



YEO HIAP SENG LIMITED

(Incorporated in Singapore)

(Company Registration No. 195500138Z)

INCREASE OF EQUITY INTEREST IN A SUBSIDIARY

The directors (the "**Directors**") of Yeo Hiap Seng Limited (the "**Company**") wish to announce that the Company has increased its equity interest in Yeo Hiap Seng (Shanghai) Co., Ltd ("**YHS Shanghai**"), a subsidiary of the Company, from 94.88% to 100%.

YHS Shanghai was formed as a joint venture company in the People's Republic of China to develop and operate YHS's beverage manufacturing facility in Shanghai. The Company has acquired from Shanghai Songjiang Business General Company, the remaining 5.12% of the registered capital in YHS Shanghai (the "**Acquisition**") not already owned by the Company, for an aggregate consideration of US\$325,000 (approximately S\$470,000). The consideration, arrived at on a willing-buyer willing-seller basis, was paid for wholly in cash.

The Acquisition is not expected to have any material impact on the Group's net tangible assets and earnings per share for the financial year ending 31 December 2007.

None of the Directors (other than as the Company's representatives on the board of YHS Shanghai) or substantial shareholders of the Company has any interest, direct or indirect, in the Acquisition.

BY ORDER OF THE BOARD

Joanne Lim
Company Secretary
5 November 2007