

EU YAN SANG INTERNATIONAL LTD
(Co. Reg. No.: 199302179H)

INCREASE OF SHAREHOLDINGS IN AN ASSOCIATED COMPANY
- ORION CORPORATE HEALTH PTY LTD

The Board of Directors of Eu Yan Sang International Ltd ("the Company") wishes to announce that one of its subsidiaries in Australia, YourHealth Group Pty Ltd ("YHG"), had increased its interest in Orion Corporate Health Pty Ltd ("ORION") by acquiring 10.00% of the shareholding of 10 shares in ORION from the exiting shareholder, Mrs Merryl Greaves ("the Acquisition"). The other remaining shareholder, Miss Kira Sutherland purchased the remaining 20% shareholding from Mrs Greaves. Upon the Acquisition, YHG shall hold 50.00 % of the shareholding in ORION while Miss Sutherland holds the other 50.00% of the shareholding. The consideration for the 10% equity stake was A\$400.

ORION is in the business of promoting and selling corporate health services, most of which are provided by YHG centers in Australia. For the financial year ended 30 June 2006, Orion had a turnover of A\$19,741 and an after tax profit of A\$4,925. The transaction was arrived at a willing buyer willing seller basis and the terms and conditions of the Agreement were commercially negotiated at an arm's length basis.

This transaction is funded by internal resources and is not expected to have any material impact on the earnings per share or the net tangible assets of the Company or the Group for the current financial year ended 30th June 2006.

None of the Directors and the controlling shareholders of the Company have any interest, direct or indirect, in this transaction.

BY ORDER OF THE BOARD

Submitted by Tan Kang Fun, Chief Financial Officer & Company Secretary, on 04/07/2006 to the SGX.