



FRAGRANCE GROUP LIMITED

Company Registration No.: 200006656M

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## NOTICE OF ANNUAL GENERAL MEETING

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NOTICE IS HEREBY GIVEN that the Annual General Meeting of Fragrance Group Limited will be held on 20 April 2017 at 9.00 a.m. at 456 Alexandra Road #02-03 Fragrance Empire Building Singapore 119962, to transact the following business:-

### **ORDINARY BUSINESS**

1. To receive and adopt the Audited Financial Statements for the financial year ended December 31, 2016 together with the Directors' Statement and the Report of the Auditors thereon.  
**[Resolution 1]**
2. To approve the proposed Directors' fees of S\$185,000/- for the financial year ended December 31, 2016. [2015: S\$221,667/-]  
**[Resolution 2]**
3. To re-elect the following Directors who retire pursuant to the Company's Constitution:-
  - (a) Mr Teo Cheng Kuang {retiring pursuant to Regulation 91} **[Resolution 3]**
  - (b) Mr Watt Kum Kuan {retiring pursuant to Regulation 91} **[Resolution 4]**
4. To re-appoint Messrs Deloitte & Touche LLP as the Company's Auditors and to authorise the Directors to fix their remuneration.  
**[Resolution 5]**
5. To transact any other ordinary business that may be properly transacted at the Annual General Meeting.

### **SPECIAL BUSINESS**

To consider and if thought fit, to pass, with or without modification, the following resolutions, of which Resolutions 6, 7 and 8 will be proposed as Ordinary Resolutions and Resolution 9 be proposed as a Special Resolution:-

6. Authority to allot and issue shares up to 50% of issued share capital excluding treasury shares.  
  
"THAT pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Directors of the Company be and are hereby authorised to issue and allot new shares in the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS that the aggregate number of shares and convertible securities to be issued pursuant to this Resolution shall not exceed 50% of the total issued shares excluding treasury shares of the Company, of which the aggregate number of shares and convertible securities to be issued other than on a pro-rata basis to existing shareholders of the Company shall not exceed 20% of the total issued shares excluding treasury shares of the Company, and, unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the Company's next Annual General Meeting or the date by which the Company's next Annual General Meeting is required by law or by the Constitution of the Company to be held, whichever is the earlier."  
**[Resolution 6]**

*[See Explanatory Note on Special Business (i)]*



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7. Authority to purchase up to ten percent (10%) of issued ordinary shares excluding treasury shares under the Share Buy Back Mandate:

“THAT

- (a) for the purpose of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), the exercise by the Directors of the Company of all powers of the Company to purchase or otherwise acquire issued ordinary shares fully paid in the capital of the Company (the "**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
  - (i) market purchase(s) (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"); and/or
  - (ii) off-market purchase(s) (each an "**Off-Market Purchase**") in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act;

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy Back Mandate**");

- (b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buy Back Mandate shall, at the discretion of the Directors of the Company, either be cancelled or held in treasury and dealt with in accordance with the Companies Act.
- (c) unless varied or revoked by the members of the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy Back Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution and expiring on the earlier of:
  - (i) the date on which the next annual general meeting of the Company ("**AGM**") is held or required by law to be held; or
  - (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buy Back Mandate are carried out to the full extent mandated.

In this Ordinary Resolution:

"**Maximum Limit**" means that number of issued Shares representing 10% of the total number of shares in the issued ordinary share capital of the Company as at the date of the passing of this Ordinary Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of shares in the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered. For purposes of calculating the Maximum Limit, any of the Shares which are held as treasury shares will be disregarded;

"**Relevant Period**" means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Ordinary Resolution; and



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**"Maximum Price"**, in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price; and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price,

where:

**"Average Closing Price"** means the average of the closing market prices of a Share over the last five (5) Market Days (a **"Market Day"** being a day on which the SGX-ST is open for trading in securities), on which transactions in the Shares were recorded, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five (5) Market Day period; and

**"day of the making of the offer"** means the day on which the Company announces its intention to make an offer for the purchase of Shares from the shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution."

**[Resolution 7]**

*[See Explanatory Note on Special Business (ii)]*

8. Authority to issue shares under the Fragrance Performance Share Plan.

"THAT pursuant to Section 161 of the Companies Act, Chapter 50, the Directors of the Company be and are hereby authorised to offer and grant Awards in accordance with the rules of the Fragrance Performance Share Plan (the "Plan") and to allot and issue from time to time such number of fully-paid Shares as may be required to be issued pursuant to the vesting of the Awards under the Plan, provided that the aggregate number of Shares to be allotted and issued pursuant to the Plan, when added to the number of Shares issued and issuable in respect of all Awards granted under the Plan, and all Shares issued and issuable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company and for the time being in force, shall not exceed 15% of the total Shares (excluding treasury shares) on the day preceding the date on which the Award shall be granted."

**[Resolution 8]**

*[See Explanatory Note on Special Business (iii)]*

9. Adoption of the New Constitution (as Special Resolution)

"THAT

- (a) the regulations contained in the new Constitution of the Company as set out in Appendix dated 28 March 2017 accompanying this Notice of Annual General Meeting be and are hereby approved and adopted as the Constitution of the Company in substitution for, and to the exclusion of, the existing Constitution; and



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- (b) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution. **[Resolution 9]**

*[See Explanatory Note on Special Business (iv)]*

By Order of the Board

**PERIAKARUPPAN ARAVINDAN (MR)**

**KELOTH RAJ KUMAR (MR)**

Company Secretaries

28 March 2017

**Notes:-**

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.  
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50.

2. A proxy need not be a Member of the Company.
3. Members wishing to vote by proxy/proxies at the meeting may use the proxy form enclosed. The completed proxy form must be deposited at the Registered Office of the Company at 456 Alexandra Road #26-01 Fragrance Empire Building Singapore 119962 not less than 48 hours before the time appointed for the Meeting.

**Note to item no. 3:-**

- (a) Mr Teo Cheng Kuang is an independent Director, who is the Chairman of the Nominating Committee as well as a member of the Audit and Remuneration Committees and he will continue in the said capacities upon re-election as a Director of the Company.
- (b) Mr Watt Kum Kuan is an independent Director, who is the Chairman of the Remuneration Committee as well as a member of the Audit and Nominating Committees and he will continue in the said capacities upon re-election as a Director of the Company.



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### **Explanatory Note on Special Business to be transacted:**

- (i) In the proposed Resolution 6 above, the percentage of issued share capital is calculated based on the issued shares excluding treasury shares at the time of the passing of the resolution approving the mandate after adjusting for:- (a) new shares arising from the conversion or exercise of convertible securities; (b) new shares arising from the exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of the resolution approving the mandate; and (c) any subsequent bonus issue, consolidation or subdivision of shares. The proposed Resolution 6, if passed, will empower the Directors of the Company from the date of the above Meeting until the date of the next Annual General Meeting, to allot and issue new shares in the Company (whether by way of rights, bonus or otherwise). The number of shares which the Directors may issue under this Resolution shall not exceed 50% of the total issued shares excluding treasury shares of the Company. For issue of shares other than on a pro-rata basis to all existing shareholders of the Company, the aggregate number of shares and convertible securities to be issued shall not exceed 20% of the total issued shares excluding treasury shares of the Company. This authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.
- (ii) The proposed Resolution 7, if passed, will empower the Directors of the Company from the date of the above meeting until the next Annual General Meeting, or the day by which the next Annual General Meeting is required by law to be held or when varies or revoked by the Company in general meeting, whichever is the earlier, to make on-market and off-market purchases or acquisitions of ordinary shares of the Company up to 10% of the total number of shares (excluding treasury shares) in the issued ordinary share capital of the Company as at the date of this Resolution at such price(s) up to the Maximum Price (as defined in Resolution 7 above). Detailed information on the Share Buy Back Mandate (as defined in Resolution 7 above), including the sources of funds to be used for the purchase or acquisition, the amount of financing (if any) and the illustrative financial impact on the Company's financial position, is set out in the Appendix dated 28 March 2017 accompanying this Notice of Annual General Meeting.
- (iii) The proposed Resolution 8, if passed, will empower the Directors of the Company from the date of the above meeting until the next Annual General Meeting, or the day by which the next Annual General Meeting is required by law to be held, whichever is the earlier, to issue shares up to an amount in aggregate not exceeding fifteen per cent (15%) of the total number of issued shares excluding treasury shares of the Company from time to time pursuant to the vesting of the awards under the Share Plan.
- (iv) The Special Resolution proposed under Resolution 9, is for the Company to adopt a new Constitution following the wide-ranging changes to the Companies Act, Chapter 50 (the "Companies Act") as well as to align the Company's Constitution to the requirements of the Listing Manual of the SGX-ST, among others. Please refer to the Appendix dated 28 March 2017 accompanying this Notice of Annual General Meeting for further information.

### **Personal Data Privacy**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.