

EU YAN SANG INTERNATIONAL LIMITED

(Registration No.: 199302179H)

CLARIFICATION ON AN ARTICLE IN THE BUSINESS TIMES DATED 16 OCTOBER 2007

The Board of Directors of Eu Yan Sang International Limited (“the Company”) wishes to clarify on an article in The Business Times dated 16 October 2007 entitled “Eu Yan Sang to sell unprofitable Aussie clinics”.

The Company would like to make the following clarifications:-

- 1). The Australian clinics, owned by YourHealth Group Pty Ltd (“YHG”), a subsidiary of the Company, had been under voluntary administration since early this year, which was announced through SGX on 18 January 2007. Further announcement would be made once the Voluntary Administrator completes the administration process.
- 2). The double-digit growth statement is in line with our press release dated 14 November 2005, a copy of which is attached. When Mr Richard Eu referred to the double-digit growth, it was made in reference to our long term growth target mentioned in the press release of 14 November 2005. The 21% growth is a statement of fact in relation to our last quarter to June 2007. When Mr Eu made the statement “The business over the last year became stronger and stronger. The momentum has continued for this quarter”, it was inferred that the current quarter’s revenue would be close to 21%.

BY ORDER OF THE BOARD

Submitted by Tan Kang Fun @ KF Tan, Chief Financial Officer & Company Secretary,
on 16th October 2007 to the SGX.