

# YHI INTERNATIONAL LIMITED

Company Registration No. 200007455H



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## ANNUAL GENERAL MEETING TO BE HELD ON 28 APRIL 2023 RESPONSE TO QUESTIONS FROM SHAREHOLDERS

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**Q1: How much has the demand for alloy wheels from Europe improved since December 2022?**

Company's Response

Although the 1Q2023 alloy wheels sales from Europe have improved over 4Q2022 but the level of sales is still far below the pre-Ukraine war level. The alloy wheels sales in 1Q2023 were at about 65% of the sales in 1Q2022, the pre-Ukraine war level.

**Q2. What was the impact of China's exit from its zero-Covid policy on YHI?**

Company's Response

Since China abandoned its zero-Covid strategy in December 2022, our 1Q2023 China average monthly domestic sales have improved over 4Q2022 and achieved about 80% of the average monthly domestic sales in FY2022. We expect the China domestic sales to be fully normalized by 3Q2023.

**Q3. Reasons for not having done any share buy-back in the past recent periods.**

Company's Response

Due to the uncertainty of the on-going Ukraine war and the high interest rates environment, Management has decided to preserve cash to repay bank borrowings to reduce interest costs on bank borrowings within the Group.

**Q4. In the FY 2022 annual report under Business Outlook paragraph 3, it was mentioned that the US light vehicle market is projected to grow 10% in 2023 and the European market is also expected to grow by double-digit during 2023. In view that the YHI group's revenue are mostly derived in ASEAN, Oceania, and Northeast Asia, to what extent would the growth of the US and European market benefit the YHI group?**

Company's Response

The growth in the USA and European markets is primarily beneficial for our alloy wheels manufacturing business. Our Malaysia and China factories export directly about 70% and 65% of its alloy wheels on average yearly to Europe and USA respectively. Our distribution business does not benefit much except for the distribution of alloy wheels to these two markets via our own distribution subsidiaries.

By Order of the Board of  
**YHI International Limited**

Tay Tian Hoe Richard  
Executive Chairman and Group managing Director

21 April 2023