

PRESS RELEASE

Loss of free float of Eu Yan Sang International Ltd ("EYSI") and potential suspension of trading of shares after Offer closes

- **Less than 10% of total EYSI shares outstanding are freely floated on the SGX-ST and the SGX-ST may suspend trading in the shares.**
- **The Offeror, together with other substantial shareholders, currently hold 91.45% of the total number of issued shares of EYSI.**
- **As previously announced, the Offeror does not intend to maintain EYSI's listing or restore the minimum free float.**
- **Offer Price of S\$0.60 per share is final as previously announced.**

Singapore, 8 August 2016 – On 16 May 2016, a consortium consisting of certain members of the Eu family, Tower Capital TCM Holdings L.P. and Temasek (the "Offeror") launched a voluntary conditional cash offer for Eu Yan Sang International Ltd (the "Company" or "EYSI") shares that it did not already own for S\$0.60 per share (the "Offer price").

The Offer was declared unconditional on 29 June 2016. Consistent with past announcements, the Offeror repeats that it does not intend to revise the Offer price.

On 4 August 2016 after market close, the Board of EYSI announced that substantial shareholders of the Company currently hold more than 91% of the total shares in the Company.

With the public float of EYSI shares falling below the minimum free float requirements of 10%, the Singapore Exchange Securities Trading Limited (SGX-ST) may suspend the trading of EYSI shares after the close of the Offer.

The substantial shareholders currently include (i) the Offeror, who has received valid acceptances to the Offer representing 80.85% of the total number of issued EYSI shares and (ii) other substantial shareholders – Hillhouse Capital Management, Ltd ("Hillhouse") and TFW Fund ("TFW") – who have, in aggregate, 10.60% of the total number of issued EYSI shares.

If Hillhouse and TFW remain as substantial shareholders as at the close of the Offer, SGX-ST may suspend trading of EYSI shares. **The Offeror does not intend to restore the minimum 10% float or to maintain the listing status of EYSI. This position is consistent with past announcements.**

If the current substantial shareholders remain as substantial shareholders, the Offeror will not be entitled to exercise any compulsory acquisition of shares held by others. Shareholders who have not accepted the Offer will also not be entitled to exercise any rights to require the Offeror to acquire their shares.

Acceptances of the Offer must be received no later than 5:30 p.m. (Singapore time) on 15 August 2016 (or such later date(s) as may be announced from time to time by or on behalf of the Offeror).

Full details of the Offer are set out in the offer document dated 6 June 2016, which has been despatched to EYSI shareholders.

Credit Suisse (Singapore) Limited is acting as the exclusive financial advisor to the Offeror. Terms used in this news release should be read in conjunction with the Offeror's announcement to the SGX-ST.

About Eu Yan Sang International Ltd

Based on publicly available information, the Company was incorporated under the laws of Singapore on 10 April 1993 and was listed on the Main Board of the SGX-ST on 28 July 2000. The Company, together with its subsidiaries, specialises in the production, distribution and retail of traditional Chinese medicine ("TCM") and wellness products. The Company also operates a chain of TCM clinics. The principal activities of the Company are investment holding and providing management services.

For further information, please contact:

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The directors of the Offeror (including those who may have delegated detailed supervision of this press release) have taken all reasonable care to ensure that the facts stated and opinions expressed in this press release are fair and accurate and that there are no other material facts not contained in this press release, the omission of which would make any statement in this press release misleading.

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The directors of the Offeror jointly and severally accept full responsibility accordingly.