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 2017

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 2017 vs FULL YEAR 2016)

	Group 01/01/17-31/12/17 S$ '000	Group 01/01/16-31/12/16 S$ '000	Incr/(Decr) %
Sales	**442,878**	465,569	(4.9%)
Cost of sales	**(339,110)**	(365,210)	(7.1%)
Gross profit	**103,768**	100,359	3.4%
Other gains	**4,431**	3,441	28.8%
Expenses			
- Distribution	**(42,354)**	(44,511)	(4.8%)
- Administrative	**(49,296)**	(48,137)	2.4%
- Finance	**(3,481)**	(4,297)	(19.0%)
Share of profit of an associated company	**2,124**	1,500	41.6%
Profit before income tax	**15,192**	8,355	81.8%
Income tax expense	**(5,674)**	(3,897)	45.6%
Net profit	**9,518**	4,458	113.5%
Profit Attributable to:			
Equity holders of the Company	**8,751**	3,694	136.9%
Non-controlling interests	**767**	764	0.4%
	9,518	4,458	113.5%

NOTES TO CONSOLIDATED INCOME STATEMENT (FULL YEAR 2017 vs FULL YEAR 2016)

	Group 01/01/17-31/12/17 S$ '000	Group 01/01/16-31/12/16 S$ '000	Incr/(Decr) %
Interest income	**520**	288	80.6%
Rental income	**2,164**	885	NM
Interest on borrowings	**(3,481)**	(4,297)	(19.0%)
Depreciation of property, plant and equipment	**(11,774)**	(13,332)	(11.7%)
Amortisation of intangible assets	**(361)**	(62)	NM
Allowance for impairment of doubtful trade receivables	**(1,178)**	(592)	NM
Write-down of inventories	**(2,393)**	(1,996)	19.9%
Currency exchange (loss)/gain - net	**(1,765)**	310	NM
Share of profit of an associated company	**2,124**	1,500	41.6%
(Loss)/gain on disposal of property, plant and equipment	**(599)**	289	NM
Plant and equipment written off	**(1,590)**	-	NM

NM – Not meaningful

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NOTES TO CONSOLIDATED INCOME STATEMENT (FULL YEAR 2017 vs FULL YEAR 2016) (Cont'd)

Income Tax Expenses Tax expense attributable to profit is made up of:	**Group 01/01/17-31/12/17 S$ '000**	Group 01/01/16-31/12/16 S$ '000	Incr/(Decr) %
Current income tax			
- Singapore	**384**	86	NM
- Foreign	**5,868**	3,496	67.8%
	6,252	3,582	74.5%
Deferred income tax	**(817)**	529	NM
	5,435	4,111	32.2%
Under/(over) provision in previous financial year			
- Current income tax	**351**	46	NM
- Deferred income tax	**(112)**	(260)	(56.9%)
	5,674	3,897	45.6%

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (FULL YEAR 2017 vs FULL YEAR 2016)

	Group 01/01/17-31/12/17 S$ '000	Group 01/01/16-31/12/16 S$ '000	Incr/(Decr) %
Profit for the year	**9,518**	4,458	NM
Other comprehensive income, net of tax:			
Items that may be reclassified subsequently to profit or loss			
- Currency translation differences	*** (1,426)**	# (3,262)	(56.3%)
Total comprehensive income for the year	**8,092**	1,196	NM
Total comprehensive income to:			
Equity holders of the Company	**7,459**	254	NM
Non-controlling interests	**633**	942	(32.8%)
	8,092	1,196	NM

* *Consist of foreign currency losses mainly resulting from the weakening of RMB and USD against SGD.*
# *Consist of foreign currency losses mainly resulting from the weakening of RMB against SGD.*

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1(b) 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

	Group 31/12/17	Group 31/12/16	**Company 31/12/17**	Company 31/12/16
	S$ '000	S$ '000	**S$ '000**	S$ '000
ASSETS				
Current assets				
Cash and cash equivalents	**54,360**	51,470	**3,178**	4,285
Trade and other receivables	**91,392**	94,588	**35,933**	32,628
Inventories	**111,721**	112,937	**-**	-
Other current assets	**8,757**	13,414	**10**	9
Derivative financial instruments	**115**	136	**-**	-
	266,345	272,545	**39,121**	36,922
Non-current assets held for sale	**712**	-	**-**	-
	267,057	272,545	**39,121**	36,922
Non-current assets				
Transferable club membership, at cost	**38**	227	**-**	-
Investment in an associated company	**17,896**	16,263	**-**	-
Investments in subsidiaries	**-**	-	**100,325**	100,122
Property, plant and equipment	**82,302**	105,878	**88**	158
Investment property	**11,011**	-	**-**	-
Intangible assets	**4,914**	4,201	**-**	-
Deferred income tax assets	**4,243**	3,295	**-**	-
Other long-term receivables	**13**	-	**-**	-
	120,417	129,864	**100,413**	100,280
Total assets	**387,474**	402,409	**139,534**	137,202
LIABILITIES				
Current liabilities				
Trade and other payables	**36,506**	44,678	**1,224**	873
Current income tax liabilities	**2,052**	576	**-**	-
Borrowings	**70,488**	76,858	**-**	600
	109,046	122,112	**1,224**	1,473
Non-current liabilities				
Borrowings	**14,888**	21,517	**-**	-
Deferred income tax liabilities	**2,500**	2,390	**-**	-
Other non-current liabilities	**233**	321	**-**	-
	17,621	24,228	**-**	-
Total liabilities	**126,667**	146,340	**1,224**	1,473
NET ASSETS	**260,807**	256,069	**138,310**	135,729
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	**77,001**	77,001	**77,001**	77,001
Other reserves	**(20,897)**	(19,911)	**-**	-
Retained profits	**191,996**	185,422	**61,309**	58,728
	248,100	242,512	**138,310**	135,729
Non-controlling interests	**12,707**	13,557	**-**	-
Total equity	**260,807**	256,069	**138,310**	135,729

1(c) Aggregate amount of Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

Group As at 31/12/17		Group As at 31/12/16	
Secured S$ '000	**Unsecured S$ '000**	Secured S$ '000	Unsecured S$ '000
70,488	-	76,858	-

Amount repayable after one year

Group As at 31/12/17		Group As at 31/12/16	
Secured S$ '000	**Unsecured S$ '000**	Secured S$ '000	Unsecured S$ '000
14,888	**-**	21,517	-

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$6.2 million (2016: S$6.2 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(d) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year

1(d)(i) CONSOLIDATED STATEMENT OF CASH FLOWS (FY2017 vs FY2016)

	Group 01/01/17-31/12/17 S$ '000	Group 01/01/16-31/12/16 S$ '000
Cash flows from operating activities		
Net profit	**9,518**	4,458
Adjustments for:		
Income tax expenses	**5,674**	3,897
Depreciation of property, plant and equipment	**11,774**	13,332
Amortisation of intangible assets	**361**	62
Loss/(gain) on disposal of property, plant and equipment	**599**	(289)
Interest expense	**3,481**	4,297
Interest income	**(520)**	(288)
Share of profit of an associated company	**(2,124)**	(1,500)
Fair value loss/(gain) on derivative financial instruments	**22**	(425)
Gain on disposal of transferable club membership	**(35)**	-
Plant and equipment written off	**1,590**	-
Unrealised currency translation differences	**(703)**	779
Operating cash flow before working capital changes	**29,637**	24,323
Changes in working capital:		
Inventories	**(771)**	13,700
Trade and other receivables	**1,247**	2,789
Other current assets	**4,657**	(2,104)
Trade and other payables	**(7,543)**	9,008
Cash generated from operations	**27,227**	47,716
Interest received	**520**	288
Income tax paid	**(5,071)**	(3,706)
Net cash provided by operating activities	**22,676**	44,298
Cash flows from investing activities		
Dividend received from an associated company	**952**	270
Proceeds from sale of property, plant and equipment	**2,165**	1,285
Purchase of property, plant and equipment	**(4,897)**	(7,121)
Proceed from disposal of transferable club membership	**224**	-
Purchase of intangible assets	**(1,082)**	(882)
Net cash used in investing activities	**(2,638)**	(6,448)
Cash flows from financing activities		
Dividends paid to equity holders of the Company	**(1,871)**	(4,150)
Dividends paid to non-controlling interest	**(1,197)**	(806)
Interest paid	**(3,481)**	(4,297)
Proceeds from borrowings	**18,366**	23,822
Repayments of borrowings	**(27,606)**	(52,200)
Repayments of finance lease liabilities	**(65)**	(694)
Acquisition of additional interest in subsidiary	**(202)**	-
Net cash used in financing activities	**(16,056)**	(38,325)

	Group 01/01/17-31/12/17 S$ '000	Group 01/01/16-31/12/16 S$ '000
Net increase/(decrease) in cash and cash equivalents	**3,982**	(475)
Cash and cash equivalents at beginning of the financial year	**50,386**	51,734
Effects of currency translation on cash and cash equivalents	**(373)**	(873)
Cash and cash equivalents at end of the financial year	**53,995**	50,386
Consolidated cash and cash equivalents are represented by:		
Cash and bank balances	**54,360**	51,470
Less: Bank overdrafts	**(365)**	(1,084)
Cash and cash equivalents as per consolidated statement of cash flows	**53,995**	50,386

1(e) 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→					
	Share capital S$ '000	**Other reserves S$ '000**	**Retained profits S$ '000**	**Sub-total S$ '000**	**Non-controlling interests S$ '000**	**Total S$ '000**
The Group						
Balance at 1 January 2017	**77,001**	**(19,911)**	**185,422**	**242,512**	**13,557**	**256,069**
Profit for the year	-	-	8,751	8,751	767	9,518
Other comprehensive loss for the year	-	(1,292)	-	(1,292)	(134)	(1,426)
Total comprehensive income/(loss) for the year	**-**	**(1,292)**	**8,751**	**7,459**	**633**	**8,092**
Acquisition of additional interest in subsidiary	-	-	-	-	(286)	(286)
Dividend relating to 2016 paid	-	-	(1,871)	(1,871)	(1,197)	(3,068)
Transfer from retained profits to other reserves	-	306	(306)	-	-	-
Balance at 31 December 2017	**77,001**	**(20,897)**	**191,996**	**248,100**	**12,707**	**260,807**

	Share capital S$ '000	**Other reserves S$ '000**	**Retained profits S$ '000**	**Sub-total S$ '000**	**Non-controlling interests S$ '000**	**Total S$ '000**
The Group						
Balance at 1 January 2016	**77,001**	**(16,629)**	**186,036**	**246,408**	**13,421**	**259,829**
Profit for the year	-	-	3,694	3,694	764	4,458
Other comprehensive loss for the year	-	(3,440)	-	(3,440)	178	(3,262)
Total comprehensive income/(loss) for the year	**-**	**(3,440)**	**3,694**	**254**	**942**	**1,196**
Dividend relating to 2015 paid	-	-	(4,150)	(4,150)	(806)	(4,956)
Transfer from retained profits to other reserves	-	158	(158)	-	-	-
Balance at 31 December 2016	**77,001**	**(19,911)**	**185,422**	**242,512**	**13,557**	**256,069**

	Share capital S$ '000	Retained profits S$ '000	Total S$ '000
The Company			
Balance at 1 January 2017	**77,001**	**58,728**	**135,729**
Total comprehensive income for the year	-	4,452	4,452
Dividend relating to 2016 paid	-	(1,871)	(1,871)
Balance at 31 December 2017	**77,001**	**61,309**	**138,310**

	Share capital S$ '000	Retained profits S$ '000	Total S$ '000
The Company			
Balance at 1 January 2016	**77,001**	**57,996**	**134,997**
Total comprehensive income for the year	-	4,882	4,882
Dividend relating to 2015 paid	-	(4,150)	(4,150)
Balance at 31 December 2016	**77,001**	**58,728**	**135,729**

1(f) 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.

There was no change in the Company's number of shares since 31 December 2016. The share capital of the Company as at 31 December 2017 was 292,295,811 Consolidated Shares. There is no share option issued during the year.

1(g) 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

The Company did not hold any treasury shares as at 31 December 2017 and 31 December 2016.

1(h)(i) 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 31/12/17	Company 31/12/16
Total numbers of issued shares (consolidated)	**292,295,811**	292,295,811
Less: Treasury shares	**-**	-
Total numbers of issued shares excluding treasury shares	**292,295,811**	292,295,811

1(h)(ii) 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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2017.

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 or reviewed by the Company's auditors.

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 2017, the Group has adopted the following revised FRS:-

Amendments to FRS 7 *Cash flow statements (Disclosure Initiative)* (effective for annual periods beginning on or after 1 January 2017)

The amendments introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. This included changes arising from:

- Cash flows, such as drawdown and repayment of borrowings; and
- Non-cash changes, such as acquisitions, disposals and unrealised exchange differences.

The amendment will not result in any changes to the Group's accounting policies but will require more disclosures in the financial statements.

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	**Group 01/01/17 - 31/12/17**	Group 01/01/16 - 31/12/16
(a) Based on the number of ordinary shares on issue (cents)	**2.99**	1.26
(b) On fully diluted basis (cents)	**2.99**	1.26
Weighted average number of ordinary shares	**292,295,811**	292,295,811

(i) The Group's earnings per share for current and preceding financial year are based on the 292,295,811 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

	Group 31/12/17	Group 31/12/16	**Company 31/12/17**	Company 31/12/16
Net asset value per ordinary share (cents)	**84.88**	82.97	**47.32**	46.44

(i) The Group and Company net asset value per share as at 31 December 2017 and as at 31 December 2016 are based on the actual number of consolidated shares of 292,295,811 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.

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 OF GROUP FINANCIAL RESULTS

Full Year ended 31 December 2017 (FY2017) vs Full Year ended 31 December 2016 (FY2016)

Turnover

The Group reported a 4.9% (or $22.7 million) decrease in turnover to $442.9 million (FY2017) from $465.6 million (FY2016) mainly due to lower sales in the manufacturing business as compared to last year.

Distribution business, accounting for 72.8% of the Group's total turnover, recorded a decrease of 0.4% (or $1.4 million) in turnover, from $323.8 million (FY2016) to $322.4 million (FY2017) mainly due to lower sales in our tyre and wheel division cushioned by higher sales in our industrial & automotive batteries division. Our wheel manufacturing business, accounting for 27.2% of the Group's total turnover, recorded a decrease of 15.0% (or $21.3 million) in turnover, from $141.8 million (FY2016) to $120.5 million (FY2017) mainly due to the cessation of production at Shanghai factory.

Gross Profit

Gross Profit increased by 3.4% (or $3.5 million) to $103.8 million (FY2017) from $100.3 million (FY2016). The Group's gross profit margin increased to 23.4% in FY2017 compared to 21.6% in FY2016 mainly due to higher gross profit margin from both our distribution and manufacturing business.

Other Gains

Other gains increased by 28.8% (or $1.0 million) in FY2017 to $4.4 million compared to $3.4 million in FY2016 mainly due to lease rental income from Shanghai factory.

Operating Expenses

Distribution expenses decreased by 4.8% (or $2.1 million) in FY2017 to $42.4 million compared to $44.5 million in FY2016 mainly due to lower advertising and promotion expenses, commission and travelling expenses.

Administrative expenses increased by 2.4% (or $1.2 million) in FY2017 to $49.3 million compared to $48.1 million in FY2016 mainly due to reinstatement costs, impairment of plant and equipment, retrenchment compensation to workers and depreciation charge reclassified from cost of goods sold to administrative expenses arising from the cessation of production at our Shanghai factory. Excluding these expenses relating to the cessation of production, administrative expenses would have been flat at $45.0 million, same as FY2016.

Financing costs decreased by 19.0% (or $0.8 million) in FY2017 to $3.5 million compared to $4.3 million in FY2016 mainly due to lower interest costs incurred.

Share of Profit of an Associated Company

Our associated company reported better performance and our share of profits was $2.1 million in FY2017 compared to $1.5 million in FY2016.

Income Tax expense

Income tax expense increased by 45.6% (or $1.8 million) mainly due to higher Group profit before tax for the year.

Net Profit after Tax and Non-controlling Interests

Net profit after tax and non-controlling interests attributable to shareholders of the Company increased by $5.1 million (or 136.9%) to $8.8 million in FY2017 from $3.7 million in FY2016.

STATEMENT OF FINANCIAL POSITION REVIEW

As at 31 December 2017, total assets amounted to about $387.5 million comprising $267.1 million of current assets and $120.4 million of non-current assets. Total liabilities amounted to about $126.6 million comprising current liabilities of $109.0 million and non-current liabilities of $17.6 million. Shareholders' equity including non-controlling interests amounted to $260.9 million.

The substantial changes in the statement of financial position compared to 31 December 2016 are as follows:

Other current assets

Other current assets decreased from $13.4 million to $8.8 million mainly due to lower prepayment for mould costs and lower advance payment to suppliers.

Non-current assets held for sale

Non-current assets held for sale of $712K are freehold warehouse and office building at our Australia subsidiary reclassified from property, plant and equipment (non-current assets category) to non-current assets held for sale (current assets category) due to the sale of the property pending completion in 2018.

Transferable club membership, at cost

Transferable club membership, at cost decreased from $227K to $38K mainly due to termination of Jurong Country Club memberships.

Property, plant and equipment

Property, plant and equipment decreased from $105.9 million to $82.3 million mainly due to reclassification of freehold warehouse and office building at our Australia subsidiary to non-current assets held-for-sale and reclassification of leasehold land and building at Shanghai factory to investment property.

Investment property

Investment property of $11.0 million is leasehold land and building at Shanghai factory reclassified as investment property.

Intangible assets

Intangible assets increased from $4.2 million to $4.9 million mainly due to the implementation costs of ERP system capitalised and started amortisation= in FY2017.

Deferred income tax assets

Deferred income tax assets increased from $3.3 million to $4.2 million mainly due to capital gains tax payable on the sale of freehold warehouse and office building at our Australia subsidiary.

Trade and other payables

Trade and other payables decreased from $44.7 million to $36.5 million mainly due to trade payments to suppliers.

Current income tax liabilities

Income tax liabilities increased from $0.6 million to $2.0 million mainly due to higher Group profit before tax for the year.

Borrowings (current & non-current)

Borrowings decreased from $98.4 million to $85.4 million due to repayment of bank borrowings during the year.

Other reserves

Other reserves, consist of foreign currency translation losses on overseas investments, increased from $19.9 million to $20.9 million mainly due to the weakening of RMB against SGD.

STATEMENT OF CASH FLOW REVIEW

$22.7 million was provided by operating activities in FY2017. The Group utilised $2.6 million in investing activities mainly for the purchase of plant and equipment and intangible assets. A total of $16.1 million was used in financing activities mainly for the repayment of bank borrowings. Cash and cash equivalents amounted to $54.0 million as at 31 December 2017 compared to $50.4 million reported as at 31 December 2016.

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 overall business operating environment is expected to remain challenging in view of the intense competition in the regions.

Aluminum prices have gone up in the last 12 months. Coupled with the weakening of US Dollars, we expect the high raw material prices and weak US Dollars to impact the margins of our manufacturing business in 2018.

As previously announced, the Group had successfully leased out its Shanghai factory and the tenant had taken vacant possession of the property on 1st November 2017. The rental income from the Shanghai property is expected to contribute positively in 2018.

The group will continue to build on its core competencies in R&D design, innovation and technical competencies to enhance our product offering to customers and sharpen our competitive edge.

For our distribution business, the tyre business continues to face challenges amid the prevailing overcapacity of the tyre market. However, the industrial & automotive division reported higher revenue in FY2017 and mitigated the impact on the distribution business. The Group will continue to execute its multi-product, multi-brand and multi-category (3"M") business strategies to explore new sales channels and business opportunities to grow the distribution business.

The Group has recently decided to consolidate its warehouse operations of the two subsidiaries in Sydney Australia into one bigger warehouse to reduce costs and improve efficiency. Consequently, its Sydney freehold warehouse and office building was sold in December 2017. The sale of the property is expected to complete within 3 months.

The Group will continue to execute its 3"R" reduction policy to reduce inventory, reduce account receivables and reduce operating costs to enhance operating efficiencies and remain competitive amid a challenging business environment.

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	:	1.50 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	:	0.64 cents per ordinary share (post-consolidation of shares)
Tax Rate	:	Tax exempt (one tier)

(c) Date payable

Notice will be given later regarding the dividend payment date.

(d) Books closure date

Not applicable.

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 2017:

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
-	-	-	-
Total	**NIL**	**NIL**	**NIL**

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.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).

The Company confirmed that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. 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 FY2017 and FY2016 are prepared on an actual basis.

(b) The segmental balance sheet items of the Group as at 31 December 2017 and as at 31 December 2016 respectively are prepared on an actual basis.

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

FY 2017

Segment	← Manufacturing segment →			← Distribution segment →					
Group	**North East Asia S$ '000**	**ASEAN S$ '000**	**Sub-total S$ '000**	**North East Asia S$ '000**	**ASEAN S$ '000**	**Oceania S$ '000**	**Other S$ '000**	**Sub-total S$ '000**	**Total S$ '000**
Sales									
Total segment sales	80,131	78,276	158,407	38,007	137,318	125,476	21,614	322,415	480,822
Inter-segment sales	(12,168)	(25,776)	(37,944)	-	-	-	-	-	(37,944)
Sales to external parties	67,963	52,500	120,463	38,007	137,318	125,476	21,614	322,415	442,878
Segment result	(1,535)	3,961	2,426	417	4,615	5,602	(942)	9,692	12,118
Other gains									4,431
Unallocated costs									-
									16,549
Finance expenses									(3,481)
Share of profit of an associated company	-	2,124	2,124	-	-	-	-	-	2,124
Profit before income tax									15,192
Income tax expenses									(5,674)
Net profit									9,518
Segment assets	72,430	71,176	143,606	21,500	117,214	77,341	11,556	227,611	371,217
Segment assets includes:									
Investment in an associated company	-	17,896	17,896	-	-	-	-	-	17,896
Additions to:									
- Property, plant and equipment	643	1,534	2,177	39	845	1,836	-	2,720	4,897
- Intangible assets	493	-	493	-	64	525	-	589	1,082
Segment liabilities	(8,643)	(4,386)	(13,029)	(2,514)	(10,604)	(10,586)	(6)	(23,710)	(36,739)

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

FY 2016

Segment	← Manufacturing segment →			← Distribution segment →					
Group	**North East Asia S$ '000**	**ASEAN S$ '000**	**Sub-total S$ '000**	**North East Asia S$ '000**	**ASEAN S$ '000**	**Oceania S$ '000**	**Other S$ '000**	**Sub-total S$ '000**	**Total S$ '000**
Sales									
Total segment sales	106,658	67,084	173,742	39,673	135,631	130,348	18,179	323,831	497,573
Inter-segment sales	(14,257)	(17,747)	(32,004)	-	-	-	-	-	(32,004)
Sales to external parties	92,401	49,337	141,738	39,673	135,631	130,348	18,179	323,831	465,569
Segment result	(4,522)	3,915	(607)	(1,088)	4,729	5,966	(1,820)	7,787	7,180
Other gains									3,441
Unallocated costs									531
									11,152
Finance expenses									(4,297)
Share of profit of an associated company	-	1,500	1,500	-	-	-	-	-	1,500
Profit before income tax									8,355
Income tax expenses									(3,897)
Net profit									4,458
Segment assets	98,746	65,261	164,007	26,895	110,684	71,440	13,391	222,410	386,417
Segment assets includes:									
Investment in an associated company	-	16,263	16,263	-	-	-	-	-	16,263
Additions to:									
- Property, plant and equipment	4,357	998	5,355	165	979	620	2	1,766	7,121
- Intangible assets	-	-	-	-	882	-	-	882	882
Segment liabilities	(17,070)	(3,410)	(20,480)	(4,709)	(10,009)	(9,547)	(254)	(24,519)	(44,999)

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

	Group 31/12/17 S$ '000	Group 31/12/16 S$ '000
Segment assets for reportable Segments	**359,661**	373,026
Other segment assets	**11,556**	13,391
Unallocated:		
Deferred income tax assets	**4,243**	3,295
Short-term bank deposits	**11,861**	12,334
Transferable club membership, at cost	**38**	227
Derivative financial instruments	**115**	136
	387,474	402,409

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

	Group 31/12/17 S$ '000	Group 31/12/16 S$ '000
Segment liabilities for reportable segments	**(36,733)**	(44,745)
Other segment liabilities	**(6)**	(254)
Unallocated:		
Income tax liabilities	**(2,052)**	(576)
Deferred tax liabilities	**(2,500)**	(2,390)
Borrowings	**(85,376)**	(98,375)
	(126,667)	(146,340)

Revenue from major products and services:

	Group 31/12/17 S$ '000	Group 31/12/16 S$ '000
Manufacturing of alloy wheels	**120,463**	141,738
Distribution of automotive and related products	**322,415**	323,831
	442,878	465,569

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

	Sales *		**Non-current assets**	
	Group 31/12/17 S$ '000	Group 31/12/16 S$ '000	**Group 31/12/17 S$ '000**	Group 31/12/16 S$ '000
Singapore	**67,591**	59,674	**46,107**	46,488
Malaysia	**93,147**	95,968	**22,964**	23,721
China/Hong Kong	**86,393**	114,993	**37,227**	44,934
Taiwan	**18,485**	15,146	**3,047**	3,553
Australia	**78,133**	85,308	**3,693**	4,283
New Zealand	**47,343**	45,040	**1,451**	1,538
Other countries	**51,786**	49,440	**1,634**	1,825
	442,878	465,569	**116,123**	126,342

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

17. 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.

18. A breakdown of sales

A breakdown of sales:-

		Group 01/01/17-31/12/17 S$ '000	Group 01/01/16-31/12/16 S$ '000	Incr/(Decr) %
(a)	Sales reported for the first half year	**218,070**	227,895	(4.3%)
(b)	Operating profit after tax before deducting non-controlling interest report for the first half year	**4,196**	3,507	19.6%
(c)	Sales reported for the second half year	**224,808**	237,674	(5.4%)
(d)	Operating profit after tax before deducting non-controlling interest report for the second half year	**5,322**	951	459.6.%
(e)	Total sales reported for the full year	**442,878**	465,569	(4.9%)
(f)	Total operating profit after tax before deducting non-controlling interest report for the full year	**9,518**	4,458	113.5%

19. 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	**4,384**	1,871
Preference	**-**	-
	4,384	1,871

20. 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	66	1. Brother of Tay Tiang Guan, Executive Director of the Company. 2. Director & Shareholder of YHI Holdings Pte Ltd, a substantial shareholder of the Company.	Executive Chairman & Group Managing Director. Responsible for setting the strategic directions and managing the overall business of the Company. The position has been held since 16 May 2003.	Nil
Tay Tiang Guan	65	1. Brother of Tay Tian Hoe Richard, Executive Chairman & Group Managing Director of the Company.	Executive Director (Sales and Business Development). Responsible for the Company's operations in in ASEAN and business development in tyres and industrial products. The position has been held since 16 May 2003.	Nil
Tay Soek Eng Margaret	69	1. Sister of Tay Tian Hoe Richard, Executive Chairman & Group Managing Director, and Tay Tiang Guan, Executive Director of the Company. 2. Director & Shareholder of YHI Holdings Pte Ltd, a substantial shareholder of the Company.	Customer Service Manager of YHI Corporation (Singapore) Pte Ltd (Since May 2003). Responsible to provide customer support to the assigned accounts and oversee the company's general purchases and expenses.	Responsible to provide customer support to the assigned accounts and oversee the customer service department, company's general purchases and expenses.
Tay Peng Kuan Ronald	55	Nephew of Tay Tian Hoe, Richard, Executive Chairman & Group Managing Director, and Tay Tiang Guan, Executive Director of the Company.	Supply Chain Manager, YHI Corporation (Singapore) Pte Ltd (Since May 2003). Responsible for the warehousing & logistics operations of the Company.	Nil

20. 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 Kok Thye Damien	46	Nephew of Tay Tian Hoe, Richard, Executive Chairman & Group Managing Director and Tay Tiang Guan, Executive Director of the Company.	Senior Manager, YHI Corporation (Singapore) Pte Ltd. (Since July 2013). Responsible for the corporate sales and retail centre business of the Company.	Deputy General Manager, YHI Corporation (Singapore) Pte Ltd. (Since July 2017). Responsible for the fleet management and retail centre business of the Company.
Tay Guoren Ryan	34	Son of Tay Tian Hoe, Richard, Executive Chairman & Group Managing Director and nephew of Tay Tiang Guan, Executive Director of the Company.	Deputy General Manager, YHI Manufacturing (Singapore) Pte. Ltd. (Since March 2015). Responsible for sales & marketing strategies and development for YHI Manufacturing Group and expansion of distribution network globally.	Nil
Tay Kwok Chong Henry	46	Nephew of Tay Tian Hoe, Richard, Executive Chairman & Group Managing Director and Tay Tiang Guan, Executive Director of the Company.	Operations Manager, YHI Corporation (Singapore) Pte Ltd. (Since June 2012). Responsible for the service centre's operations, sales and customer service management.	Responsible for the fleet management, retail operations and customer service management.
Tay Kok Choon, Rickey	48	Nephew of Tay Tian Hoe, Richard, Executive Chairman & 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's operation and profitability.	Nil

BY ORDER OF THE BOARD

Tay Tian Hoe Richard
Executive Chairman and Group Managing Director
27/02/2018

Submitted by Tay Tian Hoe Richard, Executive Chairman and Group Managing Director on 27/02/2018 to the SGX.