



SETTING UP OF SUBSIDIARY & ACQUISITION OF PROPERTY IN TASMANIA, AUSTRALIA

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 Australia, known as FRAGRANCE TAS-HOBART (SANDY BAY) PTY LTD (“**Fragrance Sandy Bay**”).

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

ACQUISITION OF PROPERTY

The Board wishes to announce that the Group has entered into a contract to acquire the property located at 5-7 Sandy Bay Road; 9, 11 & 13 Wilmot Street and 4, 6 & 8 Heathfield Avenue, Hobart, Tasmania, Australia (the “**Property**”).

The Property has a land area of approximately 4,868 square meters. Located onsite is the main Conservatorium of Music building – operated by the University of Tasmania - with a gross building area of approximately 4,313 square metres; a warehouse of approximately 1,108 square metres; three brick buildings on Heathfield Avenue; three heritage listed conjoined cottages on Wilmot Street; as well as a communications tower.

The Property occupies the corner of Sandy Bay Road and Wilmot Street, reaching back to Heathfield Avenue. It is located only a short stroll to both the CBD and Salamanca Place, with its renowned Salamanca Market (on Saturdays), literally a stone’s throw away. Salamanca is the hospitality and entertainment precinct of Hobart.

The Property is currently zoned “Urban Mixed Use” under the Hobart Interim Planning Scheme 2015. Under the current zoning, the Property can potentially be redeveloped for office, retail, hotel and residential uses.

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.



FRAGRANCE GROUP LIMITED

Company Registration No.: 200006656M

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

18 May 2017