



## YEO HIAP SENG LIMITED

(Incorporated in Singapore)  
(Company Registration No.: 195500138Z)

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### ANNOUNCEMENT PURSUANT TO RULE 1008(2) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

#### - PROPOSED DISPOSAL OF LANGFANG YILI DAIRY CO., LTD ("LANGFANG YILI")

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## 1. INFORMATION ON LANGFANG YILI

- 1.1 In November 2001, a Joint Venture Agreement was signed between YHS (Singapore) Pte Ltd, a 100%-owned subsidiary of the Company (the "**Vendor**") and Inner Mongolia Yili Industry Development Co., Ltd (the "**Purchaser**") to set up Langfang Yili in China. The Vendor held 25% of Langfang Yili's equity while the Purchaser held 75% of Langfang Yili's equity.
- 1.2 With the establishment of the factory in Hebei, China, Langfang Yili had been focused on the production, sales and development of Yili-branded liquid milk and related products. The factory has stopped production since August 2024.

## 2. TRANSACTION

- 2.1 The Board of Directors (the "**Board**") of Yeo Hiap Seng Limited ("**YHS**" or the "**Company**" and, together with its subsidiaries, the "**Group**") wishes to announce that the Vendor has on 16 July 2025 entered into a Shareholding Transfer Agreement (the "**STA**") with the Purchaser to dispose its 25% shareholding (the "**Proposed Disposal**"), the entire issued and paid-up share capital held by the Vendor (the "**Sale Shares**") in Langfang Yili for a net cash consideration after withholding taxes of RMB16.00 million (the "**Consideration**" approximately S\$2.86 million). The STA is conditional upon, amongst others, certain approvals being obtained.
- 2.2 The Consideration was arrived at based on arm's length negotiations and willing buyer willing seller basis, in accordance with the terms of the joint venture agreement in relation to Langfang Yili, taking into account the net asset position of Langfang Yili. Based on the unaudited financial statements of Langfang Yili as at 31 December 2024, the net assets of the Sale Shares are approximately S\$2.50 million. On completion, the Consideration shall be satisfied by cash.
- 2.3 The book value of the Langfang Yili after the full impairment as at the financial year ended 31 December 2024 is NIL. As such, the amount of the excess of the Consideration over the said book value is approximately S\$2.86 million. The gain on the disposal is approximately S\$2.39 million after recognition of the reversal of the foreign currency translation reserve of S\$0.47 million. The gain will be reflected in the period that the Proposed Disposal is completed. The proceeds from the Sale Shares will be used as general working capital of the Group.
- 2.4 As the Sale Shares represent the entire equity interest held by the Group in Langfang Yili, the Group will cease to have any interest in Langfang Yili and Langfang Yili will cease to be an associated company of the Group following the completion of the Proposed Disposal.

**3. INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or the controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal, other than through their respective shareholdings in the Company.

**4. NO SERVICE CONTRACTS**

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed Disposal.

**5. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Disposal and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

**6. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the STA will be available for inspection at the registered office of the Company at 3 Senoko Way, Singapore 758057 during normal business hours on any weekday (public holidays excepted) for three (3) months from the date of this announcement.

By Order of the Board

Ong Yuh Hwang  
Chief Executive Officer  
4 August 2025