

EU YAN SANG INTERNATIONAL LTD
(Company Registration Number : 199302179H)

INCORPORATION OF A NEW SUBSIDIARY
- SUPREME BOTTLED BIRD'S NESTS CO. LIMITED

The Board of Directors of Eu Yan Sang International Ltd ("EYS") wishes to announce that its wholly owned subsidiary, Eu Yan Sang (Hong Kong) Limited ("EYSHK"), has incorporated a subsidiary in Hong Kong, Supreme Bottled Bird's Nests Co. Limited ("SBBN"). The authorized and paid-up capital of SBBN is HK\$3,000,000 divided into 3,000,000 ordinary shares of HK\$1.00 each. EYSHK will subscribe for 2,700,000 ordinary shares at a cost of HK\$2,700,000. Kim Hing Investment Holding Pte Ltd will subscribe for the remaining 300,000 ordinary shares of HK\$1.00 each.

SBBN will carry on the business of importation, manufacturing and distribution of bottled bird's nests, canned drinks and packaged foods, including raw and processed bird's nests.

This transaction is funded by internal sources and is not expected to have any material impact on the earnings per share or the net tangible assets of the EYS Group for the current financial year.

None of the Directors and the controlling shareholders of EYS 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 22/06/2007 to the SGX.