



**YHI INTERNATIONAL LIMITED
AND ITS SUBSIDIARIES**

(Incorporated in Singapore. Registration Number: 200007455H)

CONDENSED INTERIM FINANCIAL STATEMENTS
For the six months and full year ended
31 December 2021

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The accompanying notes form an integral part of these financial statements.

**YHI INTERNATIONAL LIMITED
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CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT

The Group							
	6 months ended 31 December 2021	6 months ended 31 December 2020	Increase/ (Decrease) %	12 months ended 31 December 2021	12 months ended 31 December 2020	Increase/ (Decrease) %	
Note	\$'000	\$'000		\$'000	\$'000		
Sales	4	217,517	237,409	(8.4%)	444,718	422,795	5.2%
Cost of sales		(166,794)	(177,779)	(6.2%)	(338,879)	(321,434)	5.4%
Gross profit		50,723	59,630	(14.9%)	105,839	101,361	4.4%
Other gains - net		4,404	4,102	7.4%	7,794	7,791	0.0%
Credit loss writeback/ (allowance) on trade receivables		1,011	(689)	NM	174	(1,357)	NM
Expenses							
- Distribution		(20,324)	(20,732)	(2.0%)	(41,486)	(38,048)	9.0%
- Administrative		(22,726)	(24,937)	(8.9%)	(44,028)	(44,189)	(0.4%)
- Finance		(1,512)	(1,302)	16.1%	(2,778)	(2,904)	(4.3%)
Share of profit of an associated company		1,296	1,399	(7.4%)	3,315	2,663	24.5%
Profit before income tax	5	12,872	17,471	(26.3%)	28,830	25,317	13.9%
Income tax expense	6	(2,708)	(4,082)	(33.7%)	(6,618)	(5,751)	15.1%
Net profit		10,164	13,389	(24.1%)	22,212	19,566	13.5%
Profit Attributable to:							
Equity holders of the Company		9,675	13,211	(26.8%)	21,165	19,155	10.5%
Non-controlling interests		489	178	174.7%	1,047	411	154.7%
		10,164	13,389	(24.1%)	22,212	19,566	13.5%
Earnings per share attributable to the equity holders of the Company							
- Basic		3.33	4.54	(26.7%)	7.29	6.57	11.0%
- Diluted		3.33	4.54	(26.7%)	7.29	6.57	11.0%
NM – not meaningful							

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**YHI INTERNATIONAL LIMITED
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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME**

	The Group					
	6 months ended 31 December 2021 \$'000	6 months ended 31 December 2020 \$'000	Increase/ (Decrease) %	12 months ended 31 December 2021 \$'000	12 months ended 31 December 2020 \$'000	Increase/ (Decrease) %
Profit for the period	10,164	13,389	(24.1%)	22,212	19,566	13.5%
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss						
- Currency translation differences	(1,258)	5,339	NM	(674)	7,703	NM
Items that will not be reclassified subsequently to profit or loss						
- Currency translation differences	(276)	684	NM	(169)	688	NM
Total comprehensive income for the period	8,630	19,412	(55.5%)	21,369	27,957	(23.6%)
Total comprehensive income to:						
Equity holders of the Company	8,417	18,550	(54.6%)	20,491	26,858	(23.7%)
Non-controlling interests	213	862	(75.3%)	878	1,099	(20.1%)
	8,630	19,412	(55.5%)	21,369	27,957	(23.6%)

NM – not meaningful

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CONDENSED INTERIM BALANCE SHEETS – GROUP AND COMPANY

	Note	The Group		The Company	
		31 December	31 December	31 December	31 December
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and bank balances		84,854	84,620	6,430	5,334
Trade and other receivables		85,271	80,401	26,639	27,550
Inventories		128,929	102,081	-	-
		299,054	267,102	33,069	32,884
Disposal group held for sale	9	2,736	-	-	-
		301,790	267,102	33,069	32,884
Non-current assets					
Transferable club memberships		65	65	-	-
Investment in an associated company		22,766	23,143	-	-
Investments in subsidiaries		-	-	102,207	102,207
Property, plant and equipment	10	64,622	68,278	485	-
Right-of-use assets		33,498	28,652	-	-
Investment property		9,663	9,662	-	-
Intangible assets		2,751	3,526	-	-
Deferred income tax assets		3,868	4,695	-	-
		137,233	138,021	102,692	102,207
Total assets		439,023	405,123	135,761	135,091
LIABILITIES					
Current liabilities					
Trade and other payables		46,956	42,390	2,092	1,902
Current income tax liabilities		1,961	2,362	-	-
Derivative financial instruments	11	45	1,076	-	-
Borrowings	12	58,711	42,731	-	-
Lease liabilities		5,801	5,338	-	-
		113,474	93,897	2,092	1,902
Non-current liabilities					
Borrowings	12	3,871	5,291	-	-
Lease liabilities		25,172	20,378	-	-
Deferred income tax liabilities		1,653	1,475	-	-
Other non-current liabilities		542	505	-	-
		31,238	27,649	-	-
Total liabilities		144,712	121,546	2,092	1,902
NET ASSETS		294,311	283,577	133,669	133,189
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	13	77,001	77,001	77,001	77,001
Treasury shares	13	(671)	(671)	(671)	(671)
Other reserves		3,779	4,406	-	-
Retained profits		206,180	194,645	57,339	56,859
		286,289	275,381	133,669	133,189
Non-controlling interests		8,022	8,196	-	-
Total equity		294,311	283,577	133,669	133,189

The accompanying notes form an integral part of these financial statements.

**YHI INTERNATIONAL LIMITED
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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The Group

Note	← Attributable to equity holders of the Company →					Non-controlling interests	Total equity
	Share capital	Treasury shares	Other reserves	Retained profits	Sub-total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2021							
Balance as at 1 January 2021	77,001	(671)	4,406	194,645	275,381	8,196	283,577
Profit for the year	-	-	-	21,165	21,165	1,047	22,212
Other comprehensive income for the year	-	-	(674)	-	(674)	(169)	(843)
Total comprehensive income for the year	-	-	(674)	21,165	20,491	878	21,369
Dividends relating to 2020 paid	-	-	-	(9,583)	(9,583)	(1,052)	(10,635)
Transfer from retained profits to other reserves	-	-	47	(47)	-	-	-
Balance as at 31 December 2021	77,001	(671)	3,779	206,180	286,289	8,022	294,311
2020							
Balance as at 1 January 2020	77,001	-	(3,328)	182,152	255,825	10,038	265,863
Profit for the year	-	-	-	19,155	19,155	411	19,566
Other comprehensive income for the year	-	-	7,703	-	7,703	688	8,391
Total comprehensive income for the year	-	-	7,703	19,155	26,858	1,099	27,957
Purchase of treasury shares	-	(671)	-	-	(671)	-	(671)
Acquisition of additional interest in subsidiaries	-	-	6	-	6	(2,158)	(2,152)
Disposal of interest in subsidiaries without change in control	-	-	(148)	-	(148)	334	186
Dividends relating to 2019 paid	-	-	-	(6,489)	(6,489)	(1,117)	(7,606)
Transfer from retained profits to other reserves	-	-	173	(173)	-	-	-
Balance as at 31 December 2020	77,001	(671)	4,406	194,645	275,381	8,196	283,577

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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The Company

	Share capital S\$'000	Treasury shares S\$'000	Retained profits S\$'000	Total S\$'000
Balance at 1 January 2021	77,001	(671)	56,859	133,189
Total comprehensive income for the year	-	-	10,063	10,063
Dividends relating to 2020 paid	-	-	(9,583)	(9,583)
Balance at 31 December 2021	77,001	(671)	57,339	133,669

	Share capital S\$ '000	Treasury shares S\$'000	Retained profits S\$ '000	Total S\$ '000
Balance at 1 January 2020	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)
Balance at 31 December 2020	77,001	(671)	56,859	133,189

The accompanying notes form an integral part of these financial statements.

**YHI INTERNATIONAL LIMITED
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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	The Group	
	12 months ended 31 December 2021 \$'000	12 months ended 31 December 2020 \$'000
Cash flows from operating activities		
Net profit	22,212	19,566
Adjustments for:		
- Income tax expense	6,618	5,751
- Depreciation of property, plant and equipment and investment property	7,430	9,094
- Depreciation of right-of-use assets	6,858	6,720
- Amortisation of intangible assets	489	479
- Gain on disposal of property, plant and equipment	(224)	(15)
- Loss on early termination of leases	97	-
- Interest expense	2,778	2,904
- Interest income	(341)	(357)
- Share of profit of an associated company	(3,315)	(2,663)
- Fair value (gain)/ loss on derivative financial instruments	(74)	1,082
- Unrealised currency translation differences	89	861
Operating cash flow before working capital changes	42,617	43,422
Changes in working capital		
- Inventories	(29,984)	20,683
- Trade and other receivables	(5,073)	5,284
- Trade and other payables	4,024	7,520
Cash generated from operations	11,584	76,909
Interest received	341	357
Income tax paid	(6,358)	(5,430)
Net cash provided by operating activities	5,567	71,836
Cash flows from investing activities		
Dividends received from an associated company	1,867	1,148
Proceeds from sale of property, plant and equipment	973	1,100
Purchase of property, plant and equipment	(3,796)	(3,589)
Purchase of intangible assets	(213)	(9)
Net cash used in investing activities	(1,169)	(1,350)
Cash flows from financing activities		
Dividends paid to equity holders of the Company	(9,583)	(6,489)
Dividends paid to non-controlling interest	(1,052)	(1,117)
Acquisition of additional interest in subsidiaries	-	(2,152)
Disposal of subsidiaries without change in control	-	186
Interest paid	(2,778)	(2,904)
Proceeds from borrowings	21,659	8,732
Repayments of borrowings	(7,818)	(31,031)
Principal payment of lease liabilities	(6,362)	(6,450)
Purchase of treasury shares	-	(671)
Net cash used in financing activities	(5,934)	(41,896)
Net (decrease)/increase in cash and bank balances	(1,536)	28,590
Cash and bank balances at beginning of the financial year	84,512	54,815
Effects of currency translation on cash and bank balances	666	1,107
Cash and bank balances at end of the financial year	83,642	84,512
Consolidated cash and bank balances represented by		
Cash and bank balances	84,854	84,620
Less: Bank overdrafts	(1,212)	(108)
Cash and bank balances as per consolidated statement of cash flows	83,642	84,512

The accompanying notes form an integral part of these financial statements.

**YHI INTERNATIONAL LIMITED
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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities

	Opening balance \$'000	Proceeds, principal and interest payments \$'000	Non-cash changes \$'000			Closing balance \$'000
			Movement during the year	Interest expense	Foreign exchange movement	
2021						
Bank borrowings	48,022	13,456	-	1,489	(385)	62,582
Lease liabilities	25,716	(7,651)	12,005	1,289	(386)	30,973
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

The accompanying notes form an integral part of these financial statements.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. General information

YHI International Limited (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. These interim consolidated financial statements as at and for the six months and full year ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the Group). The principal activity of the Company is that of an investment holding company.

The principal activities of the Group are the distribution of automotive & related products and manufacturing of alloy wheels.

2. Basis of preparation

The interim financial statements for the six months and full year ended 31 December 2021 have been prepared in accordance SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

On 1 January 2021, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2.1 New and amended standards adopted by the Group (continued)

Effective for annual periods beginning on or after 1 January 2021:

- | | |
|----------------|---|
| 1 June 2020 | Amendments to:
- SFRS(I) 16 Leases (Covid-19-Related Rent Concessions) |
| 1 January 2021 | Amendments to:
- SFRS(I) 9 Financial Instruments,
- SFRS(I) 1-39 Financial Instruments: Recognition and Measurement
- SFRS(I) 7 Financial Instruments: Disclosures
- SFRS(I) 16 Leases (Interest Rate Benchmark Reform – Phase 2) |

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2021 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-16 Property, Plant and Equipment: Proceeds before Intended Use (effective for annual periods beginning on or after 1 January 2022)

The amendment to SFRS(I) 1-16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2.1 New and amended standards adopted by the Group (continued)

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract (effective for annual periods beginning on or after 1 January 2022)

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the costs of fulfilling it and any compensation or penalties arising from failure to fulfil it. The amendment to SFRS(I) 1-37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts.

The Group does not expect any significant impact arising from applying these amendments.

2.2 Critical accounting estimates, assumptions and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Conditional sales and purchase agreement for the disposal of Yokohama Tyre Sales Malaysia Sdn Bhd ("YTSM")

In December 2021, the Group, via its wholly-owned subsidiary YHI (Malaysia) Sdn Bhd ("YHIM"), signed a sale and purchase agreement with The Yokohama Rubber Co Ltd ("YRC") to dispose of 51% shareholdings of YTSM at a consideration of RM15,300,000 (approximately S\$4,956,000). The completion of the transaction is subject to conditions precedent to be fulfilled.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2.2 Critical accounting estimates, assumptions and judgements (continued)

Those conditions include amongst others the completion of the transfer of identified inventory, equipment, contracts and books relating to the existing trading of Yokohama products in YHIM (the "YTSM operations"), and obtaining of all relevant business and operating licenses for the places of business.

As at 31 December 2021, as the conditions precedent were not yet fulfilled, management has assessed that the disposal of the 51% shareholding interest to have not taken place.

The identified assets to be transferred under the agreement has been reclassified as disposal group held for sale (Note 9). There were no write-down of the identified assets to fair value less cost to sell upon the reclassification of these assets as disposal group held for sale. The disposal group is presented as part of the ASEAN distribution segment (Note 4).

The YTSM operations does not represent a separate major line of business or geographical area of operation, and accordingly, was not presented as discontinued operations.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

4. Segment and revenue information

The Group has determined the operating segments based on the reports reviewed by senior management that are used to make strategic decisions.

Management manages and monitors three operating segments as follows:

- Manufacturing
 - Regional areas include North East Asia and ASEAN which are engaged in the manufacturing of alloy wheels.
- Distribution
 - Regional areas include North East Asia, ASEAN and Oceania regions which are engaged in the distribution of automotive and industrial products.
- Rental
 - Regional area covers North East Asia which is engaged in rental activities.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. Segment and revenue information (continued)

The segment information provided to senior management for the six months ended 31 December 2021 is as follows:

Segment Group	← Manufacturing segment →			← Distribution segment →				Rental segment	Total	
	North East Asia	ASEAN	Sub-total	North East Asia	ASEAN	Oceania	Others	Sub-total		North East Asia
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sales										
Total segment sales	46,611	22,611	69,222	13,385	72,148	68,463	10,078	164,074	-	233,296
Inter-segment sales	(9,147)	(6,632)	(15,779)	-	-	-	-	-	-	(15,779)
Sales to external parties	37,464	15,979	53,443	13,385	72,148	68,463	10,078	164,074	-	217,517
Segment result										
Other gains	(462)	(124)	(586)	1,367	1,875	5,074	1,339	9,655	1,234	10,303
Unallocated costs										2,785
										-
										13,088
Finance expenses										(1,512)
Share of profit of an associated company	-	1,296	1,296	-	-	-	-	-	-	1,296
Profit before income tax										12,872
Income tax expense										(2,708)
Net profit										10,164
Segment assets	72,632	78,410	151,042	20,198	136,385	101,739	11,711	270,033	12,358	433,433
Segment assets includes										
Investment in an associated company	-	22,766	22,766	-	-	-	-	-	-	22,766
Additions/(disposals) to:										
- Property, plant and equipment	700	252	952	6	629	377	-	1,012	-	1,964
- Intangible assets	-	-	-	6	4	-	1	11	-	11
- Right-of-use assets	(2)	-	(2)	(6)	(155)	1,449	(173)	1,115	-	1,113
Investment property	-	-	-	-	-	-	-	-	9,663	9,663
Segment liabilities	(9,576)	(3,712)	(13,288)	(2,774)	(21,917)	(36,674)	(2,884)	(64,249)	(934)	(78,471)

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. Segment and revenue information (continued)

The segment information provided to senior management for the six months ended 31 December 2020 is as follows:

Segment Group	← Manufacturing segment →			← Distribution segment →				Rental segment	Total	
	North			North			North			
	East Asia	ASEAN	Sub-total	East Asia	ASEAN	Oceania	Others	Sub-total		East Asia
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Sales										
Total segment sales	46,562	28,861	75,423	19,247	75,219	70,009	9,918	174,393	-	249,816
Inter-segment sales	(7,684)	(4,723)	(12,407)	-	-	-	-	-	-	(12,407)
Sales to external parties	38,878	24,138	63,016	19,247	75,219	70,009	9,918	174,393	-	237,409
Segment result	3,107	(305)	2,802	741	3,097	6,350	688	10,876	1,055	14,733
Other gains										2,641
Unallocated costs										-
										17,374
Finance expenses										(1,302)
Share of profit of an associated company	-	1,399	1,399	-	-	-	-	-	-	1,399
Profit before income tax										17,471
Income tax expense										(4,082)
Net profit										13,389
Segment assets	69,398	76,421	145,819	21,935	117,961	83,537	9,035	232,468	12,351	390,638
Segment assets includes	:									
Investment in an associated company	-	23,143	23,143	-	-	-	-	-	-	23,143
Additions/(disposals) to:										
- Property, plant and equipment	381	210	591	1	135	815	-	951	-	1,542
- Intangible assets	-	-	-	-	2	-	-	2	-	2
- Right-of-use assets	42	(1,161)	(1,119)	3	(103)	3,408	-	3,308	-	2,189
Investment property	-	-	-	-	-	-	-	-	9,662	9,662
Segment liabilities	(10,474)	(4,875)	(15,349)	(5,993)	(18,067)	(25,647)	(2,696)	(52,403)	(859)	(68,611)

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. Segment and revenue information (continued)

The segment information provided to senior management for the year ended 31 December 2021 is as follows:

Segment Group	← Manufacturing segment →			← Distribution segment →				Rental segment	Total	
	North			North			North			
	East Asia	ASEAN	Sub-total	East Asia	ASEAN	Oceania	Others	Sub-total		East Asia
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sales										
Total segment sales	91,682	51,775	143,457	27,937	144,068	137,464	20,027	329,496	-	472,953
Inter-segment sales	(16,256)	(11,979)	(28,235)	-	-	-	-	-	-	(28,235)
Sales to external parties	75,426	39,796	115,222	27,937	144,068	137,464	20,027	329,496	-	444,718
Segment result										
Other gains	36	1,309	1,345	2,696	6,719	8,010	2,526	19,951	2,469	23,765
Unallocated costs										4,528
										-
										28,293
Finance expenses										(2,778)
Share of profit of an associated company	-	3,315	3,315	-	-	-	-	-	-	3,315
Profit before income tax										28,830
Income tax expense										(6,618)
Net profit										22,212
Segment assets	72,632	78,410	151,042	20,198	136,385	101,739	11,711	270,033	12,358	433,433
Segment assets includes										
Investment in an associated company	-	22,766	22,766	-	-	-	-	-	-	22,766
Additions/(disposals) to:										
- Property, plant and equipment	794	402	1,196	47	903	1,650	-	2,600	-	3,796
- Intangible assets	-	-	-	6	4	-	203	213	-	213
- Right-of-use assets	(161)	-	(161)	203	(276)	7,444	30	7,401	-	7,240
Investment property	-	-	-	-	-	-	-	-	9,663	9,663
Segment liabilities	(9,576)	(3,712)	(13,288)	(2,774)	(21,917)	(36,674)	(2,884)	(64,249)	(934)	(78,471)

**YHI INTERNATIONAL LIMITED
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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. Segment and revenue information (continued)

The segment information provided to senior management for the year ended 31 December 2020 is as follows:

Segment Group	← Manufacturing segment →			← Distribution segment →				Rental segment	Total	
	North			North			North			
	East Asia	ASEAN	Sub-total	East Asia	ASEAN	Oceania	Others	Sub-total		East Asia
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Sales										
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
Segment result	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
Profit before income tax										25,317
Income tax expense										(5,751)
Net profit										19,566
Segment assets	69,398	76,421	145,819	21,935	117,961	83,537	9,035	232,468	12,351	390,638
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
Segment liabilities	(10,474)	(4,875)	(15,349)	(5,993)	(18,067)	(25,647)	(2,696)	(52,403)	(859)	(68,611)

**YHI INTERNATIONAL LIMITED
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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. Segment and revenue information (continued)

Inter-segment sales are carried out at market terms. The revenue from external parties reported to senior management is measured in a manner consistent with that in profit or loss.

Senior management assesses the performance of the operating segments based on segment result. This measurement basis excludes other gains and other unallocated costs. Finance expenses are not allocated to segments, as this type of activity is driven by the Group's treasury, which manages the cash position of the Group.

(a) Reconciliations

(i) Segment assets

The amounts provided to senior management with respect to total assets are measured in a manner consistent with that of the financial statements. For the purposes of monitoring segment performance and allocating resources between segments, senior management monitors the property, plant and equipment, intangible assets, inventories, receivables and operating cash attributable to each segment. All assets are allocated to reportable segments other than deferred income tax assets, derivative financial instruments, short-term bank deposits and transferable club membership.

Segment assets are reconciled to total assets as follows:

	<u>Group</u>	
	31 December	31 December
	2021	2020
	\$'000	\$'000
Segment assets	433,433	390,638
Unallocated:		
Deferred income tax assets	3,868	4,695
Short-term bank deposits	1,657	9,725
Transferable club membership	65	65
	439,023	405,123

**YHI INTERNATIONAL LIMITED
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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. Segment and revenue information (continued)

(a) Reconciliations (continued)

(ii) Segment liabilities

The amounts provided to senior management with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment. All liabilities are allocated to the reportable segments other than income tax liabilities, deferred income tax liabilities and borrowings.

Segment liabilities are reconciled to total liabilities as follows:

	Group	
	31 December 2021 \$'000	31 December 2020 \$'000
Segment liabilities	78,471	68,611
Unallocated:		
Income tax liabilities	1,961	2,362
Deferred income tax liabilities	1,653	1,475
Borrowings	62,582	48,022
Derivative financial instruments	45	1,076
	144,712	121,546

(b) Revenue from major products and services

Revenues from external customers are derived mainly from distribution of automotive and industrial products and manufacturing of alloy wheels. Breakdown of the revenue is as follows:

	Group	
	6 months ended 31 December 2021 \$'000	6 months ended 31 December 2020 \$'000
Distribution of automotive and industrial products	164,074	174,393
Manufacturing of alloy wheels	53,443	63,016
	217,517	237,409

**YHI INTERNATIONAL LIMITED
AND ITS SUBSIDIARIES**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. Segment and revenue information (continued)

(b) Revenue from major products and services (continued)

	Group	
	12 months ended 31 December 2021 \$'000	12 months ended 31 December 2020 \$'000
Distribution of automotive and industrial products	329,496	312,190
Manufacturing of alloy wheels	115,222	110,605
	444,718	422,795

(c) Geographical information

The Group operates in the following geographic areas:

	Group Sales *			
	6 months ended 31 December 2021 \$'000	6 months ended 31 December 2020 \$'000	12 months ended 31 December 2021 \$'000	12 months ended 31 December 2020 \$'000
Singapore	34,453	32,404	69,407	58,990
Malaysia	39,732	52,223	86,069	90,083
China/Hong Kong	37,906	47,598	78,472	77,972
Taiwan	12,943	10,528	24,891	20,553
Australia	39,674	43,037	81,966	81,496
New Zealand	28,789	26,972	55,498	47,858
Other countries	24,020	24,647	48,415	45,843
	217,517	237,409	444,718	422,795

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

There are no revenues derived from transactions with a single external customer that amounted to 10% or more of the Group's revenue.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. Segment and revenue information (continued)

(c) Geographical information (continued)

	Group	
	Non-current assets	
	31 December 2021	31 December 2020
	\$'000	\$'000
Singapore	50,241	52,112
Malaysia	23,804	26,186
China/Hong Kong	28,728	30,351
Taiwan	3,292	3,874
Australia	15,441	9,331
New Zealand	9,003	8,284
Other countries	2,791	3,123
	133,300	133,261

5. Profit before taxation

5.1 Significant items

	Group			
	6 months ended 31 December 2021	6 months ended 31 December 2020	12 months ended 31 December 2021	12 months ended 31 December 2020
	\$'000	\$'000	\$'000	\$'000
Interest income	176	179	341	357
Rental income	2,235	2,324	4,401	4,114
Interest on borrowings	(761)	(721)	(1,489)	(1,830)
Lease interest	(751)	(581)	(1,289)	(1,074)
Depreciation of property, plant and equipment and investment property	(3,510)	(4,593)	(7,430)	(9,094)
Depreciation of right-of-use assets	(3,461)	(3,496)	(6,858)	(6,720)
Amortisation of intangible assets	(244)	(241)	(489)	(479)
Credit loss allowance on trade receivables	1,011	(689)	174	(1,357)
Write-down of inventories	(52)	(929)	(1,067)	(2,414)
Currency exchange loss - net	(637)	(989)	(294)	(1,779)
Share of profit of an associated company	1,296	1,399	3,315	2,663
Gain/ (loss) on disposal of property, plant and equipment	242	(163)	224	15
Loss on early termination of leases	(97)	-	(97)	-

**YHI INTERNATIONAL LIMITED
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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

5.2 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

Sales and purchases of goods and services

	Group			
	6 months ended 31 December 2021 \$'000	6 months ended 31 December 2020 \$'000	12 months ended 31 December 2021 \$'000	12 months ended 31 December 2020 \$'000
Sales of goods to an associated company	2,081	3,538	6,107	7,767
Purchases of goods from an associated company	(422)	(598)	(638)	(1,106)

Outstanding balances as at 31 December 2021, arising from sale/purchase of goods to/from associated company, are unsecured, receivable/payable within 12 months from balance sheet date.

6. Income tax

	Group			
	6 months ended 31 December 2021 \$'000	6 months ended 31 December 2020 \$'000	12 months ended 31 December 2021 \$'000	12 months ended 31 December 2020 \$'000
Tax expense attributable to profit is made up of:				
Current income tax				
- Singapore	66	563	560	767
- Foreign	2,353	3,950	5,386	5,092
	2,419	4,513	5,946	5,859
Deferred income tax	571	(724)	987	(411)
	2,990	3,789	6,933	5,448
(Over)/Under provision in previous financial years				
- Current income tax	(201)	83	(212)	93
- Deferred income tax	(81)	210	(103)	210
	2,708	4,082	6,618	5,751

**YHI INTERNATIONAL LIMITED
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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

7. Dividends

	Company	
	12 months ended 31 December 2021 \$'000	12 months ended 31 December 2020 \$'000
<i>Ordinary dividends paid or proposed</i>		
Final exempt dividend paid in respect of the previous financial year of 3.30 cent (2020: 2.22 cent) per share	9,583	6,489

A final exempt dividend of 3.60 cent per share amounting to a total of \$10,454,000 will be recommended at the forthcoming Annual General Meeting. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2022.

8. Net asset value per share

	Group		Company	
	31 December 2021 \$'000	31 December 2020 \$'000	31 December 2021 \$'000	31 December 2020 \$'000
Net asset value per ordinary share	98.58 cents	94.83 cents	46.03 cents	45.86 cents
Number of shares used in calculating net asset value per share	290,399,811	290,399,811	290,399,811	290,399,811

9. Disposal group held for sale

	Group	
	31 December 2021 \$'000	31 December 2020 \$'000
Plant and equipment	89	-
Inventories	2,142	-
Goodwill	505	-
	2,736	-

These assets were identified to be transferred in accordance with the sale and purchase agreement between YHIM and YRC (Note 2.2).

10. Property, plant and equipment

During the year ended 31 December 2021, the Group acquired assets amounting to \$3,796,000 (31 December 2020: \$3,589,000) and disposed of assets amounting to \$749,000 (31 December 2020: \$1,085,000).

**YHI INTERNATIONAL LIMITED
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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

11. Derivative financial instruments

	Contract notional amount \$'000	Group Fair value Asset \$'000	Group Fair value Liability \$'000
31 December 2021			
<i>Non-hedging instruments</i>			
- Currency forwards	8,350	-	45
Less: Current portion		-	(45)
Non-current portion		-	-
		-	-
31 December 2020			
<i>Non-hedging instruments</i>			
- Currency forwards	26,638	-	1,076
Less: Current portion		-	(1,076)
Non-current portion		-	-
		-	-

The currency forwards are derivative financial instruments which are measured at fair value and classified by level of the following fair value measurement hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (is as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	<u>Level 2</u> \$'000
<u>Group</u>	
As at 31 December 2021	
Derivative financial instruments	
- Asset	-
- Liability	45
	<hr/>
As at 31 December 2020	
Derivative financial instruments	
- Asset	-
- Liability	1,076
	<hr/>

**YHI INTERNATIONAL LIMITED
AND ITS SUBSIDIARIES**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

12. Borrowings

	Group	
	31 December 2021 \$'000	31 December 2020 \$'000
<u>Amount repayable within one year or in demand</u>		
Secured	58,711	42,731
<u>Amount repayable after one year</u>		
Secured	3,871	5,291
Total borrowings	62,582	48,022

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\$ Nil (2020: 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.

13. Share capital and treasury shares

	← No. of ordinary shares →		← Amount →	
	Issued share capital '000	Treasury shares '000	Share capital \$'000	Treasury shares \$'000
2021				
Beginning and end of year	292,296	1,896	77,001	(671)
2020				
Beginning of financial year	292,296	-	77,001	-
Treasury shares purchased	-	1,896	-	(671)
End of financial year	292,296	1,896	77,001	(671)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

**YHI INTERNATIONAL LIMITED
AND ITS SUBSIDIARIES**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

13. Share capital and treasury shares (continued)

There was no change in the Company's number of shares since 31 December 2020. The share capital of the Company as at 31 December 2021 was 292,295,811 ordinary shares.

The 1,896,000 treasury shares held by the Company represented 0.65% of the total number of issued shares (excluding treasury shares) as at 31 December 2021 (31 December 2020: 1,896,000). There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2021.

There were no outstanding convertibles issued by the Company as at 31 December 2021.

The 2021 YHI Share Option Scheme

On 24 December 2021 (the "Offering Date"), the Company granted an aggregate of 2,250,000 Incentive Options to eligible participants of the 2021 YHI Share Option Scheme which will entitle them to subscribe for a total number of 2,250,000 ordinary shares in the share capital of the Company. The 2,250,000 Incentive Options will expire on, inter alia, the tenth anniversary of the Offering Date. The outstanding share options represents approximately 0.77% of the Company's total number of issued shares as at 31 December 2021 based on the enlarged issued share capital of 292,649,811 (excluding 1,896,000 treasury shares and nil subsidiary holdings).

The total number of issued shares excluding treasury shares are as set out below.

	Company	
	31 December 2021	31 December 2020
Total numbers of issued shares	292,295,811	292,295,811
Less: Treasury shares	(1,896,000)	(1,896,000)
Total number of issued shares excluding treasury shares	290,399,811	290,399,811

14. Subsequent event

Subsequent to 31 December 2021, the Group completed the disposal of 51% shareholdings in YTSM to YRC. This constituted a sale of controlling rights. As the Group shall retain significant influence over YTSM, the 49% interest held in YTSM shall be equity accounted for as an associated company. An estimated gain on disposal of S\$5.6 million, represented by the excess of sales proceeds and the fair value of interest retained by the Group over the carrying value of disposal group sold, shall be recorded accordingly.

OTHER INFORMATION REQUIRED BY LISTING RULE
APPENDIX 7.2

**YHI INTERNATIONAL LIMITED
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OTHER INFORMATION

1. **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 condensed consolidated balance sheet of YHI International Limited and its subsidiaries as at 31 December 2021 and the related condensed consolidated income statement and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the period then ended and certain explanatory notes have not been audited or reviewed.

2. **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 FINANCIAL RESULTS

(a) 2HFY2021 VS 2HFY2020

Turnover

The Group reported a 8.4% (or \$ 19.9 million) decrease in turnover to \$217.5 million (2HFY2021) from \$237.4 million (2HFY2020) mainly due to lower sales recorded in 2HFY2021 from both our distribution and manufacturing businesses impacted by the COVID-19 outbreak in the various countries where the Group operates.

Distribution business, accounting for 75.4% of the Group's total turnover, recorded a decrease of 5.9% (or \$10.3 million) in turnover, from \$174.4 million (2HFY2020) to \$164.1 million (2HFY2021) mainly due to lower tyre sales from our Malaysia and Australia subsidiaries impacted by Covid-19 movement restriction. Our wheel manufacturing business, accounting for 24.6% of the Group's total turnover, recorded a decrease of 15.2% (or \$9.6 million) in turnover from \$63.0 million (2HFY2020) to \$53.4 million (2HFY2021), mainly contributed by the stoppage of production for 3 months due to Covid-19 in Malaysia factory and the shortage of containers for exporting by our Malaysia and Suzhou factories.

Gross Profit

Gross Profit decreased by 14.9% (or \$8.9 million) to \$50.7 million (2HFY2021) from \$59.6 million (2HFY2020) mainly due to lower sales and gross profit margins from our distribution and wheel manufacturing business. Gross profit margin decreased to 23.3% in 2HFY2021 compared to 25.1% in 2HFY2020 mainly due to lower gross profit margin contributed by our manufacturing business as a result of higher Aluminium prices and ocean freight charges.

**YHI INTERNATIONAL LIMITED
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OTHER INFORMATION

REVIEW OF FINANCIAL RESULTS (continued)

(a) 2HFY2021 VS 2HFY2020 (continued)

Operating Expenses

Distribution expenses decreased by 2.0% (or \$0.4 million) in 2HFY2021 to \$20.3 million compared to \$20.7 million in 2HFY2020 mainly due to lower commission expenses.

Administrative expenses decreased by 8.9% (or \$2.2 million) in 2HFY2021 to \$22.7 million compared to \$24.9 million in 2HFY2020 mainly due to lower premises related costs and foreign exchange loss.

Financing costs increased by 16.1% (or \$0.2 million) in 2HFY2021 to \$1.5 million compared to \$1.3 million in 2HFY2020 mainly due to higher loan and lease interest.

Share of Profit of an Associated Company

Our associated company reported lower profit and our share of profit was \$1.3 million in 2HFY2021 compared to \$1.4 million in 2HFY2020.

Income Tax expense

Income tax expense decreased by 33.7% (or \$1.4 million) mainly due to lower profit before tax in 2HFY2021.

Net Profit after Tax and Non-controlling Interests

Net profit after tax and non-controlling interests attributable to shareholders of the Company decreased by 26.8% (or \$3.5 million) to \$9.7 million in 2HFY2021 from \$13.2 million in 2HFY2020 mainly due to lower profit reported in 2HFY2021 impacted by COVID-19 lockdown in the various countries where the Group operates.

(b) FY2021 VS FY2020

Turnover

The Group reported a 5.2% (or \$21.9 million) increase in turnover to \$444.7 million (FY2021) from \$422.8 million (FY2020) mainly due to the momentum of higher sales from 2HFY2020 continued in 1HFY2021 for both our distribution and manufacturing businesses.

Distribution business, accounting for 74.1% of the Group's total turnover, recorded an increase of 5.5% (or \$17.3 million) in turnover, from \$312.2 million (FY2020) to \$329.5 million (FY2021) mainly due to higher sales from our core products across the board. Our wheel manufacturing business, accounting for 25.9% of the Group's total turnover, recorded an increase of 4.2% (or \$4.6 million) in turnover from \$110.6 million (FY2020) to \$115.2 million (FY2021), mainly contributed by Suzhou and Taiwan factory.

**YHI INTERNATIONAL LIMITED
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OTHER INFORMATION

REVIEW OF FINANCIAL RESULTS (continued)

(b) FY2021 VS FY2020 (continued)

Gross Profit

Gross Profit increased by 4.4% (or \$4.4 million) to \$105.8 million (FY2021) from \$101.4 million (FY2020) mainly due to higher sales and gross profit margins across all core products recorded by our distribution business. Gross profit margin decreased to 23.8% in FY2021 compared to 24.0% in FY2020 mainly due to lower gross profit margin contributed by our manufacturing business impacted by higher Aluminium prices and ocean freight charges.

Operating Expenses

Distribution expenses increased by 9.0% (or \$3.5 million) in FY2021 to \$41.5 million compared to \$38.0 million in FY2020 mainly due to higher carriage outwards, staff related costs and sales & advertising promotion expenses in line with higher sales.

Administrative expenses decreased by 0.4% (or \$0.2 million) in FY2021 to \$44.0 million compared to \$44.2 million in FY2020 mainly due to lower premises related costs and foreign exchange loss offset by higher staff related cost.

Financing costs decreased by 4.3% (or \$0.1 million) in FY2021 to \$2.8 million compared to \$2.9 million in FY2020 mainly due to lower loan interest.

Share of Profit of an Associated Company

Our associated company reported higher profit and our share of profit was \$3.3 million in FY2021 compared to \$2.7 million in FY2020.

Income Tax expense

Income tax expense increased by 15.1% (or \$0.9 million) mainly due to higher profit before tax in FY2021.

Net Profit after Tax and Non-controlling Interests

Net profit after tax and non-controlling interests attributable to shareholders of the Company increased by 10.5% (or \$2.0 million) to \$21.2 million in FY2021 from \$19.2 million in FY2020 mainly due to higher sales and gross profit margin contributed by our distribution business.

**YHI INTERNATIONAL LIMITED
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OTHER INFORMATION

BALANCE SHEET REVIEW

As at 31 December 2021, total assets amounted to about \$439.0 million comprising \$301.8 million of current assets and \$137.2 million of non-current assets. Total liabilities amounted to about \$144.7 million comprising current liabilities of \$113.5 million and non-current liabilities of \$31.2 million. Shareholders' equity including non-controlling interests amounted to \$294.3 million.

The substantial changes in the statement of financial position compared to 31 December 2021 are as follows:

Inventories

Inventories increased from \$102.1 million to \$128.9 million mainly due to higher purchases as a result of facing supply chain disruptions and uncertainty of shipment dates.

Right-of-use assets and lease liabilities (current & non-current)

Right-of-use assets increased from \$28.7 million to \$33.5 million, while lease liabilities increased from \$25.7 million to \$31.0 million mainly due to new leases entered into in FY2021 in Australia.

Current income tax liabilities

Income tax liabilities decreased from \$2.4 million to \$2.0 million mainly due to income tax paid during the year.

Derivative financial instruments

Derivative financial instrument (liability) decreased from \$1.1 million to \$0.05 million mainly due to fewer outstanding derivative contracts to hedge our USD receivables and foreign currencies requirements.

Borrowings (current & non-current)

Borrowings increased from \$48.0 million to \$62.6 million due to higher short-term bank borrowings for payments to trade suppliers in FY2021.

Other reserves

Other reserves, consist of foreign currency translation gains on overseas investments, decreased from \$4.4 million to \$3.8 million mainly due to weakening of AUD against SGD.

OTHER INFORMATION

STATEMENT OF CASHFLOW REVIEW

\$5.6 million was provided by operating activities in FY2021. The Group utilised \$1.2 million in investing activities mainly for the purchase of property, plant and equipment. A total of \$5.9 million was utilised in financing activities mainly for dividend payment, repayment of borrowings and payments of lease liabilities. Cash and cash equivalents amounted to \$83.6 million as at 31 December 2021 compared to \$84.5 million reported as at 31 December 2020.

3. 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.

4. 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 Group delivered a respectable performance for FY2021 despite business activities being disrupted by the Covid-19 pandemic across our key markets in the second half of FY2021. We expect the uncertainty of Covid-19 disruptions to continue in FY2022.

The prevailing global shortage of shipping containers and high ocean freight charges are expected to continue to cause disruptions in the supply chain impacting both our manufacturing and distribution businesses in FY2022.

The Group had on 15 December 2021 announced that its wholly-owned subsidiary, YHI Malaysia Sdn Bhd ("YHIM"), entered into a sale and purchase agreement with Yokohama Rubber Co. Ltd. ("YRC") in relation to the sale of 51% of its total issued and paid-up share capital of Yokohama Tyre Sales Malaysia Sdn Bhd ("YTSM"). The Group would like to update that the disposal was completed in January 2022 and following the completion, YHIM owns 49% of the total issued and paid-up share capital of YTSM and will be an associated company of the Group, subsequent to the completion of the disposal. YTSM will carry out the business of distributing Yokohama brand of automotive tyres and other related parts in Malaysia.

We will continue to monitor the pandemic situation closely 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 navigate through the crisis as we recover from the impact of the pandemic on our business.

Despite the uncertainty and challenges, the Group is committed to strengthening its business operations, improving efficiency & productivity, and at the same time, sourcing for new products, new business opportunities and exploring new sales channels to grow our businesses across various market segments regionally.

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5. Dividend information

(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 : 3.60 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 : 3.30 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.

If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

Not applicable.

6. 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.

7. 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 has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

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8. **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	70	<ol style="list-style-type: none"> 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. 	<p>Executive Chairman & 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	69	<ol style="list-style-type: none"> 1. Brother of Tay Tian Hoe Richard, Executive Chairman & Group Managing Director of the Company. 	<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	72	<ol style="list-style-type: none"> 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. 	<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, overall company's general purchases and expenses.</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 Peng Kuan Ronald	58	Nephew of Tay Tian Hoe, Richard, Executive Chairman & Group Managing Director and Tay Tiang Guan, Executive Director of the Company.	Supply Chain Manager of YHI Corporation (Singapore) Pte Ltd (Since May 2012). Responsible for the warehousing & logistics operations of the Company.	Nil
Tay Kok Thye Damien	49	Nephew of Tay Tian Hoe, Richard, Executive Chairman & Group Managing Director and Tay Tiang Guan, Executive Director of the Company.	Deputy General Manager of YHI Corporation (Singapore) Pte Ltd (Since July 2017). Responsible for fleet management and retail centre business of the Company.	Nil
Tay Guoren Ryan	37	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' development for YHI Manufacturing Group and expansion of distribution network globally.	Nil
Tay Kwok Chong Henry	49	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 the operations and customer service management of fleet management and retail departments.	Nil
Tay Kok Choon Rickey	52	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	29	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 branch's operation and profitability.	Nil

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BY ORDER OF THE BOARD

Tay Tian Hoe Richard
Executive Chairman and Group Managing Director
25 February 2022