

**FRAGRANCE GROUP LIMITED**

Company Registration No.: 200006656M

PROPOSED SPIN-OFF AND LISTING OF PROPERTY BUSINESS IN AUSTRALIA

The Directors of Fragrance Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing a spin-off (the “**Proposed Spin-Off**”) of its property business in Australia to be listed (the “**Proposed Listing**”) on the Catalist board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the Proposed Spin-Off and the Proposed Listing collectively, the “**Proposed Restructuring**”).

The Company has appointed SAC Capital Private Limited (“**SAC Capital**”) as the financial adviser in relation to the Proposed Restructuring. Pursuant to a submission by SAC Capital (for and on behalf of the Company) and based on the representations made, the SGX-ST has informed that it has no objection to the Proposed Spin-Off. The SGX-ST however reserves the right to amend and/or vary the above decision as and when new information is provided.

The Company would like to highlight that the Proposed Restructuring is in its preliminary stages and is dependent on, *inter alia*, the results of preparatory work to be undertaken, the requisite approvals from the relevant regulatory authorities and the then-prevailing market conditions. Accordingly, there is no assurance that the Proposed Restructuring will materialise in due course. The Company will announce any material developments on the Proposed Restructuring as and when appropriate.

Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

By order of the Board

Periakaruppan Aravindan
Executive Director

19 September 2014