

**YHI INTERNATIONAL LIMITED**

---

**INCORPORATION OF A WHOLLY OWNED SUBSIDIARY IN SHANGHAI, THE  
PEOPLE'S REPUBLIC OF CHINA – YHI ADVANTI MANUFACTURING  
(SHANGHAI) CO LTD**

---

The Board of Directors of YHI International Limited (the "**Company**") wishes to announce that YHI Manufacturing (Singapore) Pte Ltd ("**YHI Manufacturing**"), a wholly-owned subsidiary of the Company, has incorporated a wholly-owned subsidiary, YHI Advanti Manufacturing (Shanghai) Co Ltd ("**YHI Advanti**") in Shanghai, PRC.

The total registered capital of the Company is US\$1.5 million. The principal activity of the company is to manufacture alloy wheels for domestic sales in the People's Republic of China.

The above transaction will not have any material impact on the Company's net tangible assets and earnings per share for the financial year ended 31 December 2003. None of the directors or substantial shareholders of the Company have any interest, direct or indirect in the incorporation of YHI Advanti Manufacturing (Shanghai) Co Ltd.

Submitted by Yuen Sou Wai, Executive Director on 08/03/2004 to the SGX