 2020 at 3:30 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
“close associates”	has the meaning ascribed to it under the Listing Rules
“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
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the 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 the 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 PRC
“Latest Practicable Date”	31 March 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“PRC”	the People’s Republic of China, which shall, for the purposes of this circular, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PSCS”	a series of perpetual subordinated convertible securities issued by the Company on 15 August 2016, the details of which were disclosed in the circular of the Company dated 21 June 2016
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to repurchase the 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
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares of HK\$0.10 each in the share capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to allot, issue and otherwise deal with the 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 Schemes”	the share option scheme adopted by the Company and became effective on 25 November 2005 (which was terminated on 8 May 2015) and the share option scheme adopted by the Company on 8 May 2015
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent

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 & Chief Executive Officer)

Mr. Li Qing Long

Mr. Yang Ying Chun

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent Non-Executive Directors:

Mr. Leung Wai Man, Roger

Mr. Ng Kwun Wan

Mr. Zhou Xiao Xiong

*Head Office and Principal Place
of Business in Hong Kong:*

Room 2101-02, 21/F

Wing On House

71 Des Voeux Road Central

Central

Hong Kong

9 April 2020

To the Shareholders

Dear Sir or Madam,

(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
(2) PROPOSED CHANGES OF COMPANY NAME, STOCK SHORT NAME
AND COMPANY LOGO
(3) RE-ELECTION OF DIRECTORS
AND
(4) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide Shareholders with information in respect of the resolutions to be proposed at the AGM for the approval of, *inter alia*, (a) the Share Issue Mandate; (b) Repurchase Mandate; (c) the Extension Mandate; (d) the proposed changes of company name, stock short name and company logo; and (e) the re-election 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 page AGM-1 to page AGM-4 of this circular.

LETTER FROM THE BOARD

2. GRANT OF SHARE ISSUE MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

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 the 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 the 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 the 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 896,274,814 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 89,627,481 Shares and under the Share Issue Mandate to issue a maximum of 179,254,962 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 date by which the next annual general meeting is required to be held under the Articles or any applicable laws of the Cayman Islands or the Listings Rules; 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.

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 (i) any conversion rights of the PSCS issued by the Company; and (ii) any options granted under the Share Option Schemes.

An explanatory statement containing all relevant information relating to the proposed Repurchase Mandate is set out in the Appendix I 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.

LETTER FROM THE BOARD

3. PROPOSED CHANGES OF COMPANY NAME, STOCK SHORT NAME AND COMPANY LOGO

The Board of the Company proposes to change the English name and the dual foreign name in Chinese of the Company from “China Flavors and Fragrances Company Limited 中國香精香料有限公司” to “China Boton Group Company Limited 中國波頓集團有限公司” respectively (the “Change of Company Name”).

(1) Reasons for the Change of Company Name

The Board considers that the Change of Company Name can enhance the corporate identity and image of the Company. Currently, Shenzhen Boton Spice Company Limited (深圳波頓香料有限公司) and Dongguan Boton Flavors and Fragrances Company Limited (東莞波頓香料有限公司) are the major operating subsidiaries of the Group and the business of the Group is mainly marketed under the brand name of “波頓”/“Boton”. Accordingly, the Board is of the view that the proposed new name of the Company will better align with that of the operating subsidiaries so as to capitalise on the business goodwill accumulated by the Group under the brand of “波頓”/“Boton” over the years. Therefore, the Board believes that the Change of Company Name is beneficial to the business development of the Group and is in the best interests of the Company and its Shareholders as a whole.

(2) Conditions for the Change of Company Name

The Change of Company Name will become effective subject to the satisfaction of all of the following conditions:

- i. the approval by the Shareholders by way of special resolution at the AGM; and
- ii. the approval by the Registrar of Companies in the Cayman Islands on the Change of Company Name.

The relevant filing with the Registrar of Companies in the Cayman Islands will be made after the passing of the special resolution at the AGM. Subject to the satisfaction of all conditions set out above, the Change of Company Name will take effect from the date of the issue of a certificate of incorporation on change of name by the Registrar of Companies in the Cayman Islands. Thereafter, the Company will carry out all necessary filing procedures with the Companies Registry in Hong Kong.

(3) Effect on the Change of Company Name



The Change of Company Name will not affect any rights of the Shareholders or the Company’s daily business operation and its financial position.

All existing share certificates in issue bearing the present name and logo of the Company will, after the proposed Change of Company Name becoming effective, continue to be evidence of title to such shares and the existing share certificates will continue to be valid for trading, settlement,

LETTER FROM THE BOARD

registration and delivery purposes. There will not be any arrangement for free exchange of the existing share certificates for new share certificates bearing the new name and logo of the Company. Once the Change of Company Name becomes effective, new share certificates will be issued only in the new name and under the new logo of the Company.

The Company expects to be traded in its new English name and the new dual foreign name in Chinese as soon as the Change of Company Name becomes effective and the filing procedures in Hong Kong have been fulfilled.

In addition, subject to the confirmation of the Stock Exchange and the Change of Company Name becomes effective, the English and Chinese stock short names for trading in the shares of the Company on the Stock Exchange will be changed. Subject to the Change of Company Name becomes effective, the Company logo will also be changed from  to  accordingly.

4. PROPOSED RE-ELECTION OF DIRECTORS

As at the date of this circular, the executive Directors are Mr. Wang Ming Fan, Mr. Li Qing Long (“**Mr. Li**”) and Mr. Yang Ying Chun and the independent non-executive Directors are Mr. Leung Wai Man, Roger (“**Mr. Leung**”), Mr. Ng Kwun Wan and Mr. Zhou Xiao Xiong.

Pursuant to Article 87(1) of the Articles, one-third of the Directors shall retire from office by rotation at each annual general meeting. Accordingly, Mr. Li and Mr. Leung 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 shareholders. Notwithstanding that Mr. Leung has served as an independent non-executive Director for more than nine years, (i) the Board has assessed and reviewed the annual confirmation of independence based on the criteria set out in Rule 3.13 of the Listing Rules and affirmed that Mr. Leung remains independent; (ii) the nomination committee of the Company has assessed and is satisfied of the independence of Mr. Leung; and (iii) the Board considers that Mr. Leung remains independent of the Group’s management and free of any relationship which could materially interfere with the exercise of his independent judgment. In view of the aforesaid factors and their respective experience and knowledge, the Board would recommend Mr. Leung for re-election at the AGM.

The biographical details of the two Directors proposed to be re-elected at the AGM are set out as follows:

Mr. Li Qing Long (李慶龍), aged 59, has been an executive director of the Company since April 2005. Mr. Li has more than 30 years of research and development (“**R&D**”) and production experience in the flavors and fragrances industries. Mr. Li joined the Group in March 1991 and now holds directorship in some subsidiaries of the Group, in particular, he is a director and a vice president of Shenzhen Boton Spice Company Limited. Mr. Li is responsible for the R&D and production of flavors and fragrances of the Group. He graduated from Shanghai Light Industry

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Professional School (上海輕工業專科學校) in 1982 with a major in organic synthesis process (有機合成工藝). Prior to joining the Group, he worked in Shanghai Flavor and Fragrance Factory (上海日用香精廠) for approximately 10 years.

Save as disclosed above, Mr. Li 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. Li 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. Li has entered into a service contract with the Company for a term of 3 years, commencing from 9 December 2005 which shall continue thereafter until terminated by either party giving not less than 3 months' notice in writing to the other party. He is subject to retirement by rotation and re-election in accordance with the Articles. Mr. Li is entitled to an annual salary of RMB1,368,000 which is determined on the basis of his relevant experience, responsibility, workload and time devoted to the Group.

Mr. Leung Wai Man, Roger (梁偉民), aged 63, has been an independent non-executive director of the Company since November 2005. Mr. Leung obtained a bachelor's degree of laws from The University of Hong Kong in 1981. Mr. Leung also obtained degree of Juris Doctor 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 30 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 of Hi Sun Technology (China) Limited (Stock Code: 818). 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 companies in the past 3 years.

Save as disclosed above, 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 SFO.

Mr. Leung has entered into a service agreement with the Company for a term of 2 years commencing from 9 December 2019 and will receive an annual director fee of HK\$150,000. He will be subject to retirement by rotation and re-election in accordance with the Articles.

Mr. Leung, who has served the Company for more than nine years, confirmed that he has satisfied all factors set out in Rule 3.13 of the Listing Rules in assessing his independence.

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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.

5. THE AGM AND PROXY ARRANGEMENT

A notice convening the AGM to be held at Jasmine Room, 3rd Floor, Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on 15 May 2020 at 3:30 p.m. is set out on pages AGM-1 to AGM-4 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 (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 branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, 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.

6. VOTING BY WAY OF 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.

7. 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.

8. RECOMMENDATION

The Directors consider that all the proposed resolutions in the AGM 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.

LETTER FROM THE BOARD

9. GENERAL INFORMATION

Your attention is also drawn to the additional information set out in the appendix to this circular.

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:

(i) 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.

(ii) 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 896,274,814 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 89,627,481 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.

(iii) 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.

(iv) 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 2019 (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.

(v) Connected parties

None of the Directors nor, to the best knowledge of the Directors having made all reasonable enquiries, any of their close 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 core 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.

(vi) 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.

(vii) 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 348,320,509 Shares representing approximately 38.86% 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 43.18% of the issued share capital of the Company and such an increase may give rise to an obligation on the part of Creative China Limited to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. However, the Directors have no present intention to exercise the Repurchase Mandate to such an extent that would result in such takeover obligation; and
- (b) Mr. Wang Ming Fan, an executive Director, had a direct interest of 150,885,201 Shares, was deemed by the SFO to be interested in all the 348,320,509 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) and was deemed by the SFO to be interested in all the 19,318,234 Shares held by Full Ashley Enterprises Limited (for the reason that Mr. Wang Ming Fan is interested in 100% of the issued share capital of Full Ashley Enterprises Limited) and was deemed by the SFO to be interested in all the 25,262,431 Shares held by Ms. Yang YiFan (being spouse of Mr. Wang). As such, each of Mr. Wang Ming Fan and Ms. Yang YiFan had an aggregate interest of 543,786,375 Shares, representing approximately 60.67% 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 and Ms. Yang YiFan in the Company would be increased to approximately 67.41% 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.
- (c) 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	Highest (HK\$)	Lowest (HK\$)
2019		
April	2.53	2.21
May	2.22	2.01
June	2.03	1.85
July	1.80	1.60
August	1.61	1.55
September	1.93	1.56
October	1.82	1.68
November	1.76	1.41
December	1.50	1.32
2020		
January	1.45	1.25
February	1.40	1.24
March <i>(Note)</i>	1.31	1.17

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 Jasmine Room, 3rd Floor, Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on 15 May 2020 at 3:30 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 2019.
2. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
 - (a) to re-elect Mr. Li Qing Long as an executive director of the Company;
 - (b) to re-elect Mr. Leung Wai Man, Roger as an independent non-executive director of the Company; and
 - (c) to authorize the board of directors of the Company to fix the directors’ remuneration.
3. To re-appoint the Company’s auditors and to authorise the board of directors of the Company 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 and special resolution 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;

NOTICE OF ANNUAL GENERAL MEETING

- (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;
- (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 schemes 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 for 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

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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).”

(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.”

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SPECIAL RESOLUTION

- (D) “**THAT** subject to and conditional upon the approval of the Registrar of Companies in Cayman Islands being obtained, the existing name of the Company be changed from “China Flavors and Fragrances Company Limited” to “China Boton Group Company Limited”, and the dual foreign name in Chinese from “中國香精香料有限公司” to “中國波頓集團有限公司”, and that any one or more of the directors of the Company be and is/are hereby authorised to do all such acts and things and to sign, execute, seal (where required) and deliver all such documents and to take all such steps as they may, in their absolute discretion, deem fit in order to effect such change of name.”

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

Hong Kong, 9 April 2020

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 54, 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 authorised 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 May 2020 to 15 May 2020, 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 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on 8 May 2020.