



STRATEGIC FINANCIAL RELATIONS (CHINA) LIMITED
縱橫財經公關顧問(中國)有限公司

[For Immediate Release]



XINGDA INTERNATIONAL HOLDINGS LIMITED
興達國際控股有限公司

**XINGDA 2017 INTERIM PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY
INCREASES BY 184.2% TO RMB 213 MILLION**

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**REPLACEMENT DEMAND FOR RADIAL TIRES SPURRED BY
STEADILY DEVELOPMENT OF CHINESE ECONOMY
SELLING PRICE REBOUNDS TO REASONABLE LEVEL**

(Hong Kong, 24 August 2017) – **Xingda International Holdings Limited** (“Xingda” or “the Group”) (Stock Code: 1899.HK), one of the leading global manufacturers of radial tire cords, today announced its unaudited interim results for the six months ended 30 June 2017.

For the six months ended 30 June 2017, the Group’s revenue amounted to RMB3,215.7 million, representing a notable growth of 32.9%. The selling price of radial tire cord products rebounded to a reasonable level during the period. As a result, the Group’s gross profit rose by 47.7% to RMB717.5 million. Gross profit margin also increased by 2.2 percentage points to 22.3% when compared to that of the same period last year. Profit attributable to owners of the Company was RMB212.9 million, representing a year-on-year increase of 184.2%. Basic earnings per share were RMB14.50 fen, representing a year-on-year increase of 187.7%.

Mr. Liu Jinlan, Chairman of Xingda, said, “In the first half of 2017, driven by both the global economic recovery and the initial effects of China’s structural reform, the stabilisation of the Chinese economy commencing in the second half of 2016 continued unabated. A number of macroeconomic indicators have improved and the fundamentals of the economy have been further strengthened. Alongside the macroeconomic environment and the continuously improving efficiency facilitated by the industry consolidation, the development of the radial tire cord industry in China also sustained the upward trend which had started from the second quarter of 2016. Aided by these external economic and industry factors, the Group achieved a good business result in the first half of 2017.”

The Group recorded total sales volume of 353,700 tones, representing year-on-year growth of 11.9%. The sales volume of radial tire cords increased by 12.4% year-on-year to 315,400 tonnes, accounting for 89.2% of the Group’s total sales volume. The sales volume of bead wires and other wires was increased by 7.3% to 38,300 tones, making up 10.8% of the Group’s total sales volume.

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In the first half of 2017, stability in the Chinese economy was mainly reflected in significant investments in the real estate sector, healthy rise in consumption and recovery of imports and exports, which have indirectly boosted the strong growth of the logistics business and thus the sales volume of radial tire cords. The Group's sales volume of radial tire cords for trucks increased year-on-year by 15.8% to 197,300 tonnes; sales volume of radial tire cords for passenger cars also increased 7.3% to 118,100 tonnes, which was mainly driven by the growth of sales orders from the overseas market. Sales volume of the two segments accounted for 62.6% and 37.4% respectively of the Group's total sales of radial tire cords.

During the review period, the Group's domestic sales volume of radial tire cords rose by 11.0% to 243,900 tonnes, mainly due to the increase in local demand for radial tire cords for trucks. Sales volume to the overseas market picked up by 17.8% to 71,500 tonnes. Sales volume of the domestic and overseas markets constituted 77.3% and 22.7% respectively of the Group's total sales volume of radial tire cords.

As at 30 June 2017, the Group's annual production capacity of radial tire cords grew to 720,000 tonnes. Annual production capacity at its Jiangsu factory and Shandong factory reached 625,000 tonnes and 95,000 tonnes respectively. Annual production capacity of bead wires and other wires was maintained at 105,000 tonnes. The Group's overall capacity utilization rate continued to improve, achieving a satisfactory level of 89.0%.

As at 30 June 2017, the Group offered customers a diverse portfolio of products which included 289 types of radial cords and 91 types of bead wires and other wires.

Mr. Liu concluded, "Considering the favourable outlook for both macroeconomic and industrial trends, the Group believes its prospects are prudently optimistic. Xingda will adhere to a development strategy that is market-oriented with quality as a priority, and maintains efficient management and governance while continuing to expand prudently. It will continue to increase internal production efficiency, expand the coverage of overseas orders, optimise its financial status, and closely monitor the market in order to capture new development opportunities at the appropriate time. In this way Xingda can further advance on its foundation as the leading radial tire cords manufacturer in China, and make contributions while fulfilling its responsibilities to shareholders, the industry and society alike."

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About Xingda International Holdings Limited

The Group is primarily engaged in the manufacturing and distribution of backbone material of radial tire including radial tire cord that support the tire wall and bead wire that connect the tire to the wheel-rim. Boasting unique production technologies, strong R&D capabilities and stringent quality control, Xingda has established solid foothold in China and is one of the largest manufacturers of radial tire cord in China. The Group's customers include China's top 10 radial tire manufacturers and global renowned tire manufacturers. Xingda's headquarters and main production base are located in Jiangsu Province of China with a total gross floor area of around 567,000 sq. m.

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