YHI INTERNATIONAL LIMITED

Company Registration No. 200007455H

ANNUAL GENERAL MEETING TO BE HELD ON 28 APRIL 2021
RESPONSE TO QUESTIONS FROM SHAREHOLDERS

Q1: Oceania distribution segment saw a large increase in profit from $3.6m to $8.0m. How sustainable is this increase given that revenue from this segment only increased by 7%?

Company's Response:

The increased in profit was mainly due to higher sales and gross profit margins as a result of improved demand for our products across the board in our Oceania distribution segment. In addition, supply shortages due to Covi-19 pandemic had contributed to higher selling prices in FY2020.

Q2: Does management expect any major capex in the next few years?

Company's Response:

Due to the continued trade war between the US & China and the imposed tariffs on China made import to the US, there is an increased demand for non-China made wheels from our customers. We are planning to increase our Manufacturing capacity at our Malaysia factory but the plans are still in discussion stage and at this juncture, we are unable to provide an estimate of the capital expenditures.

Q3: Refer to page 132, it states that the Group targets to maintain net gearing ratios between 30-50%. Given that the Group is now in a net cash position and the financial position will likely further improve in the coming years, are there any plans to bring the gearing ratio back towards the target range either through dividends or acquisitions?

Company's Response:

The net gearing ratio target is part of the Group's financial risk management strategy and is the upper range of the gearing ratio to provide a guidance for the Group, it does not mean that the Group has to achieve the gearing ratio target.

Q4: Read from the Chairman's message that the performance of the energy solution and industrial products divisions have improved. Could you share the % contribution to the overall revenue and profit for this year vs previous year?

May I also check if there is any participation of this division with respect to the EV sector?

Company's Response:

The Energy Solutions and Industrial Products Divisions' overall contribution to the Group Revenue was 23.2% and 25.8% in 2019 and 2020 respectively.

For the EV sector, our participation is relatively small and mainly in supplying EV charging equipment for the EV passenger car segment.

By Order of the Board
YHI International Limited

Tay Tian Hoe Richard
Executive Chairman and Group Managing Director

26 April 2021