**EU YAN SANG INTERNATIONAL LTD**
(Co. Reg. No.: 199302179H)
(Incorporated in the Republic of Singapore)

**RESPONSE TO QUERIES REGARDING TRADING ACTIVITY**

Eu Yan Sang International Ltd (the "**Company**") refers to the queries on 10 May 2016 from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") regarding the unusual price movements in the shares of the Company on 10 May 2016 ("**Queries**") and wishes to respond to the Queries as follows:

**Question 1:**

Are you (the issuer) aware of any information not previously announced concerning you, your subsidiaries or associated companies which, if known, might explain the trading? Such information may include events that are potentially material and price-sensitive, such as discussions and negotiations that may lead to joint ventures, mergers, acquisitions or purchase or sale of a significant asset. You may refer to paragraph 8 in Appendix 7.1 of the Mainboard Rules for further examples.
- If yes, the information shall be announced immediately.

**The Company's Response:**

On 15 May 2016, the Company released its unaudited consolidated financial statements of the Company and its subsidiaries (the "**Eu Yan Sang Group**") for the third quarter ended 31 March 2016 and for the nine-month period ended 31 March 2016 ("**3Q2016 Results**").

In addition, the Company notes that Credit Suisse (Singapore) Limited, for and on behalf of Righteous Crane Holding Pte. Ltd. (the "**Offeror**") has announced a voluntary conditional cash offer ("**Offer**") for all the issued and paid-up ordinary shares in the capital of the Company ("**Shares**"), other than those Shares owned, controlled or agreed to be acquired by the Offeror as at the date of the Offer ("**Offer Announcement**"). In response to the Offer Announcement, the Company released a holding announcement dated 16 May 2016 informing shareholders of the Company of the Offer ("**Holding Announcement**").

Copies of the 3Q2016 Results, the Offer Announcement and the Holding Announcement are available on the website of the SGX-ST at www.sgx.com.

Save for the foregoing, the Company is not aware of any information not previously announced concerning the Eu Yan Sang Group which might explain the unusual price movements in the Shares.

The Company will make an appropriate announcement if and when it is aware of any material developments. In the meantime, the Company advises that shareholders of the Company exercise caution when dealing in the Shares and to refrain from taking any action which may be prejudicial to their interests.

**Question 2:**

Are you aware of any other possible explanation for the trading? Such information may include public circulation of information by rumours or reports.

**The Company's Response:**

Save as discussed in relation to Question 1, the Company is not aware of any other possible explanation for the trading.

**Question 3:**

Can you confirm your compliance with the listing rules and, in particular, Mainboard Rule 703?

**The Company's Response:**

The Company confirms that it is in compliance with the listing rules in the Listing Manual, in particular, Mainboard Rule 703.

**Responsibility Statement**

The directors of the Company (including any director who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Announcement), the sole responsibility of the directors of the Company has been to ensure, through reasonable enquiries, that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

BY ORDER OF THE BOARD

Lam Chee Weng
Chief Financial Officer & Company Secretary
16 May 2016