

**FRAGRANCE GROUP LIMITED**

Company Registration No.: 200006656M

SETTING UP OF A SUBSIDIARY

The Board of Directors of Fragrance Group Limited (the “Company”, and together with its subsidiaries, the “Group”) wish to announce that the Group has incorporated a subsidiary known as FRAGRANCE TAS-HOBART PTY LTD (“Fragrance TAS-Hobart”) in Australia.

Fragrance TAS-Hobart will have an initial paid up capital of AUD2.00. The setting up of Fragrance TAS-Hobart is not expected to have any material impact on the net tangible assets or earnings per share of the Company for the current financial year ending 31 December 2014.

None of the Directors nor Substantial Shareholders of the Company has any interest, direct or indirect, in the abovementioned transaction.

By order of the Board

Periakaruppan Aravindan
Executive Director

30 May 2014