

CIRCULAR DATED 23 DECEMBER 2015

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Circular is issued by YHI International Limited (the “**Company**”). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold all your shares in the capital of YHI International Limited, you should hand this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or to the stockbroker or to the bank or to the agent through whom you effected the sale for onward transmission to the purchaser.

This Circular has been prepared by the Company for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



YHI

YHI INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200007455H)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

**PROPOSED CONSOLIDATION OF EVERY TWO (2) ORDINARY SHARES IN THE
CAPITAL OF THE COMPANY INTO ONE (1) CONSOLIDATED ORDINARY SHARE
IN THE CAPITAL OF THE COMPANY, FRACTIONAL ENTITLEMENTS TO BE
DISREGARDED**

IMPORTANT DATES AND TIME:

Last date and time for lodgement of Proxy Form : 6 January 2016 at 9.30 a.m.
Date and time of Extraordinary General Meeting : 8 January 2016 at 9.30 a.m.
Place of Extraordinary General Meeting : No. 2 Pandan Road Singapore 609254

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

- “Act” or “Companies Act”** : The Companies Act, Chapter 50 of Singapore, as may be amended, modified or supplemented from time to time
- “Articles”** : The Articles of Association of the Company, as may be amended from time to time
- “Board” or “Board of Directors”** : The board of directors of the Company, as at the date of this Circular
- “Books Closure Date”** : The time and date to be determined by the Directors at and on which the Register of Members and share transfer books of the Company will be closed to determine the entitlements of Shareholders to the Consolidated Shares under the Proposed Share Consolidation
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 23 December 2015
- “Consolidated Shares”** : The consolidated shares in the issued share capital of the Company held by Shareholders pursuant to the completion of the Proposed Share Consolidation, and “Consolidated Share” shall be construed accordingly
- “Company”** : YHI International Limited
- “Director”** : A director of the Company, as at the date of this Circular
- “Effective Trading Date”** : The date on which the Shares will trade on the Mainboard in board lots of 100 Consolidated Shares
- “EGM”** : The extraordinary general meeting of the Company to be held on 8 January 2016, notice of which is set out on page 13 of this Circular
- “EPS”** : Earnings per Share
- “Existing Shares”** : Shares in the capital of the Company prior to the Proposed Share Consolidation (including treasury shares)
- “FY”** : Financial year ended or ending 31 December, as the case may be
- “Group”** : The Company and its subsidiaries collectively
- “Latest Practicable Date”** : 30 November 2015, being the latest practicable date prior to the printing of this Circular

“Listing Manual”	: The listing manual of the SGX-ST and its relevant rule(s), as may be amended or modified from time to time
“Mainboard”	: The Mainboard of the SGX-ST
“Market Day”	: A day on which the SGX-ST is open for trading of securities
“New Share Certificates”	: Share certificates for Consolidated Shares
“Notice of EGM”	: The notice of EGM which is on page 13 of this Circular
“NTA”	: Net tangible assets
“Old Share Certificates”	: Physical share certificates for Existing Shares
“Ordinary Resolution”	: The ordinary resolution set out in the notice of the EGM
“Proposed Share Consolidation”	: The proposed consolidation of every two (2) Existing Shares held by Shareholders as at the Books Closure Date to be determined, into one (1) Consolidated Share, fractional entitlements to be disregarded
“Proxy Form”	: The proxy form in respect of the EGM as set out in this Circular
“Securities Accounts”	: A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited
“Shares”	: Ordinary shares in the capital of the Company
“Share Registrar”	: Tricor Barbinder Share Registration Services
“VWAP”	: Volume weighted average price
“S\$”, “SGD” or “\$” and “cents”	: Singapore dollars and cents respectively
“%”	: Percentage or per centum

The terms “**Depositor**”, “**Depository**”, “**Depository Register**” and “**Depository Agent**” shall have the meanings ascribed to them respectively in Section 130A of the Act. The term “**treasury shares**” shall have the meaning ascribed to it in Section 4 of the Act.

The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Act.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and used in this Circular shall have the meaning assigned to it under the said Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to a time of a day in this Circular is a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof and/or the respective percentages are due to rounding.

YHI INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200007455H)

Directors :

Tay Tian Hoe Richard *(Executive Chairman and Group Managing Director)*
Tay Tiang Guan *(Executive Director)*
Henry Tan Song Kok *(Independent Director)*
Hee Theng Fong *(Independent Director)*
Phua Tin How *(Independent Director)*
Yuen Sou Wai *(Independent Director)*

Registered Office :

No. 2 Pandan Road
Singapore 609254

23 December 2015

To: The Shareholders of YHI International Limited

Dear Sir / Madam,

1. INTRODUCTION

1.1 EGM

The Directors propose to convene an EGM to seek Shareholders' approval for the Proposed Share Consolidation. The purpose of this Circular is to explain the rationale for, and provide Shareholders with the relevant information relating to the Proposed Share Consolidation, and to seek Shareholders' approval for the Ordinary Resolution at the EGM, notice of which is set out on page 13 of this Circular.

The SGX-ST only approves the listing and quotation of the Consolidated Shares arising from the Proposed Share Consolidation. The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained or opinions expressed in this Circular.

2. THE PROPOSED SHARE CONSOLIDATION

2.1 Introduction

On 4 December 2015, the Company announced that it is proposing to seek Shareholders' approval to undertake a share consolidation of every two (2) Existing Shares as at the Books Closure Date into one (1) Consolidated Share, fractional entitlements to be disregarded. Each Consolidated Share will rank *pari passu* in all respects with each other, and will be traded in board lots of 100 Consolidated Shares on the SGX-ST.

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$77,001,163 divided into 584,591,628 Existing Shares. Following the completion of the Proposed Share Consolidation, the Company will have an issued and paid-up share capital of S\$77,001,163 divided into up to 292,295,814 Consolidated Shares.

Shareholders should note that the number of Consolidated Shares which Shareholders will be entitled to, based on their holdings of Existing Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of Consolidated Share arising from the Proposed Share Consolidation will be disregarded and/or dealt with in

such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including aggregating and selling the fractional entitlements and retaining the net proceeds for the benefit of the Company. Affected Shareholders will not be paid for any fractions of a Consolidation Share which are disregarded.

The Proposed Share Consolidation will have no impact on the issued and paid-up share capital of the Company. The Proposed Share Consolidation will also not involve the diminution of liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the Shareholders' funds of the Group. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation will not cause any changes to the percentage shareholding of each Shareholder, other than non-material changes due to rounding.

2.2 Rationale for the Proposed Share Consolidation

The SGX-ST introduced a minimum trading price for Mainboard-listed stocks of S\$0.20 as a continuing listing requirement (the "**MTP Requirement**") with effect from 2 March 2015. A one-time transition period of 12 months from the date of introduction of the minimum trading price requirement will be given to affected issuers to undertake corporate actions to meet the new requirement and the first assessment for compliance will be on 1 March 2016.

Pursuant to the new MTP requirement, issuers which are not able to record a six-month VWAP of its shares ("**6-month VWAP**") of S\$0.20 or above on 1 March 2016 and at any of the subsequent quarterly review dates (the "**MTP Entry Criterion**") will be placed on the watch-list. Affected issuers will be provided a cure period of 36 months to take remedial actions. Affected issuers which fail to take remedial actions during the cure period may be delisted from the Mainboard.

For illustrative purposes only, the past six calendar months prior to the Latest Practicable Date, the 6-month VWAP of the Company was S\$0.19, which is below the MTP Requirement of S\$0.20.

The highest and lowest closing market prices and the transacted volume of the Existing Shares traded on the SGX-ST for each of the past six calendar months up until the Latest Practicable Date are as follows:

	Highest Price (S\$)	Lowest Price (S\$)	Volume of traded shares ('000)
June 2015	0.200	0.190	2,106,400
July 2015	0.200	0.178	2,937,000
August 2015	0.198	0.170	300,800
September 2015	0.225	0.160	421,800
October 2015	0.210	0.159	579,500
November 2015	0.200	0.165	429,800

Source: <http://www.sgx.com/>

In light of the above, the Company proposes to undertake the Proposed Share Consolidation to comply with the MTP Requirement. On the assumption that the Proposed Share Consolidation had been in place for the six months prior to the Latest Practicable Date, the theoretical adjusted 6-month VWAP for the Consolidated Shares would be S\$0.38.

However, Shareholders should note that there is no assurance that the Proposed Share Consolidation will achieve the desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.

2.3 Approvals and Conditions

The Proposed Share Consolidation is subject to, *inter alia*:

- (a) the approval of the SGX-ST for the Proposed Share Consolidation and for the dealing in, listing of and quotation of up to 292,295,814 Consolidated Shares on the Mainboard; and
- (b) the approval of Shareholders by ordinary resolution at the EGM.

On 11 December 2015, the Company obtained the approval in-principle (the “**Approval In-principle**”) from the SGX-ST for the listing of and quotation for the Consolidated Shares on the Mainboard. The Approval In-principle is subject to Shareholders’ approval being obtained at the forthcoming EGM for the Proposed Share Consolidation and compliance with the SGX-ST’s listing requirements.

The Approval In-principle is not to be taken as an indication of the merits of the Proposed Share Consolidation, the Consolidated Shares, the Company and/or its subsidiaries.

2.4 Updating of Register of Shareholders and Depository Register

If Shareholders at the EGM approve the Proposed Share Consolidation, Shareholders’ entitlements to the Consolidated Shares will be determined on the Books Closure Date. The Register of Shareholders and the Depository Register will be updated to reflect the number of Consolidated Shares held by Shareholders, and the Consolidated Shares will begin trading in board lots of 100 Consolidated Shares on the Effective Trading Date.

2.4.1 Deposit of Share Certificates with CDP

Shareholders who hold physical share certificates for the existing Shares in their own names (the “**Old Share Certificates**”) and who wish to deposit the same with CDP and have their Consolidated Shares credited to their securities accounts maintained with CDP (the “**Securities Accounts**”) must deposit their Old Share Certificates, together with duly executed instruments of transfer in favour of CDP, no later than twelve (12) Market Days prior to the Books Closure Date.

After the Books Closure Date, CDP will only accept the deposit of share certificates for Consolidated Shares (the “**New Share Certificates**”). Shareholders who wish to deposit their Old Share Certificates with CDP after the Books Closure Date must first deliver the Old Share Certificates to the Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road #02-00, Singapore 068898, for cancellation and issuance of New Share Certificates in replacement thereof as described below.

2.4.2 Issue of New Share Certificates

Shareholders who have deposited their Old Share Certificates with CDP at least twelve (12) Market Days prior to the Books Closure Date need not take any action. The Company will make arrangements with CDP to effect the exchange for New Share Certificates pursuant to the Proposed Share Consolidation.

Shareholders who have not deposited their Old Share Certificates as aforesaid or who do not wish to deposit their Old Share Certificates with CDP are advised to forward all their Old Share Certificates to the Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road #02-00, Singapore 068898, as soon as possible after they have been notified of the Books Closure Date, for cancellation and exchange for New Share Certificates. No receipt will be issued by the Share Registrar upon receipt of any Old Share Certificates. The New Share Certificates will be sent by ordinary mail to the registered addresses of Shareholders at their own risk within ten (10) Market Days from the Books Closure Date or the date of receipt of the Old Share Certificates, whichever is later.

Shareholders should note that New Share Certificates will not be issued to Shareholders unless their Old Share Certificates have already been tendered to the Share Registrar for cancellation.

Shareholders should notify the Share Registrar if they have lost any of their existing Old Share Certificates or if there is any change in their respective addresses from that reflected in the Register of Shareholders of the Company.

Shareholders shall deliver their respective Old Share Certificates to the Share Registrar or CDP in accordance with the provisions set out above, only after the Company's announcement of the Books Closure Date.

2.4.3 Share Certificates not valid for settlement of trades on Mainboard

Shareholders who hold physical share certificates are reminded that their Old Share Certificates are no longer valid for settlement of trading in the Shares (and the Consolidated Shares) on the SGX-ST (as the Company is under a book-entry (scripless) settlement system) but will continue to be accepted for cancellation and issue of New Share Certificates in replacement thereof for an indefinite period by the Share Registrar. The New Share Certificates will not be valid for delivery of trades done on the SGX-ST, though they will continue to be *prima facie* evidence of legal title.

2.5 Trading Arrangements for the Consolidated Shares and Odd Lots

2.5.1 Trading Arrangements for the Consolidated Shares

Subject to the approval of the Proposed Share Consolidation by Shareholders at the EGM, with effect from 9.00 a.m. on the Effective Trading Date, trading in the Consolidated Shares will be in board lots of 100 Consolidated Shares. Accordingly, two (2) Existing Shares as at 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date will represent one (1) Consolidated Share with effect from 9.00 a.m. on the Effective Trading Date. Trading in the existing Shares will cease after 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date.

2.5.2 Trading Arrangements for Odd Lots

Fractions of a Consolidated Share arising from the Proposed Share Consolidation will be aggregated or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the best interests of the Company.

The existing Shares are currently traded in board lots of 100 Shares in the ready market. Following the completion of the Proposed Share Consolidation, the Securities Accounts maintained with CDP of Shareholders (being Depositors) may be credited with odd lots of the Consolidated Shares (that is, lots other than board lots of 100 Consolidated Shares). The market for trading of such odd lots of Consolidated Shares may be illiquid.

Shareholders who receive odd lots of Consolidated Shares pursuant to the Proposed Share Consolidation and who wish to trade in odd lots on the SGX-ST should note that the unit share market is available to allow trading in odd lots with a minimum size of one (1) Consolidated Share on the SGX-ST. The unit share market will enable trading in odd lots in any quantity less than one (1) board lot of the underlying Consolidated Shares. Shareholders who hold odd lots may have to bear disproportionate transaction costs in trading their shares and may find difficulty in realising the fair market price of such Consolidated Shares.

2.6 Financial effects of the Proposed Share Consolidation

For illustration purposes only and on the basis of the following assumptions, the financial effects of the Proposed Share Consolidation on the Company and the Group are set out below:

- (a) the pro forma financial effects of the Proposed Share Consolidation have been computed based on the Group's audited consolidated financial statements for FY2014;
- (b) the pro forma financial effects of the Proposed Share Consolidation on the share capital, NTA per Share, EPS and gearing of the Group are set out below and are prepared purely for illustration only and do not reflect the actual future financial situation of the Group immediately after the completion of the Proposed Share Consolidation; and
- (c) the Proposed Share Consolidation had been completed on 31 December 2014.

2.6.1 Share capital

	Before the Proposed Share Consolidation	After the Proposed Share Consolidation
Issued Share capital (\$)	77,001,163	77,001,163
Number of Shares	584,591,628	292,295,814

2.6.2 NTA per Share

	Before the Proposed Share Consolidation	After the Proposed Share Consolidation
NTA (S\$'000)	247,858	247,858
Number of Shares	584,591,628	292,295,814
NTA per Share (cents)	0.4240	0.8480

2.6.3 Consolidated EPS

	Before the Proposed Share Consolidation	After the Proposed Share Consolidation
Earnings/ (loss) attributable to Shareholders (S\$'000)	7,027	7,027
Weighted average number of shares for basic EPS	584,591,628	292,295,814
Weighted average number of shares for diluted EPS	584,591,628	292,295,814
EPS – basic (cents per Share)	1.20	2.40
EPS – diluted (cents per Share)	1.20	2.40

2.6.4 Gearing

The Proposed Share Consolidation will not affect the gearing of the Company and the Group.

2.7 Effect of the Proposed Share Consolidation on the VWAP

For illustrative purposes only, based on the 6-month VWAP of the Company of S\$0.19 for the period from June 2015 to November 2015, the theoretical 6-month VWAP as adjusted for the Proposed Share Consolidation is S\$0.38.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of Directors and substantial Shareholders in the Shares of the Company, as recorded in the Register and as at the Latest Practicable Date, are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Directors				
Tay Tian Hoe Richard	–	–	279,917,721 ⁽¹⁾	47.88
Tay Tiang Guan	86,052,907	14.72	3,100,000 ⁽²⁾	0.53
Yuen Sou Wai	240,000	0.04	–	–
Henry Tan Song Kok	40,000	0.01	–	–
Hee Theng Fong	120,000	0.02	–	–
Phua Tin How	110,000	0.02	–	–
Substantial Shareholders (other than Directors)				
YHI Holdings Pte Ltd	256,043,721	43.80	–	–
Tay Soek Eng Margaret ⁽³⁾	–	–	256,043,721	43.80

Notes:

(1) Mr Tay Tian Hoe Richard is deemed to have an interest in the following shares by virtue of Section 7 of the Act.

Shares held in the name of YHI Holdings Pte Ltd	256,043,721
Shares held in the name of nominees	23,874,000
	<hr/>
	279,917,721

(2) Mr Tay Tiang Guan is deemed to have an interest in the 3,100,000 shares held in the name of nominees by virtue of Section 7 of the Act.

(3) Mdm Tay Soek Eng Margaret is the sister of our Executive Directors, Mr Tay Tian Hoe Richard and Mr Tay Tiang Guan. She is deemed to have an interest in the 256,043,721 shares held in the name of YHI Holdings Pte Ltd by virtue of Section 7 of the Act.

None of the Directors or substantial Shareholders has any interest, direct or indirect, in the Proposed Share Consolidation (other than through their respective shareholdings in the Company).

4. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out in this Circular, will be held on 8 January 2016 for the purpose of considering and, if thought fit, passing with or without modifications the Ordinary Resolution set out therein.

5. DIRECTORS' RECOMMENDATIONS

The Directors, having carefully considered the terms and rationale of the Proposed Share Consolidation, are of the view that the Proposed Share Consolidation is in the interests of the Company and accordingly recommend that Shareholders vote in favour of the Ordinary Resolution relating to the Proposed Share Consolidation at the EGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and,

in any event, so as to arrive at the registered office of the Company at No. 2 Pandan Road Singapore 609254, not later than 48 hours before the time fixed for holding the EGM.

The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the EGM.

7. NOTICE OF BOOKS CLOSURE DATE

The Books Closure Date for the purpose of determining Shareholders' entitlements pursuant to the Proposed Share Consolidation will be announced at a later date.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Share Consolidation, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at No. 2 Pandan Road Singapore 609254 during normal business hours from the date of this Circular up to and including the time and date of the EGM:

- (a) the Memorandum and Articles of the Company; and
- (b) the Annual Report for FY2014.

Yours faithfully

Tay Tian Hoe Richard
Executive Chairman and Group Managing Director

For and on behalf of
the Board of Directors of
YHI International Limited

NOTICE OF EXTRAORDINARY GENERAL MEETING

YHI INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company registration no. 200007455H)

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting of **YHI INTERNATIONAL LIMITED** (the “**Company**”) will be held at No. 2 Pandan Road Singapore 609254 on 8 January 2016 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following Ordinary Resolution:

ORDINARY RESOLUTION

THE PROPOSED SHARE CONSOLIDATION

THAT:

With effect from the date to be determined by the directors of the Company and pursuant to the Articles of Association of the Company, approval be and is hereby given:

- (a) for the proposed consolidation of every two (2) Existing Shares held by Shareholders as at the Books Closure Date (including treasury shares) into one (1) Consolidated Share in the manner set out in the Circular;
- (b) for the Directors to disregard any fraction of a Consolidated Share which may arise from the Proposed Share Consolidation pursuant to paragraph (a) above, and for all fractions of Consolidated Shares to which holders of the Existing Shares would otherwise be entitled to, be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including but not limited to, disregarding or aggregating and selling the same and retaining the net proceeds for the benefit of the Company;
- (c) for the Directors to be authorised to fix the Books Closure Date and the date on which the Shares will trade on the Mainboard in board lots of 100 Consolidated Shares in their absolute discretion as they deem fit; and
- (d) for the Directors and each of them to be authorised and empowered to complete and do and execute all such things and acts (including, without limitation, executing all such documents as may be required) as they or he may think necessary or expedient to give effect to this resolution, with such modifications thereto (if any) as they and/or he shall think fit in the interests of the Company.

BY ORDER OF THE BOARD

Gn Jong Yuh Gwendolyn
Company Secretary

23 December 2015
Singapore

Notes:

Every Shareholder of the Company entitled to attend and vote at the Extraordinary General Meeting may appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

The instrument appointing a proxy must be deposited at the registered office of the Company at No. 2 Pandan Road Singapore 609254 not less than 48 hours before the time appointed for holding the Extraordinary General Meeting or any postponement or adjournment thereof. Completion and return of the proxy form by a member will not prevent him from attending and voting at the Extraordinary General Meeting if he so wishes. In such event, the relevant proxy form will be deemed to be revoked.

The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instruction appointing a proxy is executed by a corporation, it must be executed either under its seal or under the hand of any officer or attorney duly authorised.

Personal data privacy:-

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any EGM laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

YHI INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 200007455H)

PROXY FORM EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Form)

IMPORTANT

1. For investors who have used their CPF monies to buy YHI INTERNATIONAL LIMITED shares, this Circular to Shareholders is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We*, _____ (name)

of _____ (address)

being a member/members* of YHI International Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholding	
		No. of Shares	%
Address			

and/or*

Name	NRIC/Passport No.	Proportion of Shareholding	
		No. of Shares	%
Address			

or failing him/her*, the Chairman of the Meeting (defined below), as my/our* proxy/proxies* to vote for me/us* on my/our* behalf at the Extraordinary General Meeting (the "Meeting") of the Company to be held at No. 2 Pandan Road Singapore 609254 on 8 January 2016 at 9.30 a.m. and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for or against the Resolution proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies* will vote or abstain from voting at his/her* discretion. The Ordinary Resolution will be put to vote at the Meeting by way of poll.

Ordinary Resolution	Number of votes for#	Number of votes against#
To approve the Proposed Share Consolidation		

If you wish to exercise all your votes "For" or "Against", please indicate so with a [√] within the box provided. Alternatively, please indicate the number of votes as appropriate.

Total Number of Shares Held

Dated this _____ day of _____ 2016

Signature(s) of Member(s) or Common Seal

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES BELOW CAREFULLY BEFORE COMPLETING THIS FORM

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead.
2. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A proxy need not be a member of the Company.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
5. The instrument appointing a proxy or proxies must be deposited at registered office of the Company at No. 2 Pandan Road Singapore 609254, not less than 48 hours before the time set for the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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