



INCORPORATION OF A NEW SUBSIDIARY

The Board of Directors (the “**Board**”) of YHI International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, YHI Corporation (Singapore) Pte Ltd (“**YHI Corporation**”), together with Mr Lee Chien Liang, an independent third party, has incorporated a new subsidiary in the Republic of China, Taiwan. The details of the new subsidiary are as follows:

Name of Company	:	YHI Distribution (Taiwan) Co., Ltd, 友发实业有限公司 (“ YHI Taiwan ”)
Place of Incorporation	:	Republic of China, Taiwan
Paid-up capital	:	NT\$2,500,000
Percentage of shareholding	:	YHI Corporation holds 80% of the shareholding interest in YHI Taiwan (representing NT\$2,000,000 of the paid-up capital of YHI Taiwan).
		Mr Lee Chien Liang, a Taiwanese national, who is an independent third party, holds 20% of the shareholding interest in YHI Taiwan (representing NT\$500,000 of the paid-up capital of YHI Taiwan).
Principal activities	:	Sale of imported tyres, automotive batteries and aftermarket aluminium wheels, automotive parts and accessories in the Taiwanese domestic market; and activities relating to the sale and marketing of the abovementioned products.

The aggregate consideration paid by YHI Corporation for the incorporation of YHI Taiwan was NT\$2,000,000.

The incorporation of YHI Taiwan is funded through internal resources and is not expected to have a material impact on the Company’s earnings per share and net tangible assets per share for the current financial year ending 31 December 2019.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the incorporation of YHI Taiwan other than through their respective shareholdings in the Company, if any.

By Order of the Board

Tay Tian Hoe Richard
Executive Chairman and Group Managing Director

27 December 2019