

YHI INTERNATIONAL LIMITED

PRESS RELEASE

YHI'S PLACEMENT SHARES FULLY TAKEN UP BY INSTITUTIONAL INVESTORS

December 9, 2003 – SGX Mainboard-listed YHI International Limited (YHI), an established distributor of automotive and industrial products and an original design manufacturer (ODM) of alloy wheels, today announced that the Company has completed the Placement of 15,000,000 new ordinary shares of S\$0.20 each in the capital of the Company at the placement price of S\$1.095 for each New Share.

The New Shares fully placed out by DBS Bank Ltd have been taken up by major institutional investors. The New Shares have been listed and quoted on the Official List of SGX-ST with effect from 09.00am, 9 December 2003.

The Company is also pleased to announce that upon completion of the Placement Exercise, Schroder Investment Management Group has a deemed interest of 6.701% of YHI's enlarged share capital of 243,579,845 Shares.

The net proceeds from the placement, which amounted to approximately \$16.1 million, will be utilized primarily to fund its expansion in the PRC. The funds will be used to acquire machinery and equipment for two production lines intended for both the PRC domestic and international alloy wheel markets, and to enter into a joint venture in the PRC to set up a metal surface finishing facility for alloy wheels. The funds will also be used for acquisitions and/or investments, which are synergistic with the Group's businesses in the PRC and for working capital purposes.

Said YHI's managing director, Mr Richard Tay, "The funds raised will enable us to take advantage of the abundant opportunities in China as well as in new investments with good growth potential and synergistic value so that we can ultimately deliver better returns to shareholders."

About YHI International:

A homegrown company with a history of more than 55 years, YHI International has expanded its business from distributing tyres and automotive batteries to become an ODM of alloy wheels with two manufacturing plants, one in Shanghai and the other in Taoyuan, Taiwan. Its major manufacturing base in Shanghai, China occupies a total land area of 47 thousand square metres.

The Group's distribution network spans Singapore, the PRC, Hong Kong, Taiwan, Malaysia, Australia and New Zealand where it has established its corporate offices and warehousing facilities. From its main distribution hubs in Singapore, the PRC, Hong Kong and Taiwan, the Group distributes its products

locally in these countries as well as exports them to more than 30 countries. Currently, it distributes to approximately 2,000 customers internationally. Some of the key international brands that YHI distributes include Yokohama, Nankang and Tornado for tyres, and Enkei and OZ for alloy wheels.

As an integrated ODM solutions provider, YHI provides a range of services from design and development to manufacturing and marketing and distribution of alloy wheels for customers. It designs and manufactures for major brands like LowenHart, Racing Hart, Giovana, Konig and 5-zigen. It has also created and marketed its own brand Advanti through its wide distribution network.

YHI has established a profitable track record over the past three years. Group turnover grew from S\$147.9 million in FY2000 to S\$176.9 million in FY2002 while its profit before tax grew from S\$6.5 million in FY2000 to S\$14.9m in FY2002.

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Release issued on behalf of YHI International Limited by
Stratagem Consultants Pte Ltd

For more information, please contact:
Tham Moon Yee/ Mike Loo / Mabel Ong
Tel : 6227 0502
Fax : 6227 5663
Email : tmy@stratagemconsultants.com
mikeloo@stratagemconsultants.com
mabel@stratagemconsultants.com

9 December 2003

Submitted by Yuen Sou Wai, Executive Director on 09/12/2003 to the SGX