

## **YHI INTERNATIONAL LIMITED**

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### **PRESS RELEASE**

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#### **TEMASEK HOLDINGS TO TAKE UP 6.16% STAKE IN YHI INTERNATIONAL**

Singapore, 2 March 2004: SGX Mainboard-listed YHI International Limited ("YHI" or "the Group"), an established distributor of automotive and industrial products and an original design manufacturer (ODM) of alloy wheels, today announced that Seletar Investments Pte Ltd, a 100% subsidiary of Temasek Holdings (Private) Limited has acquired a 6.16% stake in YHI.

The sale of 15 million shares of S\$0.20 par value will be by way of a private vendor sale to Temasek at S\$1.20 for each share. The 15 million shares represents approximately 6.16% of the total issued share capital of the Company of 243,579,845 shares. The 15 million shares is part of a proposed private vendor sale of 20 million by YHI Holdings. As a result of the private vendor sale, YHI Holdings' shareholdings in YHI International will be reduced to 150,579,845, representing 61.82% of the issued share capital of the Company.

Mr Richard Tay, Managing Director of YHI, said: "We welcome Temasek as an investor in the Company. Temasek's investment in YHI demonstrates its confidence in our company and its growth potential, especially in the fast-growing automotive sector in the PRC. This investment also brings significant value to the Group as we also look forward to Temasek's contribution to the expansion of our regional and international businesses."

Commenting on the investment, Mr Tow Heng Tan, Managing Director of Strategic Development (Asean Investments) of Temasek said: "This investment in YHI is in line with our interest in promising companies with good growth potential. We are interested in supporting the long-term success of these companies as regional or international players."

#### **About YHI International:**

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, Enkei and OZ for alloy wheels and Hitachi for both automotive and industrial batteries.

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 four years. Its turnover grew from S\$147.9 million in FY2000 to S\$220.7million in FY2003 while its profit after tax grew from S\$4.8 million in FY2000 to S\$14.6 million in FY2003. YHI's distribution business accounted for approximately 73% and 66% of turnover and profit after tax respectively, while the manufacturing business accounted for approximately 27% and 34% of turnover

and profit after tax respectively in FY2003.

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

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Submitted by Yuen Sou Wai, Executive Director on 02/03/2004 to the SGX