



**XINGDA INTERNATIONAL HOLDINGS LIMITED**  
**興達國際控股有限公司**  
**(Stock code: 1899 HK)**



**2020 Annual Results Corporate Presentation**

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## Agenda

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**Financial  
Review**

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**Outlook &  
Strategies**



# Financial Highlights

*RMB' million*

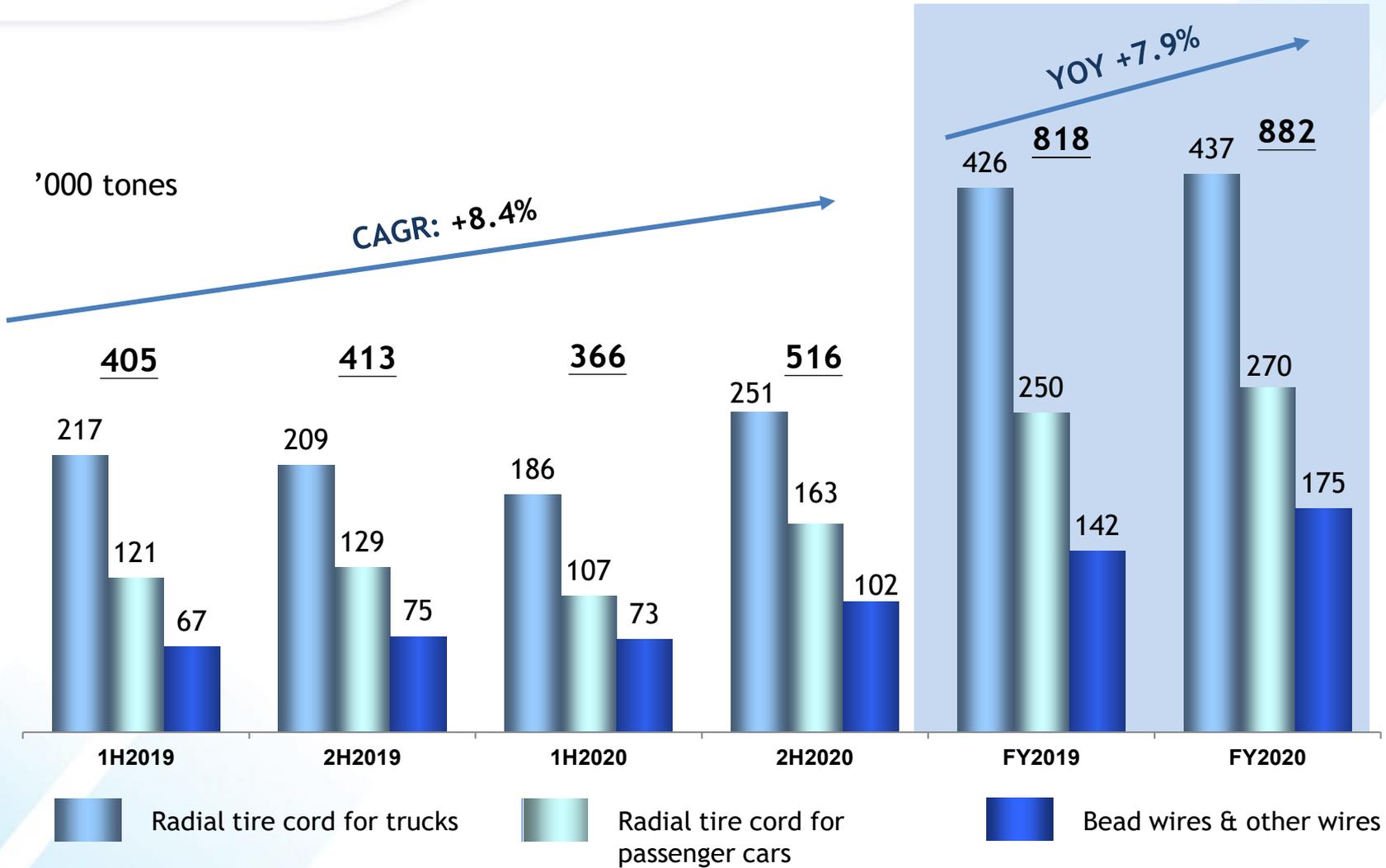
	For the Year Ended 31 December		YOY Change
	<u>2019</u> (Restated)	<u>2020</u>	
Revenue	7,582	7,680	+1.3%
Gross Profit (Adjusted) *	1,464	1,604	+9.5%
Gross Profit Margin (Adjusted) *	19.3%	20.9%	+1.6pp
EBITDA (Adjusted) *	1,102	1,251	+13.6%
EBITDA Margin (Adjusted) *	14.5%	16.3%	+1.8pp
Profit Attributable to Owners of the Company (Adjusted) *	286	313	+9.6%
Basic EPS (RMB cents) (Adjusted) *	18.89	20.12	+6.5%
Diluted EPS (RMB cents) (Adjusted) *	18.79	20.00	+6.4%
Dividend per share (HK cents)	15.0	15.0	-

\*Note: Non-recurring item including share-based payment of Jiangsu Xingda Steel Tyre Cord Co. Ltd. was excluded from calculation of these figures.



# Financial Highlights

## Sales Volume by Product

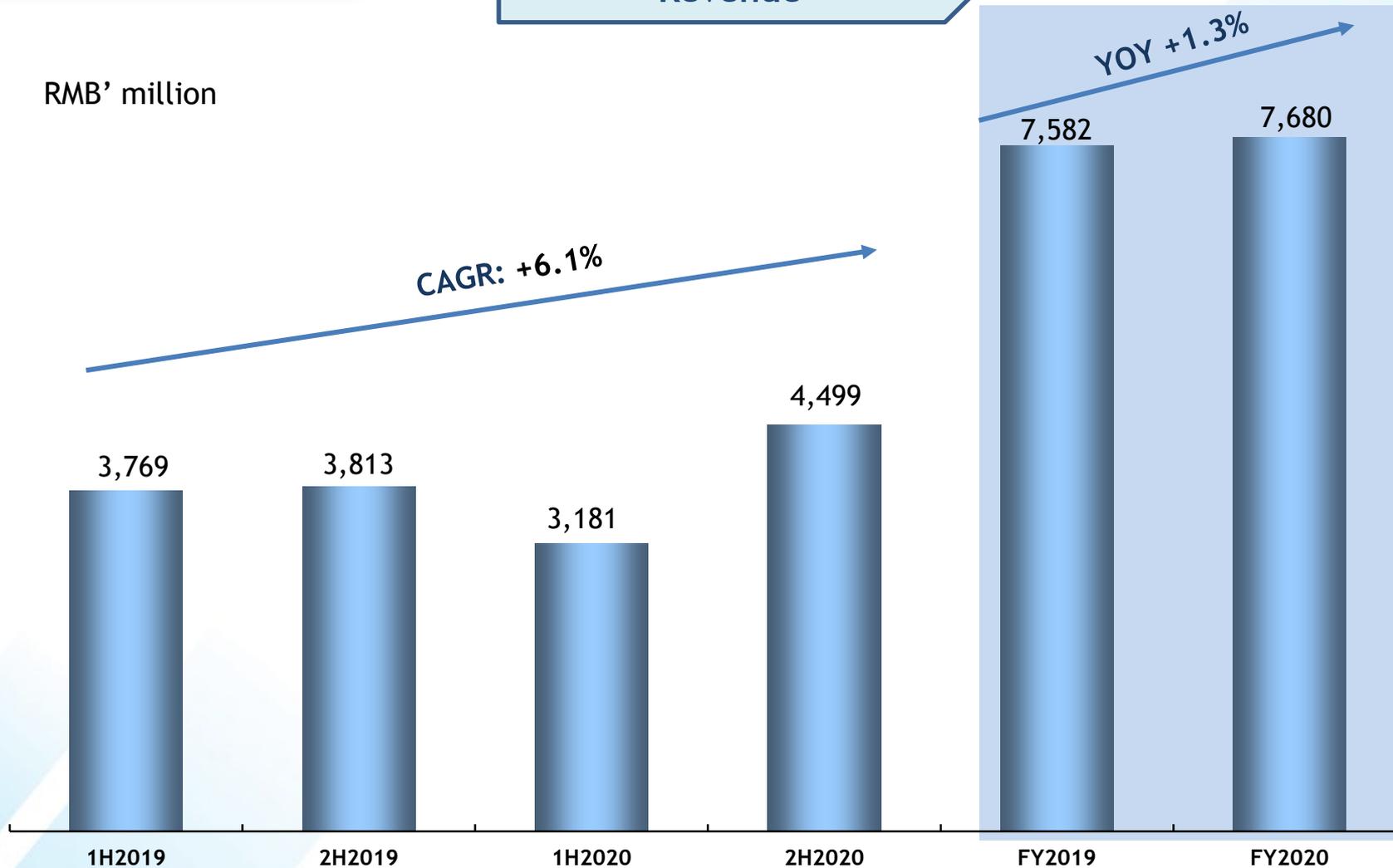




# Financial Highlights

## Revenue

RMB' million

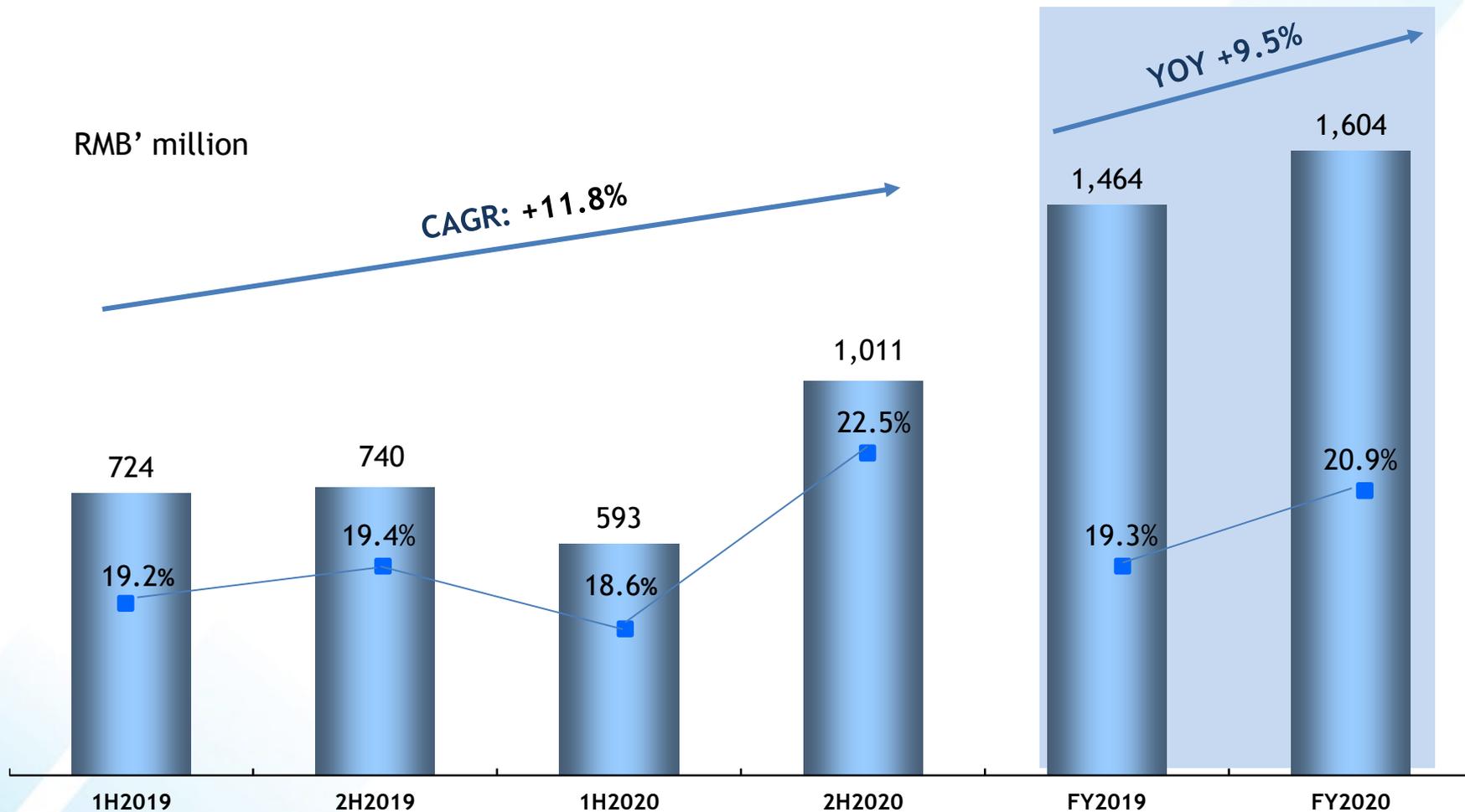




# Financial Highlights

## Gross Profit & Margin (Adjusted)

RMB' million



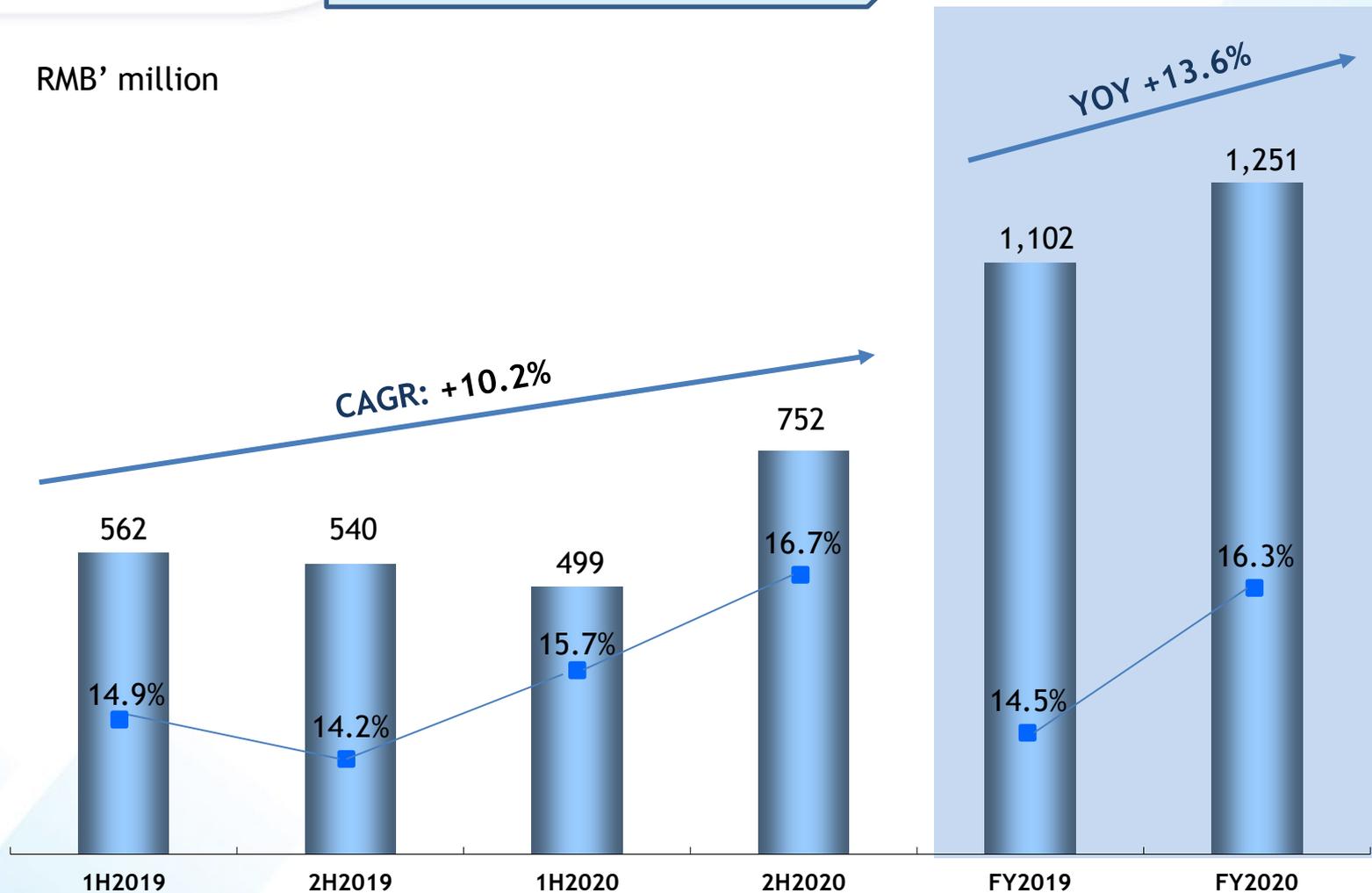
\*Note: Non-recurring item including share-based payment of Jiangsu Xingda Steel Tyre Cord Co. Ltd. was excluded from calculation of these figures.



# Financial Highlights

## EBITDA & Margin (Adjusted)

RMB' million



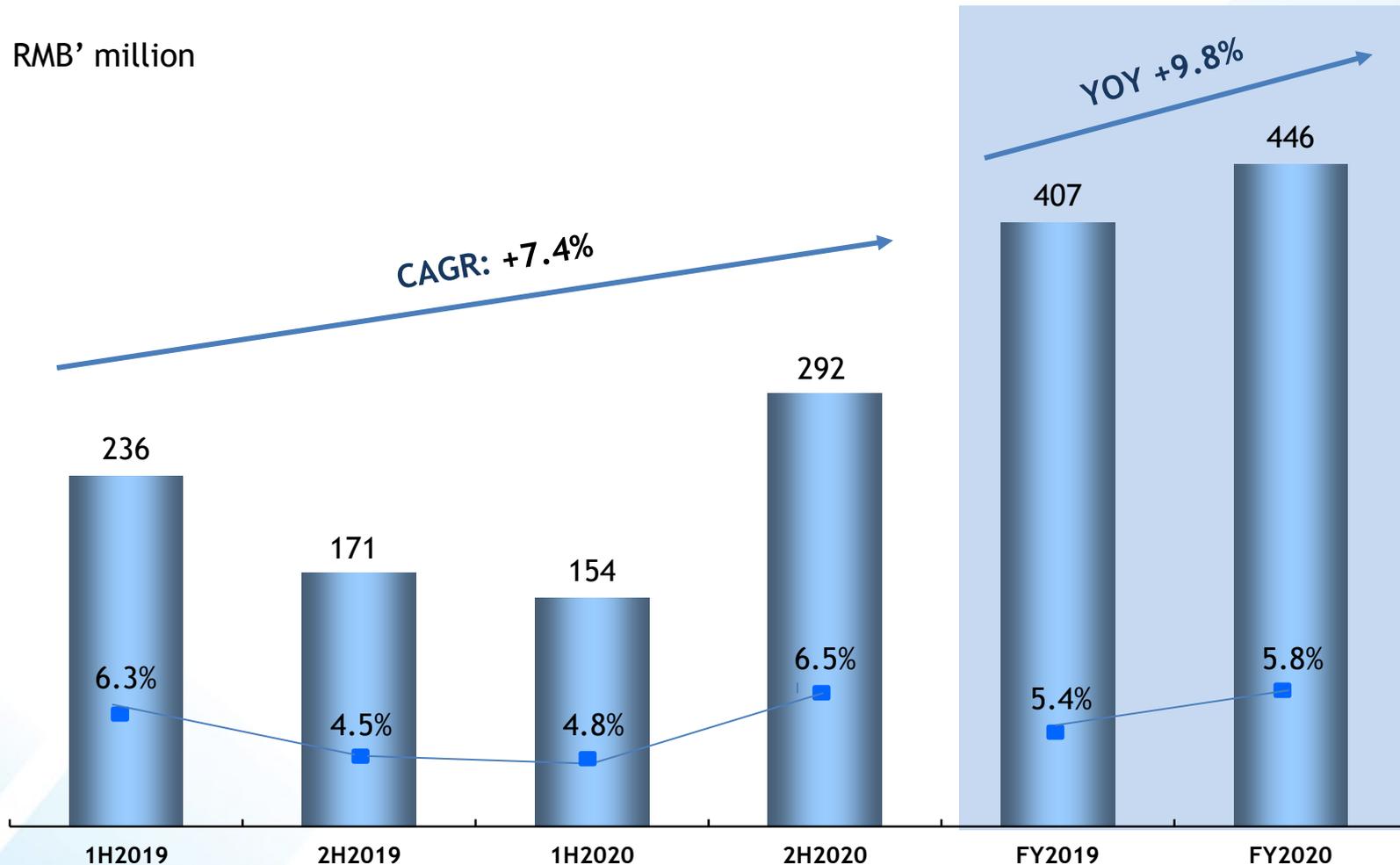
\*Note: Non-recurring item including share-based payment of Jiangsu Xingda Steel Tyre Cord Co. Ltd. was excluded from calculation of these figures.



# Financial Highlights

## Net Profit & Margin (Adjusted)

RMB' million



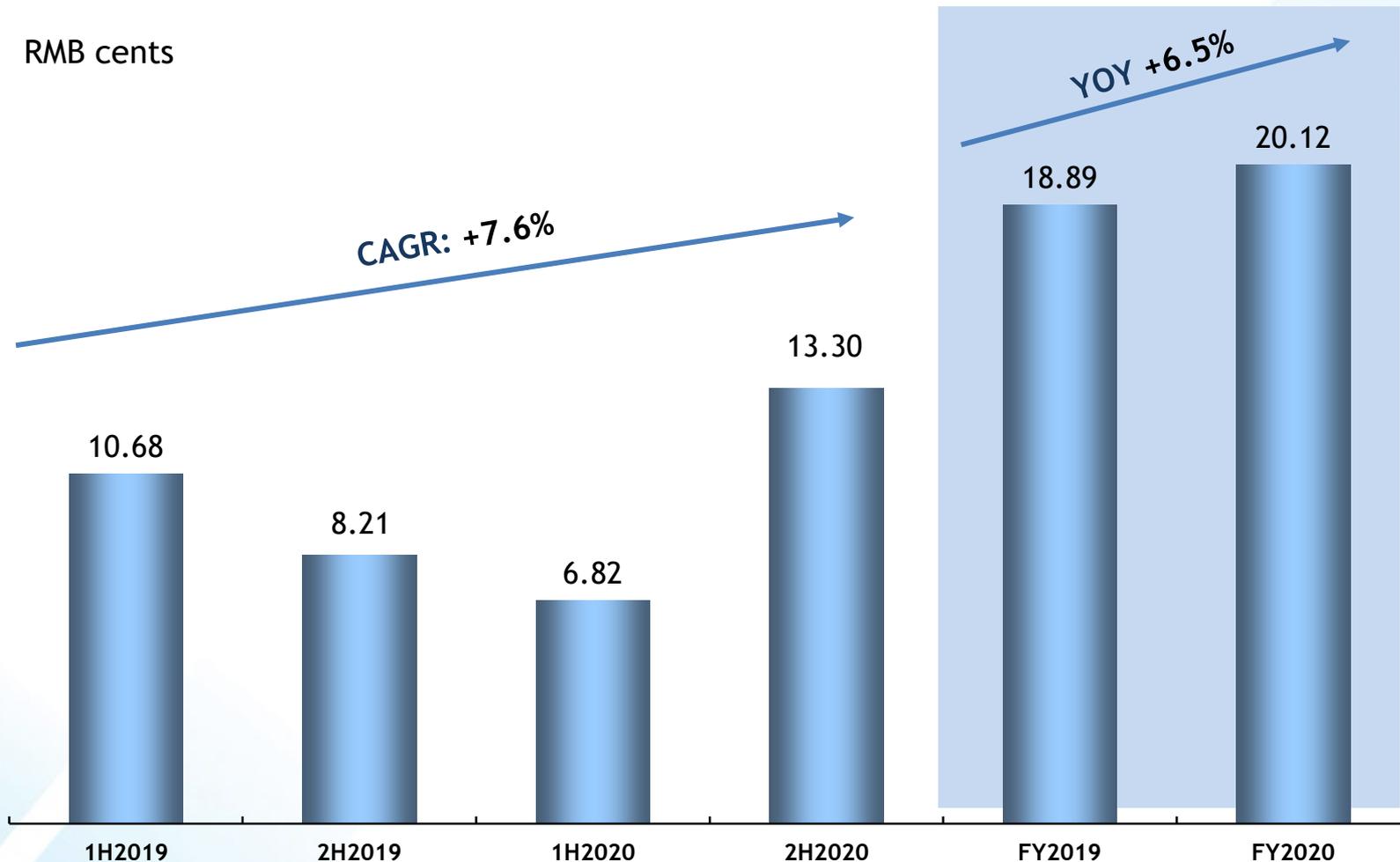
\*Note: Non-recurring item including share-based payment of Jiangsu Xingda Steel Tyre Cord Co. Ltd. was excluded from calculation of these figures.



# Financial Highlights

## EPS - Basic (Adjusted)

RMB cents

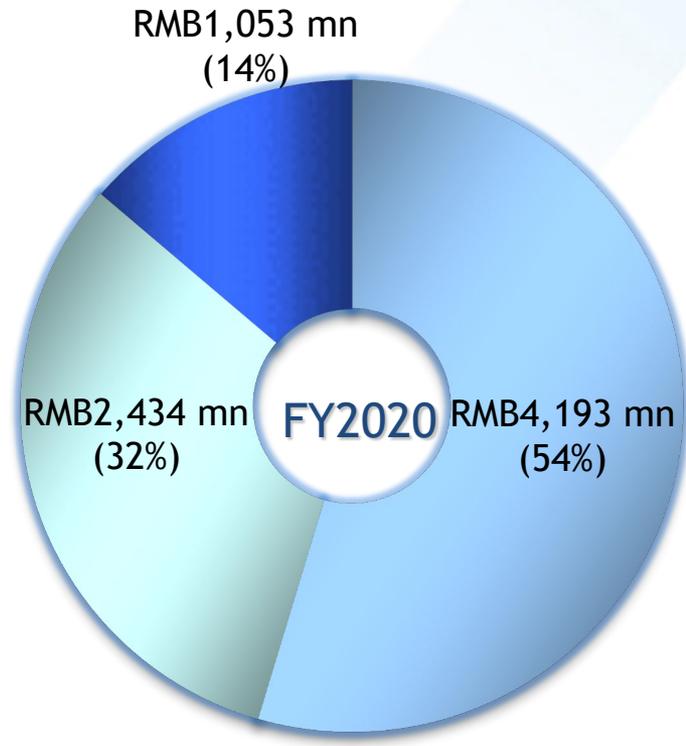
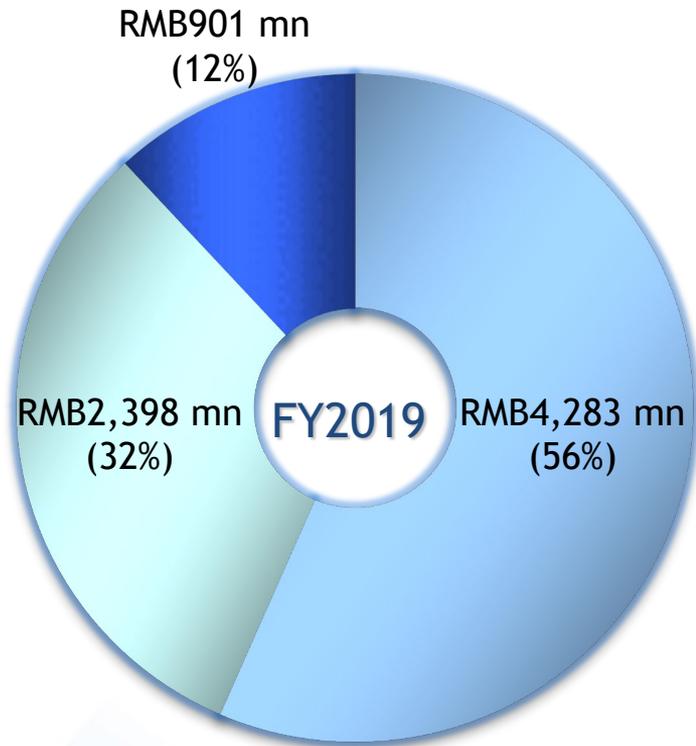


\*Note: Non-recurring item including share-based payment of Jiangsu Xingda Steel Tyre Cord Co. Ltd. was excluded from calculation of these figures.



# Financial Highlights

## Revenue by Product



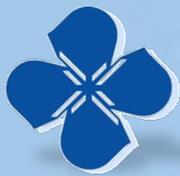
Radial tire cord for trucks



Radial tire cord for passenger cars



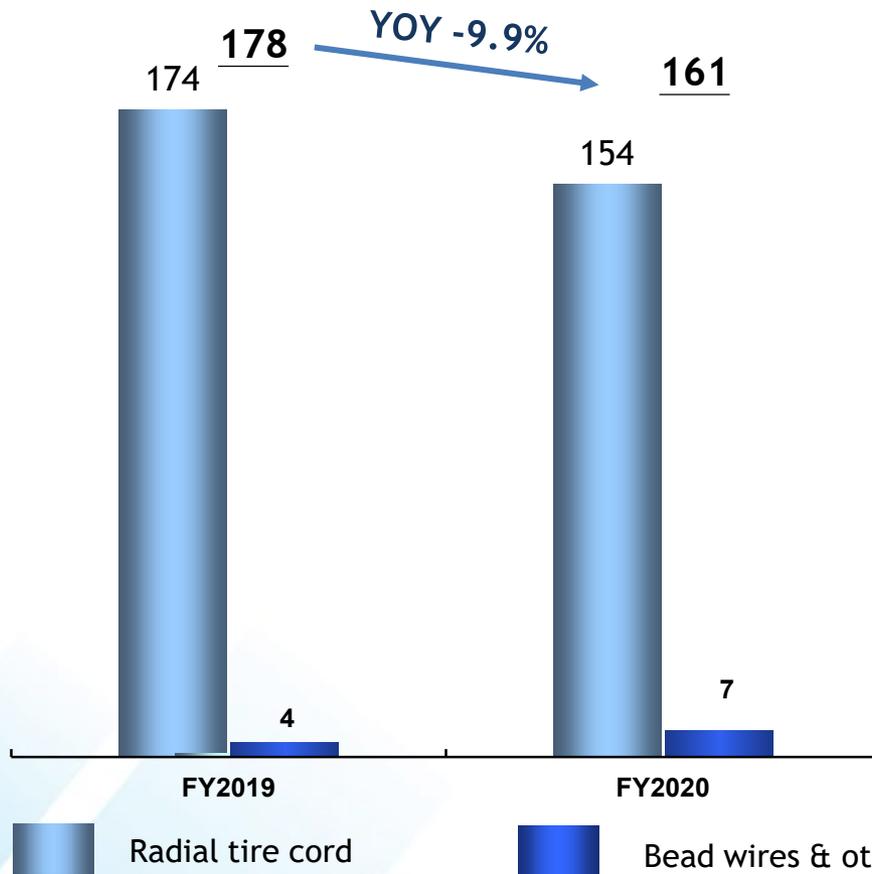
Bead wires & other wires



# Financial Highlights

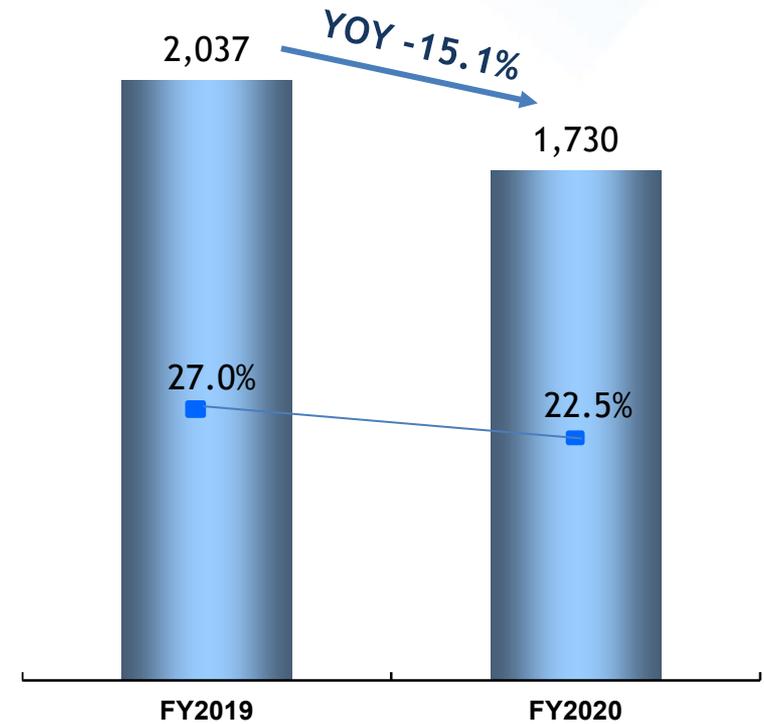
## Export Sales Volume

'000 tonnes



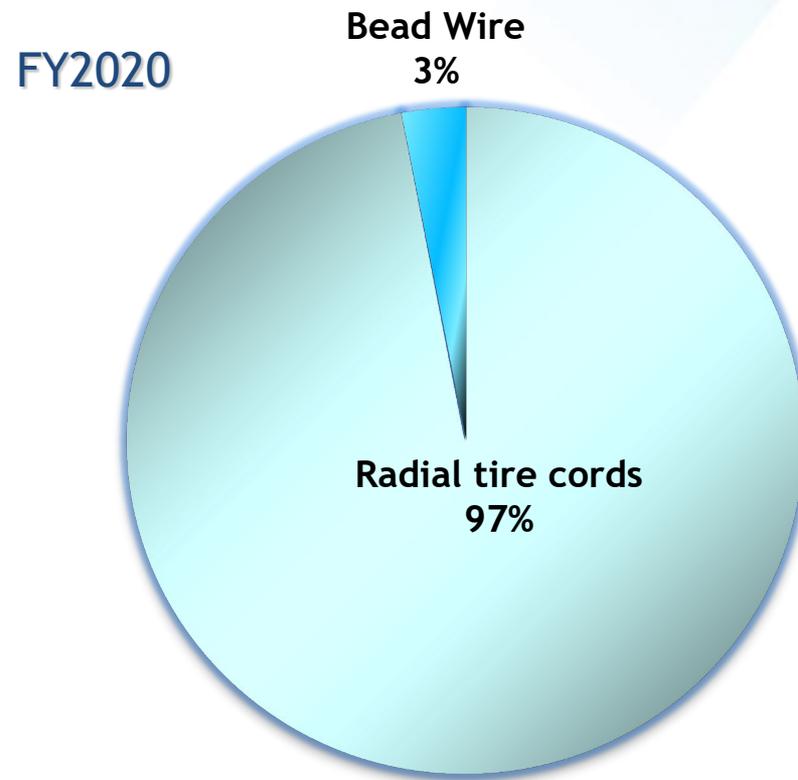
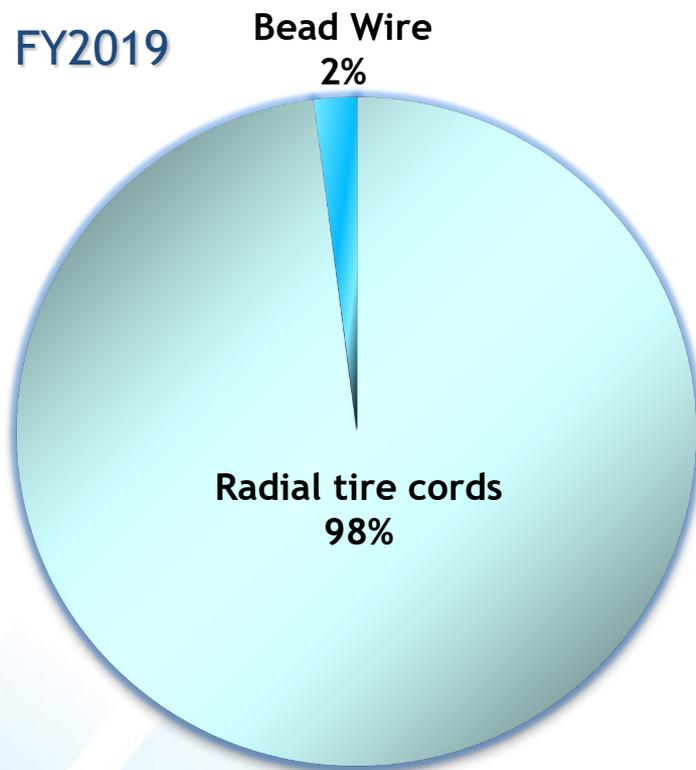
## Export Sales

RMB' million





## Export Sales by Product

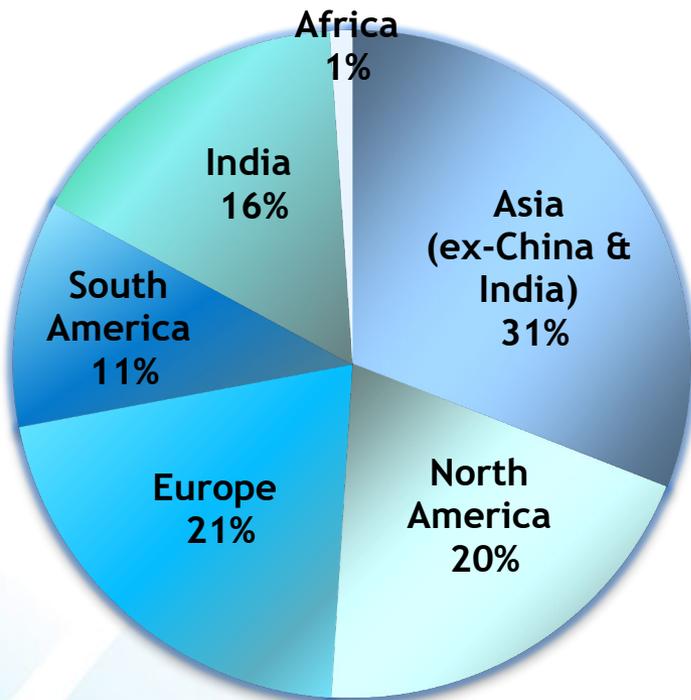




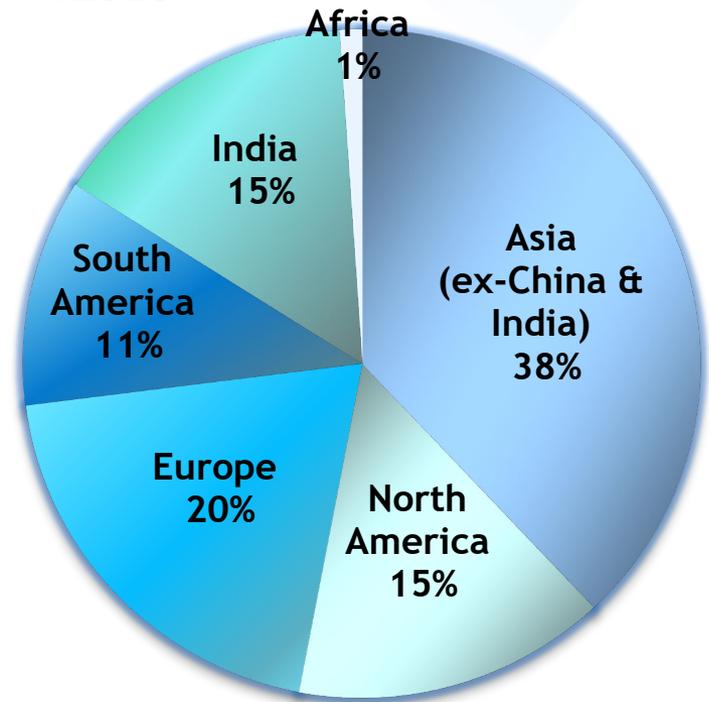
# Financial Highlights

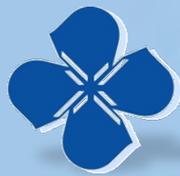
## Export Sales by Location

FY2019



FY2020





## Key Ratios

	As at 31 Dec 2019 (Restated)	As at 31 Dec 2020
Current Ratio (times)	1.2	1.1
Debtors' Turnover Days	95	103
Stock Turnover Days	51	46
Creditors' Turnover Days	114	91
Return on Capital Employed (Adjusted) *	4.1%	4.0%
Return on Equity (Adjusted) *	5.1%	5.5%
Gearing Ratio	15.9%	22.9%

\*Note: Non-recurring item including share-based payment of Jiangsu Xingda Steel Tyre Cord Co. Ltd. was excluded from calculation of these figures.



# Capacity & Utilisation

## ❖ Production capacity

- ❖ Radial tire cords capacity increased by 67.5k tonnes from 730.5k tonnes in 2019 to 798.0k tonnes
- ❖ Bead wire capacity increased by 24.6k tonnes from 170k in tonnes 2019 to 194.6k tonnes in 2020

## ❖ Jiangsu Factory

- ❖ Radial tire cord capacity increased to 645k tonnes in 2020

## ❖ Shandong Factory

- ❖ Radial tire cord capacity increased to 111k tonnes in 2020

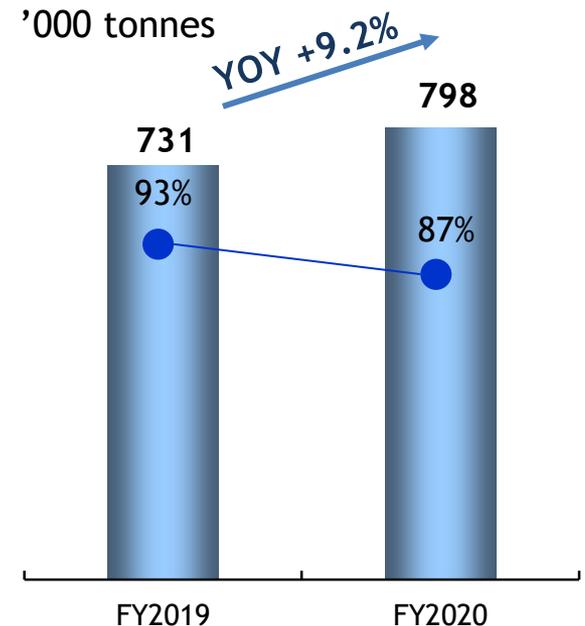
## ❖ Thailand Factory

- ❖ Radial tire cord capacity of 42k tonnes in 2020

## ❖ Utilisation rate

- ❖ Radial tire cord utilisation decreased to 87% in 2020 (2019:93%)

### Tire Cords Capacity & Utilisation Rate



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# Highlights for 2020

## Revenue

- Increased by 1.3% to RMB7,680 mn
- Due to the growth in total sales volume of all products in the second half of 2020

## Profit Attributable to the Owners of the Company

- Decreased 59.8% to RMB115 mn
- Adjusted\*: up 9.6% to RMB313 mn

## Sales Volume

- Increased by 7.9% to 882,200 tonnes
- Radial tire cords for trucks up by 2.5%
- Radial tire cords for passenger cars up by 8.0%

## Basic Earnings per Share

- RMB7.39 cents (2019: RMB18.89 cents)
- Adjusted\*: up 6.5% to RMB20.12 cents

## GP Margin

- Increased by 0.6pp to 19.9%
- Adjusted\*: up by 1.6pp to 20.9%
- Benefited from the lower major raw material prices

## Net Operating Cash Inflow

- RMB65 mn
- Continued to maintain a solid financial position

*\*Non-recurring item including share-based payment of Jiangsu Xingda Steel Tyre Cord Co. Ltd. was excluded*

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# China Market Outlook

- ❖ To alleviate the negative impact of the pandemic on the operating environment, the Chinese government launched a series of stimulus measures
- ❖ Backed by strong support from the country, new infrastructure projects have achieved tremendous progress in various provinces and cities, further stimulating demand for radial tire cords
- ❖ Positive view on China market in the long run
- ❖ Driven by series of governmental policies including
  - ❖ “Supply-side structural reforms”
  - ❖ “Xiong’an New Area”
  - ❖ “Guangdong-Hong Kong-Macao Bay Area”
  - ❖ “1+3+7” new pattern of free trade area
  - ❖ “One belt, one road” initiative



## Steady Growth in Overseas Markets

- ❖ Xingda will continue to broaden its international customers' base, leveraging its strong brand reputation and advanced technologies
- ❖ Monitor market trends and adjust strategies and resource allocation of different products according to geographical areas and target customers

- ❖ **Differentiation**

Strengthens our unique competitive advantages and differentiates ourselves through high product quality

- ❖ **Raise efficiency**

Continues to implement a greater scope of automation and upgrade production lines to enhance production efficiency

- ❖ **Effective cost control**

Continues to impose stringent controls on capital expenditure and improve financial position



# Open Forum