



FRAGRANCE GROUP LIMITED

Company Registration No.: 200006656M

SETTING UP OF SUBSIDIARY & TENDER OF PROPERTY IN LIVERPOOL, UNITED KINGDOM

SETTING UP OF SUBSIDIARY

The Board of Directors (the “**Board**”) of Fragrance Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Group has incorporated a wholly owned subsidiary in the United Kingdom, known as FRAGRANCE UK-LIVERPOOL LIMITED (“**Fragrance UK-Liverpool**”).

Fragrance UK-Liverpool is principally engaged in the activity of a property investment company and has an initial paid up capital of GBP 1,000,000/-.

TENDER OF PROPERTY

The Board wishes to announce that the Group’s subsidiary, Fragrance UK-Liverpool has participated and emerged as the top contender from the tender exercise to acquire the property located at Dale Street, Liverpool, L2 2DH, United Kingdom (the “**Property**”).

The Property was offered for sale by the Liverpool City Council through a public tender exercise. The Property was sold by way of a lease for a term of 250 years with an option to purchase the freehold title upon completion of certain works on the property.

The Property is strategically situated mid-way along Dale Street at its junction with Sir Thomas Street and Crosshall Street within the city centre. It has good rail connections which are within walking distance. The surrounding area is predominantly hotel/commercial/retail in nature. The waterfront and cruise liner terminal is approximately 500 metres to the West, a short walk of about 15-20 minutes.

The Property, which opened in 1866, has a land area of 4,570 square meters. This historical building spans three floors with an extensive basement and has 11,494 square metres of floor area. It features a French and Italian Renaissance architecture, and has 16 sandstone figures around the exterior representing the arts, sciences and industries of Liverpool complete with a bell tower in the centre of the building. The Property could be used for a variety of alternative uses, including a hotel, residential accommodation, and leisure or retail space.



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The Municipal offices Building, Liverpool



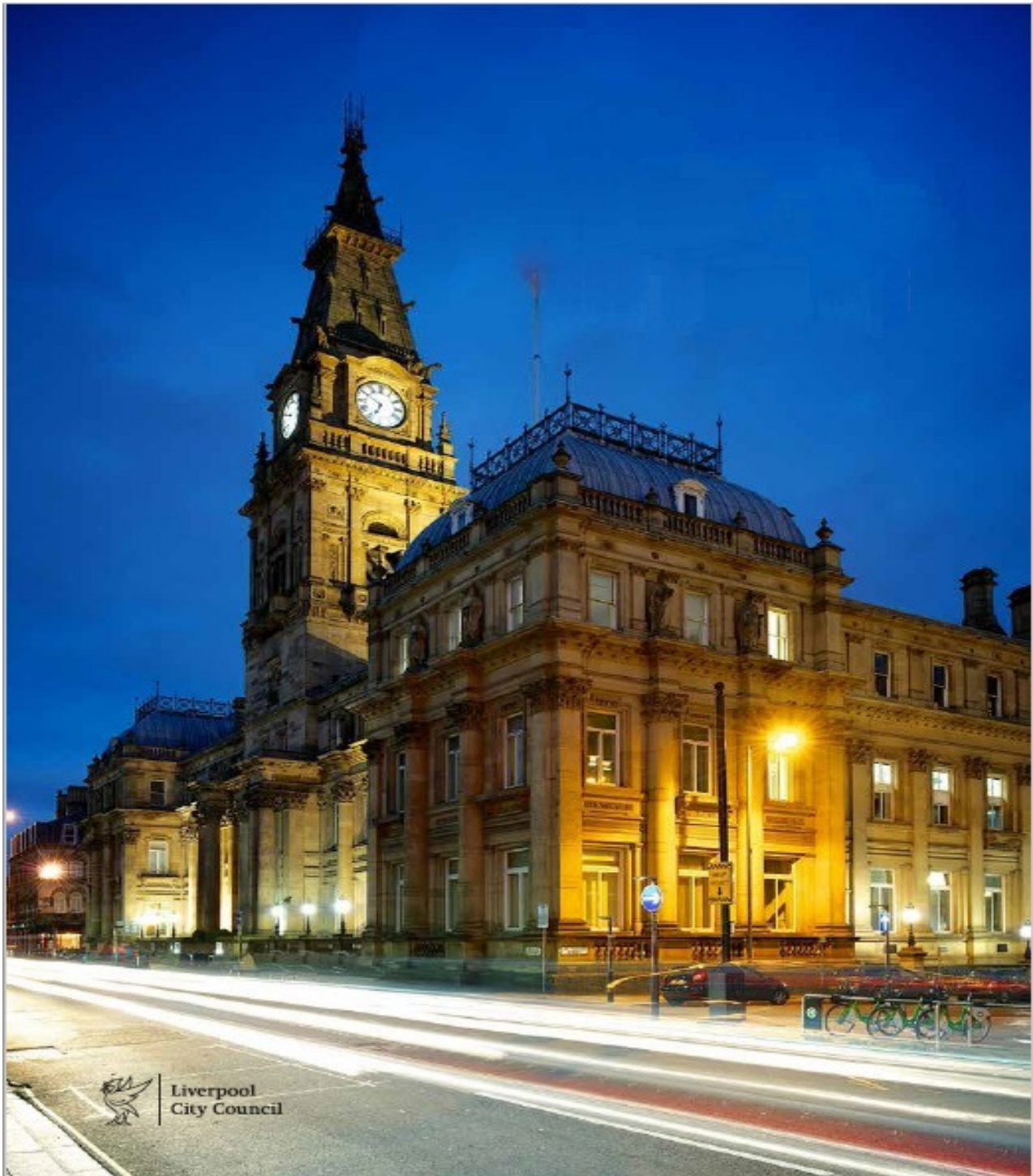
Front façade of the building



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The Municipal offices Building, Liverpool



Night view of the building



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The Municipal offices Building, Liverpool



Aerial view of the building

Upon the successful award of the Tender, the acquisition of the Property is not expected to have a material impact on the net tangible assets or earnings per share of the Company for the current financial year ending 31 December 2017.

None of the Directors nor Substantial Shareholders of the Company has any interest, direct or indirect, in the abovementioned transaction, other than their indirect interest by virtue of their shareholding in the Company.

By order of the Board
Fragrance Group Limited

Periakaruppan Aravindan
Executive Director

31 January 2017