

【For Immediate Release】



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

Xingda International Announces 2023 Annual Results

With Stable Business Growth, Revenue Increases by 6.3% YoY to

RMB11,491 million

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Continues to Take Advantage of its Leading Position

Net Profit Increases by 14.2% to RMB637 million

(25 March 2024, Hong Kong) **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 audited annual results for the year ended 31 December 2023.

In 2023, China’s economy fully recovered and stabilized. With the global automotive industry chain recovering and export-driven growth, the tire industry witnessed booming production and sales, and the Group’s business sustained improvement. During the year, the Group’s revenue recorded growth of 6.3% year-on-year to RMB11,491 million. Gross profit recorded RMB2,201 million and gross profit margin slightly decreased to 19.2%. Net profit grew by 14.2% year-on-year to RMB637 million. The Group recommended payment of a final dividend of 13.0 HK cents per share for the year ended 31 December 2023.

During the year, the industry of radial tire cord remained stable. Being to give full play to its advantages as an industry leader, Xingda maintained overall stable business growth. The Group recorded total sales volume of 1,306,100 tonnes, up by 23.8% year-on-year. Among them, sales volume of the Group’s radial tire cords for trucks increased 25.0% year-on-year to 587,700 tonnes, mainly due to the economic and logistic activities in China getting back to normal gradually, plus the increase in tire production

and demand in the country year-on year. Moreover, as the rebound of domestic market demand on radial tires for passenger cars boosted the sales volume of the Group's radial tire cords for passenger cars during the year, the Group's sales volume of radial tire cords for passenger cars saw an increase of 24.9% to 455,300 tonnes. Sales volume of radial tire cords boosted by 24.9% year-on-year to 1,043,000 tonnes. In addition to radial tire cords, sales volume of bead wires increased by 21.6% to 155,300 tonnes, that of hose wires and other wires increased by 16.9% to 107,800 tonnes.

From a regional perspective, domestic demand is growing, and the overseas market continues to show strong momentum. In the China market, sales volume of the Group's radial tire cords increased by 32.1% to 759,700 tonnes in 2023, mainly due to the improved market demand of radial tires as a result of more frequent domestic economic activities and better GDP. Overseas market demand remained strong. Sales volume of radial tire cords increased by 9.2% to 283,300 tonnes, mainly due to continuous growth in demand from overseas tire manufacturers. Domestic and overseas markets accounted for 72.8% and 27.2% of the Group's total sales volume, respectively.

As for production capacity, as at 31 December 2023, the Group's annual production capacity of radial tire cords increased to 1,074,000 tonnes, with the annual production capacity of the Jiangsu, Shandong and Thailand factories reaching 802,000 tonnes, 197,000 tonnes and 75,000 tonnes, respectively. The annual production capacity of bead wires decreased slightly to 161,000 tonnes. The annual production capacity of hose wires and other wires increased to 114,000 tonnes. During the year, the overall capacity utilization rate of the Group's plants was increased significantly to 96.3% due to the recovery of the domestic radial tires market and growing demand for radial tire cords.

In the second half of 2023, the Group established a joint venture company with Huaqin Rubber. Huaqin Rubber is mainly engaged in rubber production businesses, while the joint venture company will principally focus on manufacturing steel cords related to radial tire framework materials. It is expected that the joint venture company will generate business synergies between the Group and Huaqin Rubber, strengthen the Group's production capacity, broaden the revenue base and expand the business scope in China.

Mr. Liu Jinlan, Chairman of Xingda, concluded, "Looking ahead to 2024, the positive trend of China's economic recovery is expected to be further consolidated and strengthened. The government will continue to intensify the implementation of macroeconomic policies, strengthen real economy, promote consumption, expand

investment and stabilize foreign trade. It is anticipated that domestic demand for tires and export volume in China will continue to rise. Despite the unstable geopolitical situation globally, the risks facing global growth are roughly balanced, economic activities remain relatively active and the tire replacement cycle is shortened. This is expected to drive up overseas tire demand, and boost the development of the radial tire cord industry. The Group will closely monitor changes in overseas markets, and the management remains optimistic about the industry's development in 2024. In the future, the Group will fully embrace the growing domestic market demand and actively expand overseas markets in Europe, America, Southeast Asia and India. Meanwhile, Xingda is committed to improving the product quality of radial tire cords, steadily expanding into new tracks, and promoting the sustainable development of the tire industry.”

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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 wheelrim. 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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