

**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 2020****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 FY2020 vs FULL YEAR FY2019)**

	Group 01/01/20- 31/12/20 S\$'000	Group 01/01/19- 31/12/19 S\$'000	Incr/(Decr)  %
Sales	422,795	448,207	(5.7%)
Cost of sales	(321,434)	(352,228)	(8.7%)
Gross profit	101,361	95,979	5.6%
Other gains	7,791	5,686	37.0%
Credit loss allowance on trade receivables	(1,357)	(937)	44.8%
Expenses			
- Distribution	(38,048)	(39,048)	(2.6%)
- Administrative	(44,189)	(44,410)	(0.5%)
- Finance	(2,904)	(4,047)	(28.2%)
Share of profit of an associated company	2,663	2,998	(11.2%)
Profit before income tax	25,317	16,221	56.1%
Income tax expense	(5,751)	(3,457)	66.4%
<b>Net profit</b>	<b>19,566</b>	<b>12,764</b>	<b>53.3%</b>
<b>Profit Attributable to:</b>			
Equity holders of the Company	19,155	12,956	47.8%
Non-controlling interests	411	(192)	NM
	<b>19,566</b>	<b>12,764</b>	<b>53.3%</b>

**NOTES TO CONSOLIDATED INCOME STATEMENT (FULL YEAR FY2020 vs FULL YEAR FY2019)**

	Group 01/01/20- 31/12/20 S\$'000	Group 01/01/19- 31/12/19 S\$'000	Incr/(Decr)  %
Interest income	357	340	5.0%
Rental income	4,114	3,666	12.2%
Interest on borrowings	(1,830)	(2,993)	(38.9%)
Lease interest	(1,074)	(1,054)	1.90%
Depreciation of property, plant and equipment and investment property	(9,120)	(11,108)	(17.9%)
Depreciation of right-of-use assets	(6,694)	(6,223)	7.6%
Amortisation of intangible assets	(479)	(475)	0.8%
Credit loss allowance on trade receivables	(1,357)	(937)	44.8%
Write-down of inventories	(2,414)	(1,254)	92.5%
Currency exchange (loss)/gain - net	(1,779)	235	NM
Share of profit of an associated company	2,663	2,998	(11.2%)
Gain on disposal of property, plant and equipment	16	23	(30.4%)

NM – Not meaningful


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**NOTES TO CONSOLIDATED INCOME STATEMENT (FULL YEAR FY2020 vs FULL YEAR FY2019)**  
**(Cont'd)**
**Income Tax Expenses**

Tax expense attributable to profit is made up of:

Current income tax

- Singapore
- Foreign

Deferred income tax

Under/(over) provision in previous financial year

- Current income tax
- Deferred income tax

	<b>Group</b> <b>01/01/20-</b> <b>31/12/20</b> <b>S\$'000</b>	Group 01/01/19- 31/12/19 S\$'000	Incr/(Decr)  %
	<b>767</b>	520	47.5%
	<b>5,092</b>	4,451	14.4%
	<b>5,859</b>	4,971	17.9%
	<b>(410)</b>	(1,380)	(70.3%)
	<b>5,449</b>	3,591	51.7%
	<b>92</b>	87	5.7%
	<b>210</b>	(221)	NM
	<b>5,751</b>	3,457	66.4%

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (FULL YEAR FY2020 vs FULL YEAR FY2019)**
**Profit for the year**
**Other comprehensive income/(loss):**

Items that may be reclassified subsequently to profit or loss

- Currency translation differences

Items that will not be reclassified subsequently to profit or loss:

- Currency translation differences

**Total comprehensive income/(loss) for the year**
**Total comprehensive income/(loss) to:**

Equity holders of the Company

Non-controlling interests

	<b>Group</b> <b>01/01/20-</b> <b>31/12/20</b> <b>S\$'000</b>	Group 01/01/19- 31/12/19 S\$'000	Incr/(Decr)  %
	<b>19,566</b>	12,764	53.3%
	<b>*7,703</b>	#(3,202)	NM
	<b>7,703</b>	(3,202)	NM
	<b>688</b>	(398)	NM
	<b>27,957</b>	9,164	205.1%
	<b>26,858</b>	9,754	175.4%
	<b>1,099</b>	(590)	NM
	<b>27,957</b>	9,164	205.1%

\* Consist of foreign currency gains mainly resulting from strengthening of RMB and EUR 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**

	<b>Group</b> <b>31/12/20</b>	Group 31/12/19	<b>Company</b> <b>31/12/20</b>	Company 31/12/19
	<b>S\$'000</b>	S\$'000	<b>S\$'000</b>	S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	<b>84,620</b>	56,392	<b>5,334</b>	5,700
Trade and other receivables	<b>79,194</b>	83,554	<b>27,550</b>	29,851
Inventories	<b>102,081</b>	119,742	-	-
Derivative financial instruments	-	6	-	-
	<b>265,895</b>	259,694	<b>32,884</b>	35,551
<b>Non-current assets</b>				
Transferable club membership, at cost	<b>65</b>	65	-	-
Investment in an associated company	<b>23,143</b>	19,619	-	-
Investments in subsidiaries	-	-	<b>102,206</b>	100,325
Property, plant and equipment	<b>68,278</b>	73,499	<b>1</b>	2
Right-of-use assets	<b>28,652</b>	27,569	-	-
Investment property	<b>9,662</b>	9,607	-	-
Intangible assets	<b>3,526</b>	3,961	-	-
Deferred income tax assets	<b>4,695</b>	4,558	-	-
	<b>138,021</b>	138,878	<b>102,207</b>	100,327
<b>Total assets</b>	<b>403,916</b>	398,572	<b>135,091</b>	135,878
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	<b>41,528</b>	34,305	<b>1,902</b>	1,368
Current income tax liabilities	<b>2,362</b>	1,596	-	-
Derivative financial instruments	<b>1,076</b>	-	-	-
Borrowings	<b>42,731</b>	66,919	-	-
Lease liabilities	<b>5,338</b>	5,456	-	-
	<b>93,035</b>	108,276	<b>1,902</b>	<b>1,368</b>
<b>Non-current liabilities</b>				
Borrowings	<b>5,291</b>	3,797	-	-
Lease liabilities	<b>20,378</b>	18,715	-	-
Deferred income tax liabilities	<b>1,475</b>	1,761	-	-
Other non-current liabilities	<b>160</b>	160	-	-
	<b>27,304</b>	24,433	-	-
<b>Total liabilities</b>	<b>120,339</b>	132,709	<b>1,902</b>	1,368
<b>NET ASSETS</b>	<b>283,577</b>	265,863	<b>133,189</b>	134,510
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	<b>77,001</b>	77,001	<b>77,001</b>	77,001
Treasury shares	<b>(671)</b>	-	<b>(671)</b>	-
Other reserves	<b>4,406</b>	(3,328)	-	-
Retained profits	<b>194,645</b>	182,152	<b>56,859</b>	57,509
	<b>275,381</b>	255,825	<b>133,189</b>	134,510
Non-controlling interests	<b>8,196</b>	10,038	-	-
<b>Total equity</b>	<b>283,577</b>	265,863	<b>133,189</b>	134,510

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

Group As at 31/12/20		Group As at 31/12/19	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
42,731	-	66,919	-

**Amount repayable after one year**

Group As at 31/12/20		Group As at 31/12/19	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
5,291	-	3,797	-

**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\$4.4 million (2019: S\$4.4 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(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 (FY2020 vs FY2019)**

	<b>Group</b> <b>01/01/20-</b> <b>31/12/20</b> <b>S\$'000</b>	<b>Group</b> <b>01/01/19-</b> <b>31/12/19</b> <b>S\$'000</b>
<b>Cash flows from operating activities</b>		
Net profit	19,566	12,764
Adjustments for:		
-Income tax expenses	5,751	3,457
-Depreciation of property, plant and equipment and investment property	9,120	11,108
-Depreciation of right-of-use assets	6,694	6,223
-Amortisation of intangible assets	479	475
-Gain on disposal of property, plant and equipment	(16)	(23)
-Interest expense	2,904	4,047
-Interest income	(357)	(340)
-Share of profit of an associated company	(2,663)	(2,998)
-Fair value loss on derivative financial instruments	1,083	109
-Provision for diminution club membership	-	107
-Unrealised currency translation differences	861	(495)
Operating cash flow before working capital changes	43,422	34,434
Changes in working capital:		
-Inventories	20,683	(853)
-Trade and other receivables	6,492	16,731
-Trade and other payables	6,312	(8,687)
Cash generated from operations	76,909	41,625
Interest received	357	340
Income tax paid	(5,430)	(4,119)
<b>Net cash provided by operating activities</b>	<b>71,836</b>	<b>37,846</b>
<b>Cash flows from investing activities</b>		
Dividend received from an associated company	1,148	1,130
Proceeds from sale of property, plant and equipment	1,100	1,115
Purchase of property, plant and equipment	(3,589)	(4,928)
Purchase of intangible assets	(9)	(2)
<b>Net cash used in investing activities</b>	<b>(1,350)</b>	<b>(2,685)</b>
<b>Cash flows from financing activities</b>		
Dividends paid to equity holders of the company	(6,489)	(6,869)
Dividends paid to non-controlling interest	(1,117)	(551)
Acquisition of additional interest in subsidiary	(2,152)	-
Disposal of subsidiary without change in control	186	-
Interest paid	(2,904)	(4,047)
Proceeds from borrowings	8,732	7,042
Repayments of borrowings	(31,031)	(20,549)
Principal payment of lease payments	(6,450)	(5,657)
Purchase of treasury shares	(671)	-
<b>Net cash used in financing activities</b>	<b>(41,896)</b>	<b>(30,631)</b>



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	<b>Group</b> <b>01/01/20-</b> <b>31/12/20</b> <b>S\$'000</b>	Group 01/01/19- 31/12/19 S\$'000
<b>Net increase in cash and cash equivalents</b>	<b>28,590</b>	4,530
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>54,815</b>	50,820
Effects of currency translation on cash and cash equivalents	<b>1,107</b>	(535)
<b>Cash and cash equivalents at end of the financial year</b>	<b>84,512</b>	54,815
Consolidated cash and cash equivalents are represented by		
Cash and bank balances	<b>84,620</b>	56,392
Less: Bank overdrafts	<b>(108)</b>	(1,577)
<b>Cash and cash equivalents as per consolidated statement of cash flows</b>	<b>84,512</b>	54,815

**Reconciliation of liabilities arising from financing activities**

	Opening balance \$'000	Proceeds, principal and interest payments \$'000	Non-cash changes \$'000				Closing balance \$'000
			Adoption of SFRS(I) 16	Addition during the year	Interest expense	Foreign exchange movement	
2020							
Bank borrowings	70,716	(25,598)	-	-	1,830	1,074	48,022
Lease liabilities	24,171	(7,524)	-	7,067	1,074	928	25,716
2019							
Bank borrowings	83,412	(15,204)	-	-	2,993	(485)	70,716
Finance lease liabilities	95	(6,711)	29,088	940	1,054	(295)	24,171


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- 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	Treasury shares S\$ '000	Other reserves S\$ '000	Retained profits S\$ '000	Sub-total S\$ '000	Non-controlling interests S\$ '000	Total equity S\$ '000
<b>The Group</b>							
<b>Balance at 1 January 2020</b>	<b>77,001</b>	-	<b>(3,328)</b>	<b>182,152</b>	<b>255,825</b>	<b>10,038</b>	<b>265,863</b>
Profit for the year	-	-	-	19,155	19,155	411	19,566
Other comprehensive income for the year	-	-	7,703	-	7,703	688	8,391
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>7,703</b>	<b>19,155</b>	<b>26,858</b>	<b>1,099</b>	<b>27,957</b>
Purchase of treasury shares	-	(671)	-	-	(671)	-	(671)
Acquisition of additional interest in subsidiary	-	-	6	-	6	(2,158)	(2,152)
Disposal of subsidiary without change in control	-	-	(148)	-	(148)	334	186
Dividend relating to 2019 paid	-	-	-	(6,489)	(6,489)	(1,117)	(7,606)
Transfer from retained profits to other reserves	-	-	173	(173)	-	-	-
<b>Balance at 31 December 2020</b>	<b>77,001</b>	<b>(671)</b>	<b>4,406</b>	<b>194,645</b>	<b>275,381</b>	<b>8,196</b>	<b>283,577</b>

	← 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 equity S\$'000
<b>The Group</b>						
<b>Balance at 1 January 2019</b>	<b>77,001</b>	<b>(210)</b>	<b>176,149</b>	<b>252,940</b>	<b>11,179</b>	<b>264,119</b>
Profit for the year	-	-	12,956	12,956	(192)	12,764
Other comprehensive loss for the year	-	(3,202)	-	(3,202)	(398)	(3,600)
<b>Total comprehensive (loss)/income for the year</b>	<b>-</b>	<b>(3,202)</b>	<b>12,956</b>	<b>9,754</b>	<b>(590)</b>	<b>9,164</b>
Dividend relating to 2018 paid	-	-	(6,869)	(6,869)	(551)	(7,420)
Transfer from retained profits to other reserves	-	84	(84)	-	-	-
<b>Balance at 31 December 2019</b>	<b>77,001</b>	<b>(3,328)</b>	<b>182,152</b>	<b>255,825</b>	<b>10,038</b>	<b>265,863</b>

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	Share capital S\$'000	Treasury shares S\$'000	Retained profits S\$'000	Total S\$'000
<b>The Company</b>				
<b>Balance at 1 January 2020</b>	77,001	-	57,509	134,510
Total comprehensive income for the year	-	-	5,839	5,839
Purchase of treasury shares	-	(671)	-	(671)
Dividend relating to 2019 paid	-	-	(6,489)	(6,489)
<b>Balance at 31 December 2020</b>	<b>77,001</b>	<b>(671)</b>	<b>56,859</b>	<b>133,189</b>

	Share capital S\$'000	Retained profits S\$'000	Total S\$'000
<b>The Company</b>			
<b>Balance at 1 January 2019</b>	77,001	61,063	138,064
Total comprehensive income for the year	-	3,315	3,315
Dividend relating to 2018 paid	-	(6,869)	(6,869)
<b>Balance at 31 December 2019</b>	<b>77,001</b>	<b>57,509</b>	<b>134,510</b>

- 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 issued share capital since 31 December 2019. The share capital of the Company as at 31 December 2020 was 292,295,811 ordinary shares. There is no share option issued during the period.

- 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 purchased a total of 1,896,000 issued ordinary shares through market purchases in FY2020 and all were held as treasury shares. This represents 0.65% of the total number of issued shares (excluding treasury shares) as at 31 December 2020 (31 December 2019: Nil).

There were no outstanding convertibles issued by the Company as at 31 December 2020 and 31 December 2019.

- 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 31/12/20	Company 31/12/19
Total numbers of issued shares	292,295,811	292,295,811
Less: Treasury shares	(1,896,000)	-
Total numbers of issued shares excluding treasury shares	290,399,811	292,295,811





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**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 2020.

**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**

Amendments to SFRS(I) 3 Business Combination (effective for annual periods beginning on or after 1 January 2020)

The amendments provide new guidance on the assessment of whether an acquisition meets the definition of a business under SFRS(I) 3. To be considered a business, an acquisition would have to include an output and a substantive process that together significantly contribute to the ability to create outputs. A framework is introduced to evaluate when an input and substantive process are present. To be a business without outputs, there will now need to be an organised workforce.

The definition of the term 'outputs' is narrowed to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits.

It is also no longer necessary to assess whether market participants are capable of replacing missing elements or integrating the acquired activities and assets.

Entities can apply a 'concentration test' that, if met, eliminates the need for further assessment. Under this optional test, where substantially all of the fair value of gross assets acquired is concentrated in a single asset (or a group of similar assets), the assets acquired would not represent a business.

These amendments are applied to business combinations and asset acquisitions with acquisition date on or after 1 January 2020. Early application is permitted. The Group does not expect any significant impact arising from applying these amendments.

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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>01/01/20 -</b> <b>31/12/20</b>	Group 01/01/19 - 31/12/19
(a) Based on the weighted average number of ordinary shares (cents)	<b>6.57</b>	4.43
(b) On fully diluted basis (cents)	<b>6.57</b>	4.43
Weighted average number of ordinary shares	<b>291,750,349</b>	292,295,811

- (i) The Group's earnings per share for current and preceding financial year are based on 291,750,349 and 292,295,811 weighted average number of ordinary shares, respectively.
- (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>	Group	<b>Company</b>	Company
	<b>31/12/20</b>	31/12/19	<b>31/12/20</b>	31/12/19
Net asset value per ordinary share (cents)	<b>94.83</b>	87.52	<b>45.86</b>	46.02

- (i) The Group and Company net asset value per share as at 31 December 2020 and as at 31 December 2019 are based on 290,399,811 and 292,295,811 ordinary shares, respectively, which is the number of issued ordinary shares, excluding treasury shares.
- (ii) There was no material impact on prior period net asset value per share on adoption of the new/ revised SFRS(I) and SFRS (I) INTs.



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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 OF GROUP FINANCIAL RESULTS**

#### **Full Year ended 31 December 2020 (FY2020) vs Full Year ended 31 December 2019 (FY2019)**

##### Turnover

The Group reported a 5.7% (or \$25.4 million) decrease in turnover to \$422.8 million (FY2020) from \$448.2 million (FY2019) mainly due to lower sales in both distribution and manufacturing business as compared to last year.

Distribution business, accounting for 73.8% of the Group's total turnover, recorded a decrease of 4.2% (or \$13.6 million) in turnover, from \$325.8 million (FY2019) to \$ 312.2 million (FY2020) mainly due to lower sales in tyre and wheel divisions. Our wheel manufacturing business, accounting for 26.2% of the Group's total turnover, recorded a decrease of 9.6% (or \$11.8 million) in turnover, from \$122.4 million (FY2019) to \$110.6 million (FY2020).

##### Gross profit

Gross profit increased by 5.6% (or \$5.4 million) to \$101.4 million (FY2020) from \$96.0 million (FY2019) mainly due to higher gross profit margin. The Group's gross profit margin increased to 24.0% in FY2020 compared to 21.4% in FY2019 due to higher gross profit margin from both distribution and manufacturing business.

##### Other gains

Other gains increased from \$5.7 million in FY2019 to \$7.8 million in FY2020 mainly due to government grants for COVID-19 relief in the various countries where the Group operates.

##### Credit loss allowance on trade receivables

Credit loss allowance on trade receivables increased from \$0.9 million in FY2019 to \$1.4 million in FY2020 mainly due to specific debtors who are credit impaired and invoices remains unpaid after a year.

##### Operating expenses

Distribution expenses decreased by 2.6% (or \$1.0 million) to \$38.0 million in FY2020 from \$39.0 million in FY2019, mainly due to lower sales promotion, travelling and staff costs.

Administrative expenses decreased by 0.5% (or \$0.2 million) in FY2020 to \$44.2 million compared to \$44.4 million in FY2019 mainly due to lower staff costs, legal and professional fee and other general expenses.

Financing costs decreased by 28.2% (or \$1.1 million) to \$2.9 million in FY2020 compared to \$4.0 million in FY2019 mainly due to lower loan interest expense in line with lower bank loans.

##### Share of profit of an associated company

Our share of profit from associated company decreased by 11.2% (or \$0.3 million) to \$2.7 million in FY2020 as compared to \$3.0 million in FY2019.



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### Income tax expense

Income tax expense increased by 66.4% (or \$2.3 million) mainly due to higher 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 47.8% (or \$6.2 million) to \$19.2 million in FY2020 as compared to \$13.0 million in FY2019 mainly due to the support of government grants for COVID-19 relief and one of our subsidiaries in Australia registered a profit in FY2020 from a loss in FY2019.

### Non-controlling Interests

Profit attributable to non-controlling interests increased to \$0.4 million in FY2020 from a loss of \$0.2 million in FY2019 mainly due to higher profit recorded by subsidiaries where there are minority local shareholders.

## **STATEMENT OF FINANCIAL POSITION REVIEW**

As at 31 December 2020, total assets amounted to about \$403.9 million comprising \$265.9 million of current assets and \$138.0 million of non-current assets. Total liabilities amounted to about \$120.3 million comprising current liabilities of \$93.0 million and non-current liabilities of \$27.3 million. Shareholders' equity including non-controlling interests amounted to \$283.6 million.

The substantial changes in the statement of financial position compared to 31 December 2019 are as follows:

### Inventories

Inventories decreased from \$119.7 million to \$102.1 million due to better inventory management.

### Trade and other payables

Trade and other payables increased from \$34.3 million to \$41.5 million mainly due to new purchases close to 31 December 2020.

### Current income tax liabilities

Income tax liabilities increased from \$1.6 million to \$2.4 million mainly due to higher Group profit before tax for the year.

### Derivative financial instruments

Derivative financial instrument (liability) increased from Nil to \$1.1 million mainly due to currency swap contracts to hedge our USD receivables.

### Borrowings (current & non-current)

Borrowings decreased from \$70.7 million to \$48.0 million due to repayment of bank borrowings in FY2020.

### Other reserves

Other reserves, consist of foreign currency translation gains on overseas investments, increased from negative \$3.3 million to \$4.4 million mainly due to the strengthening of RMB and EUR against SGD.

### Non-controlling interests

Non-controlling interests decreased from \$10.0 million to \$8.2 million mainly due to an acquisition of equity shares from a minority shareholder in one of the Company's subsidiaries during the period.



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### **STATEMENT OF CASH FLOW REVIEW**

\$71.8 million was provided by operating activities in FY2020. The Group utilised \$1.3 million in investing activities mainly for the purchase of property, plant and equipment and acquisition of additional interest in subsidiaries. A total of \$41.9 million was used in financing activities mainly for dividend payment and repayment of borrowings. Cash and cash equivalents amounted to \$84.5 million as at 31 December 2020 compared to \$54.8 million reported as at 31 December 2019.

**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**

Given the current prevailing COVID-19 pandemic situation, the resumption of economic and business activities continues to be disrupted by the ongoing pandemic.

In addition, with the current global shortage of shipping containers, congested seaports and capacity constraints on vessels have resulted in high freight rates for exporters and disrupted many businesses that trade globally.

In view of the risks and uncertainties pertaining to COVID-19, we expect the ongoing pandemic to continue to impact our business in the first half of the year especially in those countries where the governments have announced further lockdown due to resurgence of COVID-19 in community transmission.

We will continue to monitor the pandemic situation closely, assess its impact on our business given the uncertainties associated with the nature & duration of the pandemic, and implement appropriate measures when necessary to mitigate the impact on our business. With a healthy Balance Sheet and liquidity position, the Group is confident that we have sufficient financial resources to weather through the crisis.

Notwithstanding the challenges ahead, the Group is working hard to strengthen its business operations, improve efficiency & productivity and focus on its “3R” strategy (namely “Reduce inventory, Reduce accounts receivable and Reduce operating costs”) to remain competitive in the market place. The Group will continue to source for new products, new business opportunities and explore new sale channels to grow our businesses across various market segments regionally.

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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 : 3.30 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 : 2.22 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**

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 2020:

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.

**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 FY2020 and FY2019 are prepared on an actual basis.
- (b) The segmental balance sheet items of the Group as at 31 December 2020 and as at 31 December 2019 respectively are prepared on an actual basis.


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**16. Results Of Operations By Business Segments (Cont'd)**
**FY 2020**

Segment	← Manufacturing segment →			← Distribution segment →					Rental Segment	Total
	Group	<u>North East Asia</u>	<u>ASEAN</u>	<u>Sub-total</u>	<u>North East Asia</u>	<u>ASEAN</u>	<u>Oceania</u>	<u>Other</u>	<u>Sub-total</u>	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Sales</b>										
Total segment sales	79,313	55,234	134,547	33,702	130,175	129,354	18,959	312,190	-	446,737
Inter-segment sales	(14,491)	(9,451)	(23,942)	-	-	-	-	-	-	(23,942)
Sales to external parties	64,822	45,783	110,605	33,702	130,175	129,354	18,959	312,190	-	422,795
<b>Segment result</b>	4,149	366	4,515	1,822	2,830	8,080	1,329	14,061	2,025	20,601
Other gains										4,957
Unallocated costs										-
										25,558
Finance expenses										(2,904)
Share of profit of an associated company	-	2,663	2,663	-	-	-	-	-	-	2,663
<b>Profit before income tax</b>										25,317
Income tax expenses										(5,751)
<b>Net profit</b>										19,566
<b>Segment assets</b>	69,398	76,421	145,819	21,935	117,961	83,536	7,828	231,260	12,351	389,430
Segment assets includes:										
Investment in an associated company	-	23,143	23,143	-	-	-	-	-	-	23,143
Additions/(disposals) to:										
- Property, plant and equipment	1,344	487	1,831	12	700	1,046	-	1,758	-	3,589
- Intangible assets	-	-	-	-	9	-	-	9	-	9
- Right-of-use assets	42	1,295	1,337	3	(157)	3,484	-	3,330	-	4,667
Investment property	-	-	-	-	-	-	-	-	9,662	9,662
<b>Segment liabilities</b>	(10,474)	(4,875)	(15,349)	(5,993)	(18,067)	(25,647)	(1,489)	(51,196)	(859)	(67,404)




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**16. Results Of Operations By Business Segments (Cont'd)**
**FY 2019**

Segment	← Manufacturing segment →			← Distribution segment →				Rental Segment	Total	
	<u>North East Asia</u>	<u>ASEAN</u>	<u>Sub-total</u>	<u>North East Asia</u>	<u>ASEAN</u>	<u>Oceania</u>	<u>Other</u>	<u>Sub-total</u>		<u>North East Asia</u>
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
<b>Sales</b>										
Total segment sales	81,856	67,983	149,839	35,100	151,729	120,874	18,110	325,813	-	475,652
Inter-segment sales	(16,496)	(10,949)	(27,445)	-	-	-	-	-	-	(27,445)
Sales to external parties	65,360	57,034	122,394	35,100	151,729	120,874	18,110	325,813	-	448,207
<b>Segment result</b>	2,624	572	3,196	137	4,399	3,603	1,163	9,302	1,884	14,382
Other gains										2,888
Unallocated costs										-
										17,270
Finance expenses										(4,047)
Share of profit of an associated company	-	2,998	2,998	-	-	-	-	-	-	2,998
<b>Profit before income tax</b>										16,221
Income tax expenses										(3,457)
<b>Net profit</b>										12,764
<b>Segment assets</b>	62,631	75,472	138,103	19,444	127,216	81,827	9,983	238,470	10,519	387,092
Segment assets includes:										
Investment in an associated company	-	19,619	19,619	-	-	-	-	-	-	19,619
Additions to:										
- Property, plant and equipment	2,567	1,007	3,574	110	479	495	270	1,354	-	4,928
- Intangible assets	-	-	-	-	2	-	-	2	-	2
- Right-of-use assets	-	-	-	-	509	295	136	940	-	940
Investment property	-	-	-	-	-	-	-	-	9,607	9,607
<b>Segment liabilities</b>	(7,404)	(3,234)	(10,638)	(3,445)	(18,631)	(23,273)	(1,824)	(47,173)	(825)	(58,636)



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

	Group 31/12/20 S\$'000	Group 31/12/19 S\$'000
Segment assets for reportable segments	381,602	377,109
Other segment assets	7,828	9,983
Unallocated:		
Deferred income tax assets	4,695	4,558
Short-term bank deposits	9,726	6,851
Transferable club membership, at cost	65	65
Derivative financial instruments	-	6
	<b>403,916</b>	<b>398,572</b>

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

	Group 31/12/20 S\$'000	Group 31/12/19 S\$'000
Segment liabilities for reportable segments	(65,915)	(56,812)
Other segment liabilities	(1,489)	(1,824)
Unallocated:		
Income tax liabilities	(2,362)	(1,596)
Deferred income tax liabilities	(1,475)	(1,761)
Borrowings	(48,022)	(70,716)
Derivative financial instruments	(1,076)	-
	<b>(120,339)</b>	<b>(132,709)</b>

### Revenue from major products and services:

	Group 31/12/20 S\$'000	Group 31/12/19 S\$'000
Distribution of automotive and related products	312,190	325,813
Manufacturing of alloy wheels	110,605	122,394
	<b>422,795</b>	<b>448,207</b>

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

	<u>Sales *</u>		<u>Non-current assets</u>	
	Group 31/12/20 S\$'000	Group 31/12/19 S\$'000	Group 31/12/20 S\$'000	Group 31/12/19 S\$'000
Singapore	58,990	71,641	52,112	50,478
Malaysia	90,083	101,940	26,186	27,480
China/Hong Kong	77,972	82,338	30,351	32,030
Taiwan	20,553	18,122	3,874	4,180
Australia	81,496	73,838	9,331	10,616
New Zealand	47,858	47,036	8,284	5,459
Other countries	45,843	53,292	3,123	4,012
	<b>422,795</b>	<b>448,207</b>	<b>133,261</b>	<b>134,255</b>

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

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**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**

	<b>Group 01/01/20- 31/12/20 S\$'000</b>	Group 01/01/19- 31/12/19 S\$'000	Incr/(Decr) %
(a) Sales reported for the first half year	<b>185,386</b>	227,147	(18.4%)
(b) Operating profit after tax before deducting non-controlling interest report for the first half year	<b>6,177</b>	6,308	(2.1%)
(c) Sales reported for the second half year	<b>237,409</b>	221,060	7.4%
(d) Operating profit after tax before deducting non-controlling interest report for the second half year	<b>13,389</b>	6,456	107.4%
(e) Total sales reported for the full year	<b>422,795</b>	448,207	(5.7%)
(f) Total operating profit after tax before deducting non-controlling interest report for the full year	<b>19,566</b>	12,764	53.3%

**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

	<b>Latest Full Year S\$'000</b>	Previous Full Year S\$'000
Ordinary	<b>9,583</b>	6,489
Preference	-	-
	<b>9,583</b>	6,489



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**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	69	<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>Executive Chairman &amp; Group Managing Director.</p> <p>Responsible for setting the strategic directions and managing the overall business of the Company.</p> <p>The position has been held since 16 May 2003.</p>	Nil
Tay Tiang Guan	68	<ol style="list-style-type: none"> <li>Brother of Tay Tian Hoe Richard, Executive Chairman &amp; Group Managing Director of the Company.</li> </ol>	<p>Executive Director (Sales and Business Development).</p> <p>Responsible for 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>	Nil
Tay Soek Eng Margaret	71	<ol style="list-style-type: none"> <li>Sister of Tay Tian Hoe Richard, Executive Chairman &amp; 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 customer service department, company's general purchases and expenses.</p>	Nil
Tay Peng Kuan Ronald	57	Nephew of Tay Tian Hoe, Richard, Executive Chairman & Group Managing Director, and Tay Tiang Guan, Executive Director of the Company.	<p>Supply Chain Manager of YHI Corporation (Singapore) Pte Ltd (Since May 2012).</p> <p>Responsible for the warehousing &amp; logistics operations of the Company.</p>	Nil
Tay Kok Thye Damien	48	Nephew of Tay Tian Hoe, Richard, Executive Chairman & Group Managing Director and Tay Tiang Guan, Executive Director of the Company.	<p>Deputy General Manager of YHI Corporation (Singapore) Pte Ltd. (Since July 2017).</p> <p>Responsible for fleet management and retail centre business of the Company.</p>	Nil

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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 Guoren Ryan	36	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 of YHI Manufacturing (Singapore) Pte. Ltd. (Since March 2015).  Responsible for the sales & marketing strategies and development for YHI Manufacturing Group and expansion of distribution network globally.	Nil
Tay Kwok Chong Henry	48	Nephew of Tay Tian Hoe, Richard, Executive Chairman & Group Managing Director and Tay Tiang Guan, Executive Director of the Company.	Operations Manager of YHI Corporation (Singapore) Pte Ltd. (Since June 2012).  Responsible for fleet management, retail operations and customer service management.	Nil
Tay Kok Choon, Rickey	51	Nephew of Tay Tian Hoe, Richard, Executive Chairman & Group Managing Director, and Tay Tiang Guan, Executive Director of the Company.	Branch Manager of YHI Corporation (B) Sdn Bhd (Since June 2010).  Responsible for YHI Corporation (B) Sdn Bhd branch's operation and profitability.	Nil
Tay Kah Heng, Raymond	28	Grandnephew of Tay Tian Hoe, Richard, Executive Chairman & Group Managing Director, and Tay Tiang Guan, Executive Director of the Company.	Operations Manager of YHI Corporation (Thailand) Co., Ltd (Since August 2019).  Responsible for YHI Corporation (Thailand) Co., Ltd operation and profitability.	Nil

**BY ORDER OF THE BOARD**

Tay Tian Hoe Richard  
Executive Chairman and Group Managing Director  
1/3/2021

Submitted by Tay Tian Hoe Richard, Executive Chairman and Group Managing Director on 1/3/2021 to the SGX.