



Eu Yan Sang Opens in Taiwan

Company initiates access to almost 23 million Chinese through new market

Singapore, October 27, 2007 – Today’s opening of Eu Yan Sang’s first retail outlet in Taipei is the first step in Eu Yan Sang’s strategy to target Taiwan’s 23 million consumers.

Group Chief Executive Officer of Eu Yan Sang International, Mr Richard Eu said that within Greater China, Taiwan is the only market in which Eu Yan Sang has yet to establish a strong presence.

“Ninety eight percent of the total population of almost 23 million people in Taiwan are of Chinese ethnicity,” said Mr Richard Eu. “Taipei itself is the most densely populated city in Taiwan with more than 6.5 million people – more than the population of Singapore or about the size of Hong Kong. The total market value of Traditional Medicines in Taiwan was US\$580.5 million in 2006.¹ This represents a huge market potential for Eu Yan Sang.”

“We are extremely excited about the prospect of introducing Eu Yan Sang’s Traditional Chinese Medicine (TCM) products to the people of Taiwan. TCM is an accepted healthcare concept in Taiwan. Taiwan’s economy is doing well, their society is affluent and they have high disposable income, so they are ready for Eu Yan Sang’s premium TCM products. We expect to see positive returns from this venture to our bottomline within three to five years.”

The first retail outlet is located on Tian Mu, East Road in Taipei, Taiwan. This is an upmarket shopping area with good human traffic ideal for the nature of our business. Eu Yan Sang has invested approximately S\$200,000 in its first store in Taipei and will further invest to grow its presence in Taiwan as and when good retail locations are available. When our Company went public in July 2000, it operated 52 outlets in three markets. Today its retail operations has expanded to 131 retail outlets across Singapore, Malaysia, Hong Kong, Macau, China and Taiwan.

¹ Source: Data Monitor 2006

Eu Yan Sang will launch its signature products such as bottled Bird's Nest, Essence of Chicken, American Ginseng Tea, and its convenient soup packs in Taipei today. It expects bottled Bird's Nest to be its best seller in Taiwan.

Sales from its retail outlets represents more than 70 percent of the company's total revenue of S\$191.5 million in FY 2007.

- End -

CORPORATE PROFILE

(As at 24 October 2007)

Listed on the Singapore Exchange, Eu Yan Sang International Limited (Eu Yan Sang) is a progressive, global healthcare company with its core focus in Traditional Chinese Medicine (TCM).

The Group has come a long way from its humble beginnings offering TCM remedies to tin mine coolies in Gopeng, Perak, Malaysia 128 years ago. Today Eu Yan Sang is a household name in Asia with an unrivalled reputation as the leader in the TCM industry.

Eu Yan Sang's ability to control the total supply chain – from the sourcing of its raw materials to the production and distribution of its products and the provision of treatments gives the Group an excellent competitive edge in the industry.

Eu Yan Sang strives to broaden its appeal by monitoring changing consumer trends and needs, investing in new business ideas, engaging in research and development with strategic partnerships and expanding its distribution network.

The Group markets fine quality Chinese herbs, Chinese Proprietary Medicines as well as health foods and supplements. It currently offers more than 280 products under the Eu Yan Sang brand name and over 1,000 different types of Chinese herbs and other medicinal products. In December 2006, the company signed an exclusive worldwide distributorship agreement with the Wisconsin Ginseng & Herb Co-op.

Manufacturing activities are carried out in two of its GMP-certified (Good Manufacturing Practice) factories located in Hong Kong and Malaysia. The Hong Kong facility in Yuen Long has also received the TGA (Therapeutic Goods Administration) certification from Australia.

Eu Yan Sang has an extensive distribution network comprising more than 130 Eu Yan Sang branded retail outlets in Hong Kong, Macau, Guangzhou, Malaysia, Singapore and Taiwan. Eu Yan Sang products are available in drugstores, pharmacies, medical halls, supermarkets, convenience stores, hospitals, health clubs and spas worldwide. Its cybershop at www.euyansang.com offers global customers the ease and convenience of shopping online. The Group also operates a chain of 16 TCM Clinics in Singapore and Malaysia; and three Specialist TCM Centres in Singapore.

Contact Information:

Eu Yan Sang International Ltd

Ms Joanna Wong
Vice President , Brand Management and Corporate Communications
Tel: 65-6421-3213
Fax: 65-6223-1617
Email: joanna.wong@euyansang.com

Rubicon Consulting Pte Ltd

Ms Lorraine Chua
Director
Tel: 65-9819 9151
Fax: 65-6468 3826
Email: lorraine@rubicon.com.sg