

**YHI INTERNATIONAL LIMITED**(Company Registration No. 200007455H)  
(Incorporated In the Republic of Singapore)**FULL YEAR UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR YEAR ENDED 31 DECEMBER 2014****PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS****1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year****1(a)(i) CONSOLIDATED INCOME STATEMENT (FULL YEAR 2014 vs FULL YEAR 2013)**

	<b>Group 01/01/14- 31/12/14 S\$ '000</b>	<b>Group 01/01/13- 31/12/13 S\$ '000</b>	<b>Incr/(Decr)  %</b>
Sales	511,229	508,923	0.5%
Cost of sales	<b>(397,629)</b>	(397,075)	0.1%
Gross profit	<b>113,600</b>	111,848	1.6%
Other gains - net	<b>2,805</b>	2,700	3.9%
Expenses			
- Distribution	<b>(51,731)</b>	(49,066)	5.4%
- Administrative	<b>(45,489)</b>	(44,436)	2.4%
- Finance	<b>(5,020)</b>	(5,233)	(4.1%)
Share of profit of an associated company	<b>708</b>	604	17.2%
Profit before income tax	<b>14,873</b>	16,417	(9.4%)
Income tax expense	<b>(6,646)</b>	(6,178)	7.6%
<b>Net profit</b>	<b>8,227</b>	10,239	(19.7%)
<b>Attributable to:</b>			
Equity holders of the Company	<b>7,027</b>	8,823	(20.4%)
Non-controlling interests	<b>1,200</b>	1,416	(15.3%)
	<b>8,227</b>	10,239	(19.7%)

**NOTES TO CONSOLIDATED INCOME STATEMENT (FULL YEAR 2014 vs FULL YEAR 2013)**

	<b>Group 01/01/14- 31/12/14 S\$ '000</b>	<b>Group 01/01/13- 31/12/13 S\$ '000</b>	<b>Incr/(Decr)  %</b>
Interest income	515	289	78.2%
Interest on borrowings	<b>(5,020)</b>	(5,233)	(4.1%)
Depreciation and impairment charges of property, plant and equipment	<b>(16,410)</b>	(17,476)	(6.1%)
Amortisation of intangible assets	<b>(62)</b>	(62)	NM
Allowance for impairment of doubtful trade receivables	<b>(1,799)</b>	(1,000)	79.9%
Write-down of inventories	<b>(1,304)</b>	(1,224)	6.5%
Currency exchange (loss)/gain- net	<b>(953)</b>	383	NM
Share of profit of an associated company	<b>708</b>	604	17.2%
(Loss)/gain on disposal of property, plant and equipment	<b>(286)</b>	9	NM

NM – Not meaningful



**NOTES TO CONSOLIDATED INCOME STATEMENT (FULL YEAR 2014 vs FULL YEAR 2013) (Cont'd)**

<b>Income Tax Expenses</b>	<b>Group 01/01/14- 31/12/14 S\$ '000</b>	<b>Group 01/01/13- 31/12/13 S\$ '000</b>	<b>Incr/(Decr) %</b>
Tax expense attributable to profit is made up of:			
Current income tax			
- Singapore	920	605	52.1%
- Foreign	5,652	6,201	(8.9%)
	<b>6,572</b>	6,806	(3.4%)
Deferred income tax	317	648	(51.1%)
	<b>6,889</b>	7,454	(10.1%)
(Over)/under provision in previous financial year			
- Current income tax	(73)	(487)	(85.0%)
- Deferred income tax	(170)	(789)	(78.5%)
	<b>6,646</b>	6,178	7.6%

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (FULL YEAR 2014 vs FULL YEAR 2013)**

	<b>Group 01/01/14- 31/12/14 S\$ '000</b>	<b>Group 01/01/13- 31/12/13 S\$ '000</b>	<b>Incr/(Decr) %</b>
<b>Profit for the year</b>	<b>8,227</b>	10,239	(19.7%)
<b>Other comprehensive income, net of tax:</b>			
Items that may be reclassified subsequently to profit or loss			
- Currency translation differences	(1,485)	(1,034)	43.6%
<b>Total comprehensive income for the year</b>	<b>6,742</b>	9,205	(26.8%)
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	5,930	8,658	(31.5%)
Non-controlling interests	812	547	48.4%
	<b>6,742</b>	9,205	(26.8%)


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**1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year**
**STATEMENT OF FINANCIAL POSITION**

	<b>Group 31/12/14</b>	Group 31/12/13	<b>Company 31/12/14</b>	Company 31/12/13
	<b>S\$ '000</b>	S\$ '000	<b>S\$ '000</b>	S\$ '000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	56,421	57,426	3,694	2,480
Trade and other receivables	89,838	83,696	40,815	43,789
Inventories	132,323	131,096	-	-
Other current assets	14,654	13,345	15	14
	<b>293,236</b>	285,563	<b>44,524</b>	46,283
Non-current assets held-for-sale	8,384	-	-	-
	<b>301,620</b>	285,563	<b>44,524</b>	46,283
<b>Non-current assets</b>				
Transferable club membership, at cost	146	146	-	-
Investment in an associated company	15,588	16,741	-	-
Investments in subsidiaries	-	-	100,122	100,122
Property, plant and equipment	121,316	136,857	298	-
Intangible assets	3,447	3,174	-	-
Deferred income tax assets	4,589	4,187	-	-
	<b>145,086</b>	161,105	<b>100,420</b>	100,122
<b>Total assets</b>	<b>446,706</b>	446,668	<b>144,944</b>	146,405
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	45,669	41,734	3,009	2,229
Current income tax liabilities	1,327	1,189	-	148
Borrowings	104,129	98,646	6,400	6,400
Derivative financial instrument	365	153	365	153
	<b>151,490</b>	141,722	<b>9,774</b>	8,930
<b>Non-current liabilities</b>				
Borrowings	28,751	40,790	5,000	11,400
Deferred income tax liabilities	2,276	1,987	-	-
Derivative financial instrument	58	134	58	134
	<b>31,085</b>	42,911	<b>5,058</b>	11,534
<b>Total liabilities</b>	<b>182,575</b>	184,633	<b>14,832</b>	20,464
<b>Net assets</b>	<b>264,131</b>	262,035	<b>130,112</b>	125,941
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	77,001	77,001	77,001	77,001
Other reserves	(7,117)	(6,592)	-	-
Retained profits	181,421	178,941	53,111	48,940
	<b>251,305</b>	249,350	<b>130,112</b>	125,941
Non-controlling interests	12,826	12,685	-	-
<b>Total equity</b>	<b>264,131</b>	262,035	<b>130,112</b>	125,941

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**1(b)(ii) Aggregate amount of Group's borrowings and debt securities****Amount repayable in one year or less, or on demand**

Group As at 31/12/14		Group As at 31/12/13	
Secured S\$ '000	Unsecured S\$ '000	Secured S\$ '000	Unsecured S\$ '000
104,129	-	98,646	-

**Amount repayable after one year**

Group As at 31/12/14		Group As at 31/12/13	
Secured S\$ '000	Unsecured S\$ '000	Secured S\$ '000	Unsecured S\$ '000
28,751	-	40,790	-

**Details of any collateral**

The Group's borrowings are secured by the following:-

- (i) a first legal mortgage on certain subsidiaries' freehold and leasehold properties;
- (ii) a first legal charge on office equipment, plant and machinery of certain subsidiaries;
- (iii) a fixed and floating charge on all the assets of certain subsidiaries;
- (iv) corporate guarantee from the Company; and
- (v) banker's guarantees, up to S\$5.5 million (2013: S\$5.4 million), given as security to banks which granted banking facilities to certain subsidiaries. The banker's guarantees are in turn secured by a fixed and floating charge on all the assets of a subsidiary.

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**1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year****1(c)(i) CONSOLIDATED STATEMENT OF CASH FLOWS (FY2014 vs FY2013)**

	<b>Group 01/01/14- 31/12/14 S\$ '000</b>	<b>Group 01/01/13- 31/12/13 S\$ '000</b>
<b>Cash flows from operating activities</b>		
Net profit	8,227	10,239
Adjustments for:		
Income tax	6,646	6,178
Depreciation of property, plant and equipment	16,410	17,476
Amortisation of intangible assets	62	62
Loss/(gain) on disposal of property, plant and equipment	286	(9)
Interest expense	5,020	5,233
Interest income	(515)	(289)
Dividend income	(319)	-
Share of profit of an associated company	(708)	(604)
Fair value loss on derivative financial instruments	136	369
Loss on disposal of transferred club membership	-	32
Unrealised currency translation differences	273	(3,194)
Operating cash flow before working capital changes	<b>35,518</b>	<b>35,493</b>
Changes in working capital, net of effects from disposal of subsidiary:		
Inventories	(1,227)	3,114
Trade and other receivables	(6,142)	2,629
Other current assets	(1,309)	1,441
Trade and other payables	3,268	(3,658)
Cash generated from operations	<b>30,108</b>	<b>39,019</b>
Interest received	515	289
Income tax paid	(6,634)	(7,085)
<b>Net cash provided by operating activities</b>	<b>23,989</b>	<b>32,223</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment	2,352	579
Purchase of property, plant and equipment	(11,231)	(11,066)
Proceeds from transfer of club membership	-	10
<b>Net cash used in investing activities</b>	<b>(8,879)</b>	<b>(10,477)</b>
<b>Cash flows from financing activities</b>		
Dividends received	319	-
Dividends paid to equity holders of the Company	(3,975)	(7,307)
Dividends paid to non-controlling interest	(671)	(952)
Interest paid	(4,603)	(5,209)
Proceeds from borrowings	9,722	22,783
Repayments of borrowings	(11,858)	(13,838)
Repayments of finance lease liabilities	(2,494)	(1,804)
<b>Net cash used in financing activities</b>	<b>(13,560)</b>	<b>(6,327)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,550</b>	<b>15,419</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>53,791</b>	<b>38,400</b>
Effects of currency translation on cash and cash equivalents	202	(28)
<b>Cash and cash equivalents at end of the financial year</b>	<b>55,543</b>	<b>53,791</b>


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**1(c)(i) CONSOLIDATED STATEMENT OF CASH FLOWS (FY2014 vs FY2013) (Cont'd)**

	<b>Group</b> <b>01/01/14-</b> <b>31/12/14</b> <b>S\$ '000</b>	<b>Group</b> <b>01/01/13-</b> <b>31/12/13</b> <b>S\$ '000</b>
<b>Consolidated cash and cash equivalents are represented by:</b>		
Cash and bank balances	56,421	57,426
Less: Bank overdrafts	(878)	(3,635)
<b>Cash and cash equivalents as per consolidated statement of cash flows</b>	<b>55,543</b>	<b>53,791</b>

**1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

**STATEMENT OF CHANGES IN EQUITY**
**←Attributable to equity holders of the Company→**

	<b>Share capital</b> <b>S\$ '000</b>	<b>Other reserves</b> <b>S\$ '000</b>	<b>Retained Profits</b> <b>S\$ '000</b>	<b>Sub-total</b> <b>S\$ '000</b>	<b>Non-controlling interests</b> <b>S\$ '000</b>	<b>Total</b> <b>S\$ '000</b>
<b>The Group</b>						
<b>Balance at 1 January 2014</b>	77,001	(6,592)	178,941	249,350	12,685	262,035
Total comprehensive income for the year	-	(1,097)	7,027	5,930	812	6,742
Dividends relating to 2013 paid	-	-	(3,975)	(3,975)	(671)	(4,646)
Transfer from retained profits to other reserves	-	572	(572)	-	-	-
<b>Balance at 31 December 2014</b>	<b>77,001</b>	<b>(7,117)</b>	<b>181,421</b>	<b>251,305</b>	<b>12,826</b>	<b>264,131</b>

	<b>Share capital</b> <b>S\$ '000</b>	<b>Other reserves</b> <b>S\$ '000</b>	<b>Retained Profits</b> <b>S\$ '000</b>	<b>Sub-total</b> <b>S\$ '000</b>	<b>Non-controlling interests</b> <b>S\$ '000</b>	<b>Total</b> <b>S\$ '000</b>
<b>The Group</b>						
<b>Balance at 1 January 2013</b>	77,001	(6,161)	176,401	247,241	13,848	261,089
Total comprehensive income for the year	-	(165)	8,823	8,658	547	9,205
Dividends relating to 2012 paid	-	-	(7,307)	(7,307)	(952)	(8,259)
Transaction with non-controlling interests	-	-	758	758	(758)	-
Transfer from other reserves to retained profits	-	(266)	266	-	-	-
<b>Balance at 31 December 2013</b>	<b>77,001</b>	<b>(6,592)</b>	<b>178,941</b>	<b>249,350</b>	<b>12,685</b>	<b>262,035</b>

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**STATEMENT OF CHANGES IN EQUITY**

	Share Capital S\$ '000	Retained Profits S\$ '000	Total S\$ '000
<b>The Company</b>			
<b>Balance at 1 January 2014</b>	<b>77,001</b>	<b>48,940</b>	<b>125,941</b>
Total comprehensive income for the year	-	8,146	8,146
Dividends relating to 2013 paid	-	(3,975)	(3,975)
<b>Balance at 31 December 2014</b>	<b>77,001</b>	<b>53,111</b>	<b>130,112</b>

	Share Capital S\$ '000	Retained Profits S\$ '000	Total S\$ '000
<b>The Company</b>			
<b>Balance at 1 January 2013</b>	<b>77,001</b>	<b>47,699</b>	<b>124,700</b>
Total comprehensive income for the year	-	8,548	8,548
Dividends relating to 2012 paid	-	(7,307)	(7,307)
<b>Balance at 31 December 2013</b>	<b>77,001</b>	<b>48,940</b>	<b>125,941</b>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares, excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

There was no change in the Company's number of shares since 31 December 2013. The share capital of the Company as at 31 December 2014 was 584,591,628 ordinary shares.

**1(d)(iii) Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

	Company 31/12/14	Company 31/12/13
Ordinary shares	584,591,628	584,591,628

**1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

Not applicable.

**2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited nor reviewed.



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**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except for those as disclosed under paragraph 5, the accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

On 1 January 2014, the Group has adopted the following revised FRS:-

FRS 110 Consolidated Financial Statements (effective for annual periods beginning on or after 1 January 2014)

FRS 110 replaces all of the guidance on control and consolidation in FRS 27 "Consolidated and Separate Financial Statements" and INT FRS 12 "Consolidation-Special Purpose Entities". The same criteria are now applied to all entities to determine control. Additional guidance is also provided to assist in the determination of control where this is difficult to assess. FRS 110 is not expected to have any significant financial impact to the Group.

FRS 112 disclosure of Interest in Other Entities (effective for annual periods beginning on or after 1 January 2014)

FRS 112 requires disclosure of information that helps financial statements readers to evaluate the nature, risks and financial effects associated with the entity's interest in subsidiaries, associates, joint arrangement and unconsolidated structure entities. The Group will apply FRS 112 retrospectively in accordance with the transitional provisions (as amended subsequent to the issuance of FRS112 in September 2011) in FRS112 and amended for consolidation exceptions for "investment entity" from 1 January 2014. FRS 112 will not result in any changes to the Group's accounting policies but will incorporate additional required disclosures in the financial statements.



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**6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends****EARNINGS PER SHARE**

	<b>Group</b> <b>01/01/14 -</b> <b>31/12/14</b>	Group 01/01/13 - 31/12/13
(a) Based on the number of ordinary shares on issue (cents)	<b>1.20</b>	1.51
(b) On fully diluted basis (cents)	<b>1.20</b>	1.51

- (i) The Group earnings per share for current and preceding financial year are based on the actual number of shares in issue of 584,591,628 ordinary shares.
- (ii) Diluted earnings per share is the same as basic earnings per share. There are no dilutive potential ordinary shares as there are no outstanding share options at the beginning and end of the financial year.
- (iii) There was no material impact on prior period EPS on adoption of the revised FRS as disclosed in paragraph 5.

**7. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares, excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year****NET ASSET VALUE PER SHARE**

	<b>Group</b> <b>31/12/14</b>	Group 31/12/13	<b>Company</b> <b>31/12/14</b>	Company 31/12/13
Net asset value per ordinary share (cents)	<b>42.99</b>	42.65	<b>22.26</b>	21.54

- (i) The Group and Company net asset value per share as at 31 December 2014 and as at 31 December 2013 are based on the actual number of shares in issue of 584,591,628 ordinary shares.
- (ii) There was no material impact on prior year net asset value per share on adoption of the revised FRS as disclosed in paragraph 5.



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8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on**

### Review on Group's Financial Results

#### Full Year ended 31 December 2014 (FY2014) vs Full Year ended 31 December 2013 (FY2013)

##### Turnover

The Group reported a 0.5% (or \$2.3 million) increase in turnover to \$511.2 million (FY2014) from \$508.9 million (FY2013) mainly due to higher sales from our Manufacturing business offset by lower sales in our Distribution business as compared to last year.

Distribution business, accounting for 71.0% of the Group's total turnover, recorded a decrease of 2.3% (or \$8.6 million) in turnover, from \$371.4 million (FY2013) to \$362.8 million (FY2014). Manufacturing business, accounting for 29.0% of the Group's total turnover, recorded an increase of 7.9% (or \$10.9 million) in turnover, from \$137.5 million (FY2013) to \$148.4 million (FY2014).

##### Gross Profit

Gross Profit increased by 1.6% (or \$1.8 million) to \$113.6 million (FY2014) from \$111.8 million (FY2013). The Group's gross profit margin increased by 0.2% to 22.2% in FY2014 compared to 22.0% in FY2013 mainly due to improved margins from both the distribution and manufacturing business.

##### Other Gains

Other gains increased by 3.9% (or \$0.1 million) to \$2.8 million (FY2014) from \$2.7 million (FY2013) mainly due to higher income from our Buggies rental business.

##### Operating Expenses

Distribution expenses increased by 5.4% (or \$2.6 million) in FY2014 to \$51.7 million as compared to \$49.1 million in FY2013 mainly due to higher staff related costs, higher advertisement & promotion expenses and allowance for impairment of doubtful trade receivables.

Administrative expenses increased by 2.4% (or \$1.1 million) in FY2014 to \$45.5 million as compared to \$44.4 million in FY2013 mainly due to higher staff related costs and unrealised currency translation losses arising from the weakening of Malaysia Ringgit.

Financing costs decreased by 4.1% (or \$0.2 million) in FY2014 to \$5.0 million as compared to \$5.2 million in FY2013. The decrease was due to lower borrowings in certain subsidiaries in FY2014.

##### Share of Profit of an Associated Company

Our associated company reported better performance and our share of profit was \$0.7 million in FY2014 compared to \$0.6 million in FY2013.

##### Income Tax expense

FY2014 income tax expense increased by 7.6% mainly due to higher provision in current year taxation for Singapore. In addition, FY2013 income tax expense was also lower due to overprovision in prior years written back in FY2013. The high effective income tax rate is mainly due to losses in certain subsidiaries lowering the Group's profit before tax.

##### Net Profit after Tax

Net profit after tax attributable to shareholders of the Company decreased by 20.4% (or \$1.8 million) to \$7.0 million in FY2014 from \$8.8 million in FY2013.



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### **STATEMENT OF FINANCIAL POSITION REVIEW**

As at 31 December 2014, total assets amounted to about \$446.7 million comprising \$301.6 million of current assets and \$145.1 million of non-current assets. Total liabilities amounted to about \$182.6 million comprising current liabilities of \$151.5 million and non-current liabilities of \$31.1 million. Shareholders' equity including non-controlling interests amounted to \$264.1 million.

The material changes in the statement of financial position compared to 31 December 2013 are as follows:

#### Trade and other receivables

Trade and other receivables increased from \$83.7 million to \$89.8 million mainly due to higher manufacturing sales generated in Q4FY2014 compared to Q4FY2013 and slower collections from certain distribution customers. Except for those trade receivables where a specific provision has been made, most of the trade receivables that remained outstanding at the end of FY2014 were still within the acceptable credit terms.

#### Other current assets

Other current assets increased from \$13.3 million to \$14.6 million mainly due to advance deposits paid for purchases of aluminium ingot.

#### Non-current assets held-for-sale

Non-current assets held-for-sale of \$8.4 million are mainly Freehold Land and Buildings at Sepang plant which were reclassified as Non-current assets held-for-sale after the relocation of manufacturing facilities from Sepang to Malacca.

#### Investment in an associated company

Investment in an associated company decreased from \$16.7 million to \$15.6 million mainly due to currency translation loss resulting from the weakening of the EURO against the SGD. EURO has weakened from 1.7444 at the beginning of year to 1.6120 at the end of 2014.

#### Property, plant and equipment

Property, plant and equipment ("PPE") decreased by \$15.6 million to \$121.3 million from \$136.9 million mainly due to reclassification of assets of Sepang plant as Non-current assets held-for-sale and the additions of PPE offset by depreciation charged for the year ended 31 December 2014.

#### Deferred income tax assets

Deferred income tax assets increased from \$4.2 million to \$4.6 million mainly due to the addition of deferred income tax assets from China and Australia subsidiaries.

#### Trade and other payables

Trade and other payables increased from \$41.7 million to \$45.7 million mainly due to new purchases at year end and advance payment received from customers.

#### Borrowings (current & non-current)

Borrowings decreased from \$139.4 million to \$132.8 million due to repayment of bank borrowings during the year.

#### Current Income tax liabilities

Income tax liabilities increased from \$1.2 million to \$1.3 million mainly due to higher income tax expenses for the year.



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### Deferred Income tax liabilities

Deferred income tax liabilities increased from \$2.0 million to \$2.3 million mainly due to additional provision of deferred income tax liabilities.

### **STATEMENT OF CASH FLOWS REVIEW**

\$24.0 million was generated by operating activities in FY2014. The Group utilized \$8.9 million in investing activities mainly for the purchase of plant and equipment. A total of \$13.6 million was used in financing activities mainly for the repayment of bank borrowings and the payment of dividends to equity holders of the Company. Cash and cash equivalents amounted to \$55.5 million at the end of December 2014 compared to \$53.8 million reported at end of December 2013.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

There is no forecast or prospect statement previously disclosed.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months**

The economic slowdown in our key markets in Europe, China and Japan continued to dampen demand for our alloy wheels. The weakening of currencies such as EURO, Japanese Yen and Malaysian Ringgit has also impacted our manufacturing business. The operating margins of our manufacturing business will continue to be under pressure in 2015.

The vehicle sales for the Chinese brand passenger cars in China had slowed down in 2014 and this had impacted our domestic OEM manufacturing business in our Shanghai factory. Moving forward in 2015, our Shanghai factory will be allocating part of its domestic OEM capacity to the After-market segment. Our Suzhou factory will continue to reserve its capacity for the After-market export business in 2015.

With regard to the sale of the Group's factory in Sepang, the Group has met all the conditions precedent of the Sale and Purchase Agreement and is now pending for approval on the transfer of the land title to the Purchaser from the relevant state authority.

The prevailing overcapacity of tyres in the industry and the weak global demand has increased the intensity of competition in the tyres business. The intense competition has impacted our tyres distribution business in Malaysia, Thailand, Indonesia and Australia. However, the Group will continue to build on our distribution network and leverage on our stable of products by offering a different product mix in order to cushion the impact of the intense competition.

The Group will continue to be prudent in managing operating costs and to raise productivity & operating efficiencies in order to optimize our resources to cushion the impact of the challenging operating business environment.

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**11. Dividend****(a) Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend : First & Final  
Dividend Type : Cash  
Dividend Rate : 0.60 cents per ordinary share  
Tax Rate : Tax exempt (one tier)

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend : First & Final  
Dividend Type : Cash  
Dividend Rate : 0.68 cents per ordinary share  
Tax Rate : Tax exempt (one tier)

**(c) Date payable**

Notice will be given later regarding the dividend payment date.

**(d) Books closure date**

Notice will be given later regarding the date of closure of transfer book and register of member.

**12. If no dividend has been declared (recommended), a statement to that effect**

Not applicable.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, please make a statement to that effect**

The Company does not have a shareholders' mandate under Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The following is the aggregate value of all transactions with interested persons for the fourth quarter and financial year ended 31 December 2014:

Name of Interested Persons and Transactions	Aggregate value of all interested persons transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate). S\$ '000	Aggregate value of all interested persons transactions conducted under shareholders' Mandate (excluding transactions less than S\$100,000) S\$ '000	Total S\$ '000
-	-	-	-
<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>


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**14. Statement Pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited**

Not applicable to announcement on full year results.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**
**15. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**
**Results Of Operations By Business Segments**

The Company considers the business from both a geographic and business segment perspective. The Company has determined the operating segments based on the reports reviewed and used by the Senior Management to make strategic decisions.

- (a) The segmental income statements of the Group for FY2014 and FY2013 are prepared on an actual basis.
- (b) The segmental balance sheet items of the Group as at 31 December 2014 and as at 31 December 2013 respectively are prepared on an actual basis.

**FY2014**

Segment Group	Manufacturing S\$ '000	Distribution				Sub-total S\$ '000	Total S\$ '000
		North East Asia S\$ '000	ASEAN S\$ '000	Oceania S\$ '000	Other S\$ '000		
<b>Sales</b>							
Total segment sales	185,500	37,445	157,403	151,462	16,465	362,775	548,275
Inter-segment sales	(37,046)	-	-	-	-	-	(37,046)
Sales to external parties	148,454	37,445	157,403	151,462	16,465	362,775	511,229
<b>Segment result</b>	(6,684)	1,661	14,953	7,046	(544)	23,116	16,432
Other gains							2,805
Unallocated costs							(52)
							19,185
Finance expenses							(5,020)
Share of profit of an associated company	708	-	-	-	-	-	708
<b>Profit before income tax</b>							14,873
<b>Income tax expenses</b>							(6,646)
<b>Net profit</b>							8,227
<b>Segment assets</b>	183,608	22,717	120,300	91,615	8,885	243,517	427,125
Segment assets includes:							
Investment in an associated company	15,588	-	-	-	-	-	15,588
Additions to:							
- Property, plant and equipment	7,304	130	1,524	2,211	119	3,984	11,288
<b>Segment liabilities</b>	(19,920)	(2,996)	(10,666)	(11,410)	(677)	(25,749)	(45,669)



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**15. Results Of Operations By Business Segments (Cont'd)**

**FY2013**

Segment Group	Manufacturing S\$ '000	Distribution				Sub-total S\$ '000	Total S\$ '000
		North East Asia S\$ '000	ASEAN S\$ '000	Oceania S\$ '000	Other S\$ '000		
<b>Sales</b>							
Total segment sales	162,677	42,529	163,711	146,152	18,991	371,383	534,060
Inter-segment sales	(25,137)	-	-	-	-	-	(25,137)
Sales to external parties	137,540	42,529	163,711	146,152	18,991	371,383	508,923
<b>Segment result</b>	(8,616)	2,475	16,652	8,033	(160)	27,000	18,384
Other gains							2,700
Unallocated costs							(38)
							21,046
Finance expenses							(5,233)
Share of profit of an associated company	604	-	-	-	-	-	604
<b>Profit before income tax</b>							16,417
<b>Income tax expenses</b>							(6,178)
<b>Net profit</b>							10,239
<b>Segment assets</b>	190,640	25,959	120,364	87,219	8,803	242,345	432,985
Segment assets includes:							
Investment in an associated company	16,741	-	-	-	-	-	16,741
Additions to:							
- Property, plant and equipment	7,709	109	1,124	2,535	11	3,779	11,488
<b>Segment liabilities</b>	(17,353)	(4,472)	(11,871)	(7,416)	(622)	(24,381)	(41,734)

**Reportable segments' assets are reconciled to total assets as follows :**

	Group 31/12/14 S\$ '000	Group 31/12/13 S\$ '000
Segment assets for reportable Segments	418,240	424,182
Other segment assets	8,885	8,803
Unallocated :		
Deferred income tax assets	4,589	4,187
Short-term bank deposits	14,846	9,350
Transferable club membership, at cost	146	146
Derivative financial instruments	-	-
	<b>446,706</b>	<b>446,668</b>

**Reportable segments' liabilities are reconciled to total liabilities as follows :**

	Group 31/12/14 S\$ '000	Group 31/12/13 S\$ '000
Segment liabilities for reportable segments	44,992	41,112
Other segment liabilities	677	622
Unallocated :		
Income tax liabilities	1,327	1,189
Deferred tax liabilities	2,276	1,987
Borrowings	132,880	139,436
Derivative financial instruments	423	287
	<b>182,575</b>	<b>184,633</b>





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### 15. Results Of Operations By Business Segments (Cont'd)

#### Revenue from major products and services :

	Group 31/12/14 S\$ '000	Group 31/12/13 S\$ '000
Distribution of automotive and related products	362,775	371,383
Manufacturing of alloy wheels	148,454	137,540
	<b>511,229</b>	<b>508,923</b>

#### The Group's business segments operate in the following geographical areas :

	<u>Sales *</u>		<u>Non-current assets</u>	
	Group 31/12/14 S\$ '000	Group 31/12/13 S\$ '000	Group 31/12/14 S\$ '000	Group 31/12/13 S\$ '000
Singapore	84,268	76,383	36,296	36,801
Malaysia	93,476	105,923	32,381	45,019
China/Hong Kong	111,044	102,059	57,253	61,306
Taiwan	20,311	18,102	3,674	3,242
Australia	115,764	116,361	5,674	5,269
New Zealand	40,701	36,244	1,543	1,572
Other countries	45,665	53,851	3,530	3,563
	<b>511,229</b>	<b>508,923</b>	<b>140,351</b>	<b>156,772</b>

\* Sales are attributed to countries on the basis of Group's subsidiaries locations.

### 16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to item No.8

### 17. A breakdown of sales

A breakdown of sales:-

	Group 01/01/14- 31/12/14 S\$ '000	Group 01/01/13- 31/12/13 S\$ '000	Incr/(Decr) %
(a) Sales reported for the first half year	252,475	250,362	0.8%
(b) Operating profit after tax before deducting non-controlling interest report for the first half year	4,742	4,375	8.4%
(c) Sales reported for the second half year	258,754	258,561	0.1%
(d) Operating profit after tax before deducting non-controlling interest report for the second half year	3,485	5,864	(40.6%)
(e) Total sales reported for the full year	511,229	508,923	0.5%
(f) Total operating profit after tax before deducting non-controlling interest report for the full year	8,227	10,239	(19.7%)





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**18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total Annual Dividend

	Latest Full Year S\$ '000	Previous Full Year S\$ '000
Ordinary	3,514	3,975
Preference	-	-
	<b>3,514</b>	<b>3,975</b>

**19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family Relationship with any Director and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Tay Tian Hoe Richard	64	<ol style="list-style-type: none"> <li>Brother of Tay Tiang Guan, Executive Director of the Company.</li> <li>Director &amp; Shareholder of YHI Holdings Pte Ltd, a substantial shareholder of the Company.</li> </ol>	<p>Group Managing Director</p> <p>Responsible for setting the strategic direction and managing the overall business of the Company.</p> <p>The position has been held since 16 May 2003.</p>	Nil
Tay Tiang Guan	63	<ol style="list-style-type: none"> <li>Brother of Tay Tian Hoe Richard, Group Managing Director of the Company.</li> <li>Director of YHI Holdings Pte Ltd, a substantial shareholder of the Company.</li> </ol>	<p>Executive Director (Sales and Business Development)</p> <p>Responsible for spearheading the Company's operations in ASEAN and business development in tyres and industrial products.</p> <p>The position has been held since 16 May 2003.</p>	Ceased to be a shareholder of YHI Holdings Pte Ltd with effect from 26 <sup>th</sup> January 2015.
Tay Tian Koi	67	<ol style="list-style-type: none"> <li>Brother of Tay Tian Hoe Richard (Group Managing Director), and Tay Tiang Guan (Executive Director), of the Company.</li> <li>Shareholder of YHI Holdings Pte Ltd, a substantial shareholder of the Company.</li> </ol>	<p>Warehouse Manager, YHI (Malaysia) Sdn Bhd. (Since July 2003)</p> <p>Director of Evo-Trend Corporation (Malaysia) Sdn Bhd. (Since May 2006)</p> <p>Responsible to oversee the Warehousing &amp; Logistics operations of the Company.</p>	Resigned as warehouse manager, YHI (Malaysia) Sdn Bhd with effect from 1 February 2014.
Tay Soek Eng Margaret	66	<ol style="list-style-type: none"> <li>Sister of Tay Tian Hoe Richard (Group Managing Director), and Tay Tiang Guan (Executive Director), of the Company.</li> <li>Director &amp; Shareholder of YHI Holdings Pte Ltd, a substantial shareholder of the Company.</li> </ol>	<p>Customer Service Manager of YHI Corporation (Singapore) Pte Ltd. (Since May 2003)</p> <p>Responsible to provide customer support to the assigned accounts and oversee the company's general purchase and expenses.</p>	Nil



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**19. Disclosure of person occupying a managerial position who are related to the directors, chief executive officer or substantial shareholders (Cont'd)**

Name	Age	Family Relationship with any Director and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Tay Peng Kuan Ronald	52	Nephew of Tay Tian Hoe, Richard (Group Managing Director), and Tay Tiang Guan (Executive Director), of the Company.	Supply Chain Manager, YHI Corporation (Singapore) Pte Ltd. (Since May 2003)  Responsible to oversee Warehousing & Logistics operations of the Company.	Nil
Tay Kok Thye Damien	43	Nephew of Tay Tian Hoe, Richard (Group Managing Director), and Tay Tiang Guan (Executive Director), of the Company.	Senior Manager, YHI Corporation (Singapore) Pte Ltd. (Since July 2013)  Responsible to oversee the Corporate Sales and retail centre business of the Company.	Nil
Tay GuoRen Ryan	31	Son of Tay Tian Hoe, Richard (Group Managing Director), and nephew of Tay Tiang Guan (Executive Director), of the Company.	Sales & Marketing Manager, YHI Manufacturing (Malaysia) Sdn Bhd  Director of YHI Manufacturing (Malaysia) Sdn Bhd. (Since September 2012)  Responsible for the marketing and business development of the wheels business.	Deputy General Manager, YHI Manufacturing (Malaysia) Sdn Bhd (Since July 2014)  Responsible for the general management and business development of the wheels business.
Tay Kwok Chong Henry	43	Nephew of Tay Tian Hoe, Richard (Group Managing Director), and Tay Tiang Guan (Executive Director), of the Company.	Operations Manager, YHI Corporation (Singapore) Pte Ltd. (Since June 2012)  Responsible to oversee the service centre's operation and customer service management.	Nil
Tay Kok Choon, Rickey	45	Nephew of Tay Tian Hoe, Richard (Group Managing Director), and Tay Tiang Guan (Executive Director), of the Company.	Branch Manager, YHI Corporation (B) Sdn Bhd (Since March, 2007)  Responsible for YHI Corporation (Brunei) Sdn Bhd branch operation and profitability of the Company.	Nil

**BY ORDER OF THE BOARD**

Tay Tian Hoe Richard  
Executive Chairman and Group Managing Director  
25/02/2015

Submitted by Tay Tian Hoe Richard, Executive Chairman and Group Managing Director on 25/02/2015 to the SGX.