



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



2021 Interim Results Corporate Presentation

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Agenda

I
**Financial
Review**

II
**Business
Overview**

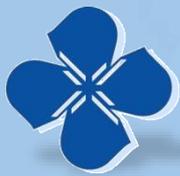
III
**Outlook &
Strategies**



Financial Highlights

RMB' million

	For the six months ended		YOY Change
	30 June		
	<u>2020</u> (unaudited)	<u>2021</u> (unaudited)	
Revenue	3,234	5,275	+63.1%
Gross Profit	622	1,072	+72.4%
Gross Profit Margin	19.2%	20.3%	+1.1pp
EBITDA	549	716	+30.4%
EBITDA Margin	17.0%	13.6%	-3.4pp
Profit Attributable to Owners of the Company	135	214	+58.7%
EPS (RMB cents) - basic	8.86	13.37	+50.9%
EPS (RMB cents) - diluted	8.81	13.30	+51.0%

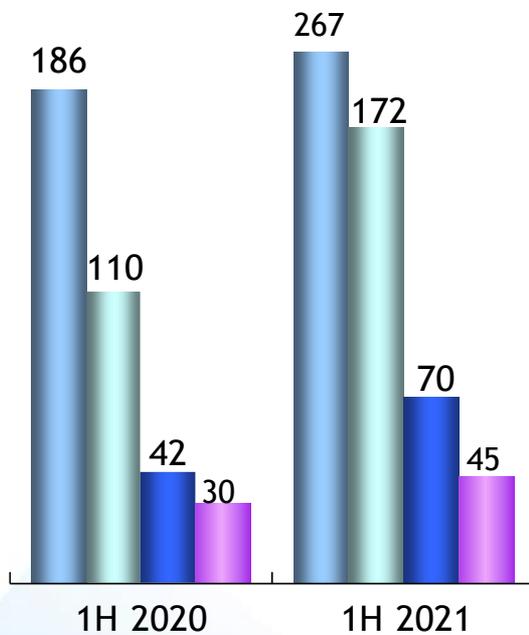


Financial Highlights

Sales Volume by Product

'000 tones

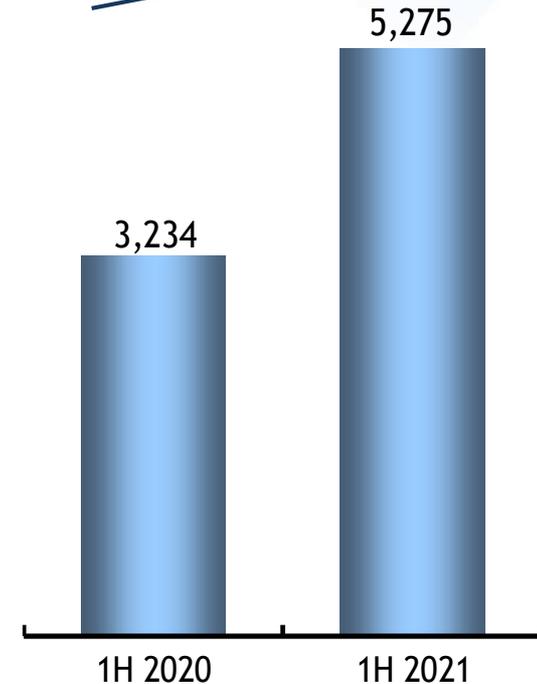
+50.6%



Revenue

RMB' million

+63.1%



Radial tire cord for trucks

Radial tire cord for passenger cars

Bead wires

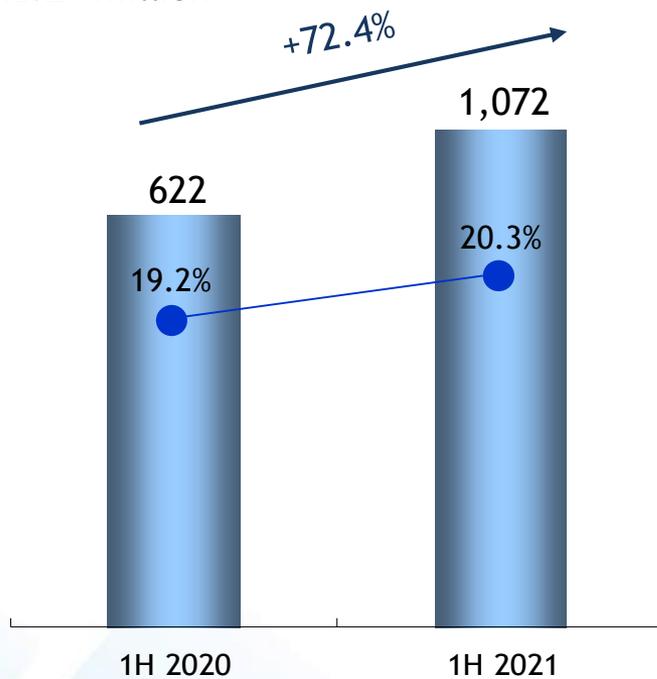
Hose and other wires



Financial Highlights

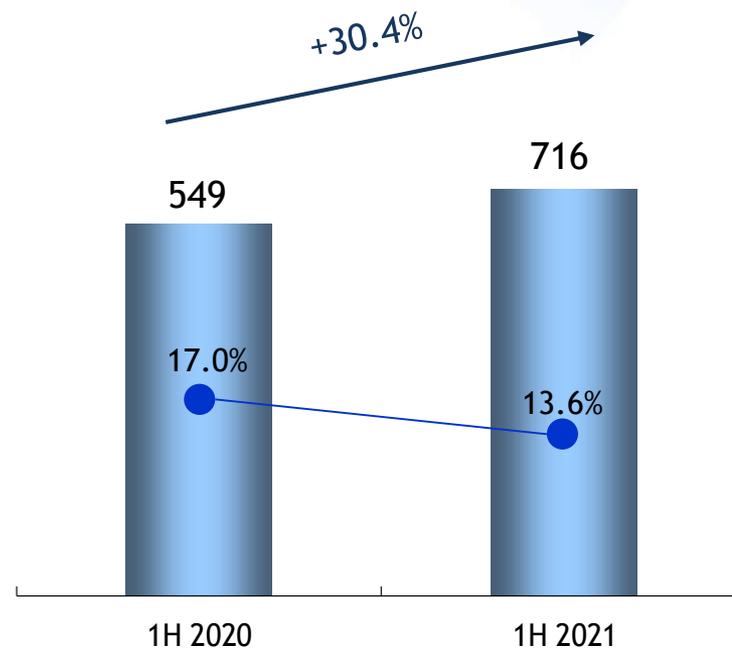
Gross Profit & Margin

RMB' million



EBITDA & Margin

RMB' million

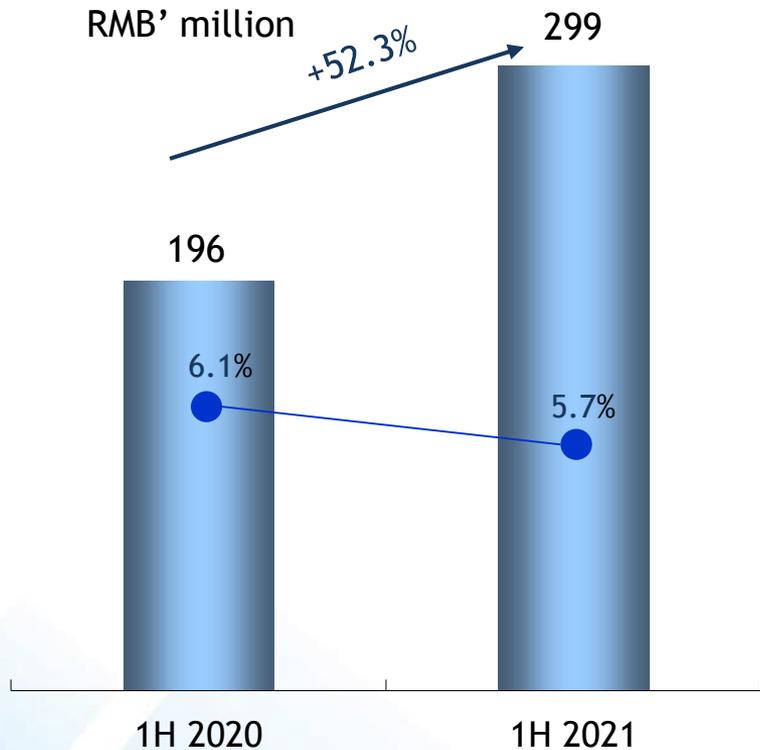




Financial Highlights

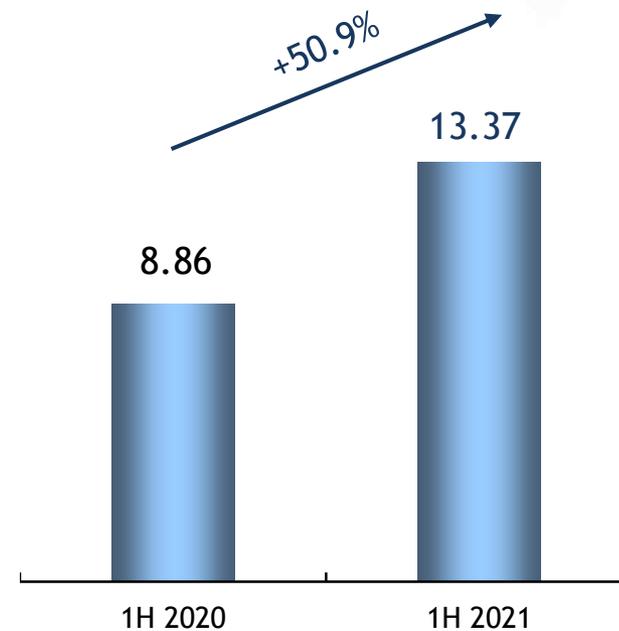
Net Profit & Margin

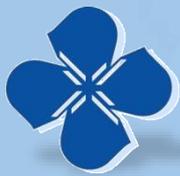
RMB' million



EPS - basic

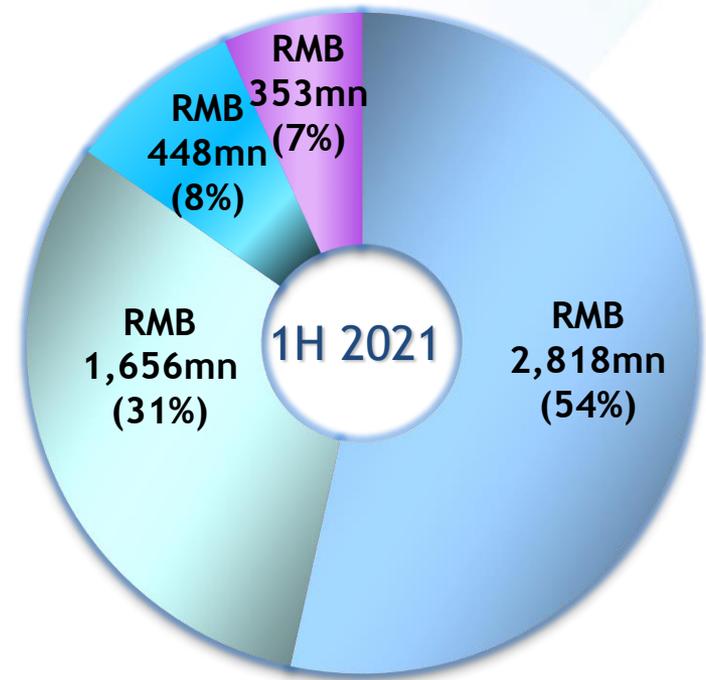
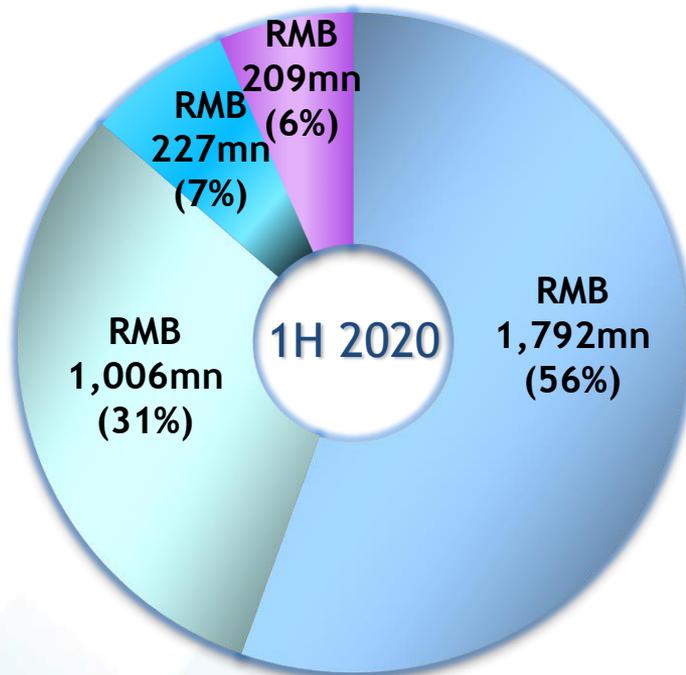
RMB fen



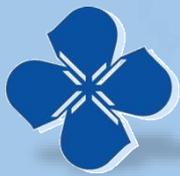


Financial Highlights

Revenue by Product



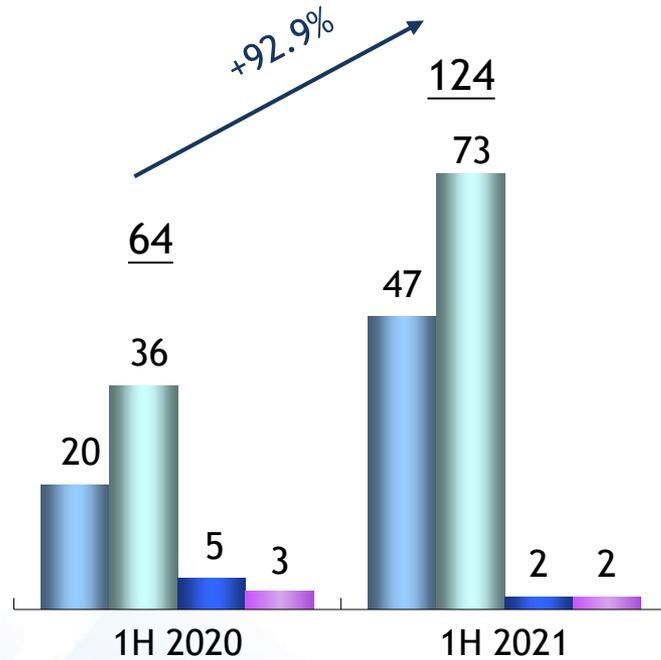
Radial tire cord for trucks Radial tire cord for passenger cars Bead wires Hose and other wires



Financial Highlights

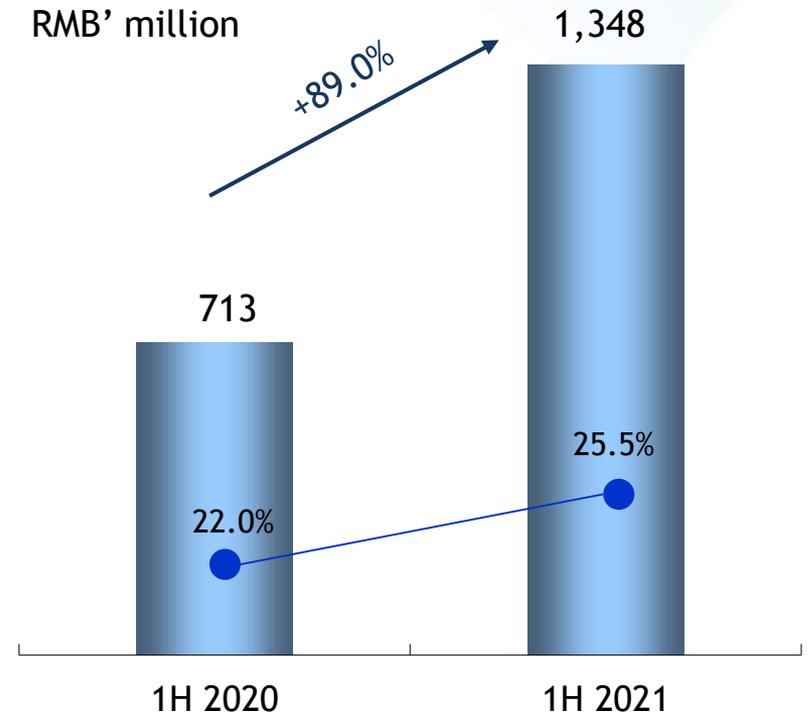
Export Sales Volume

'000 tonnes

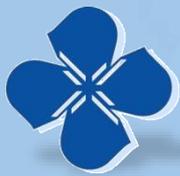


Export Sales

RMB' million



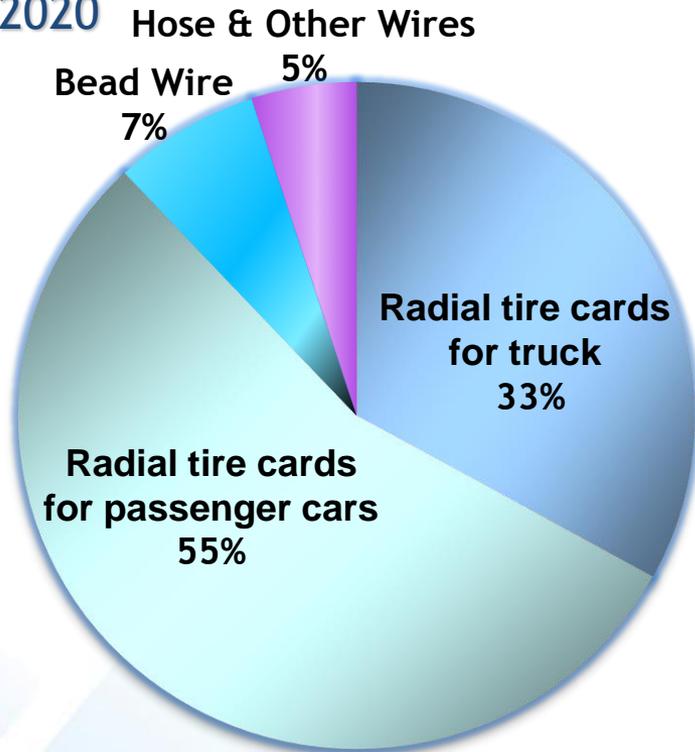
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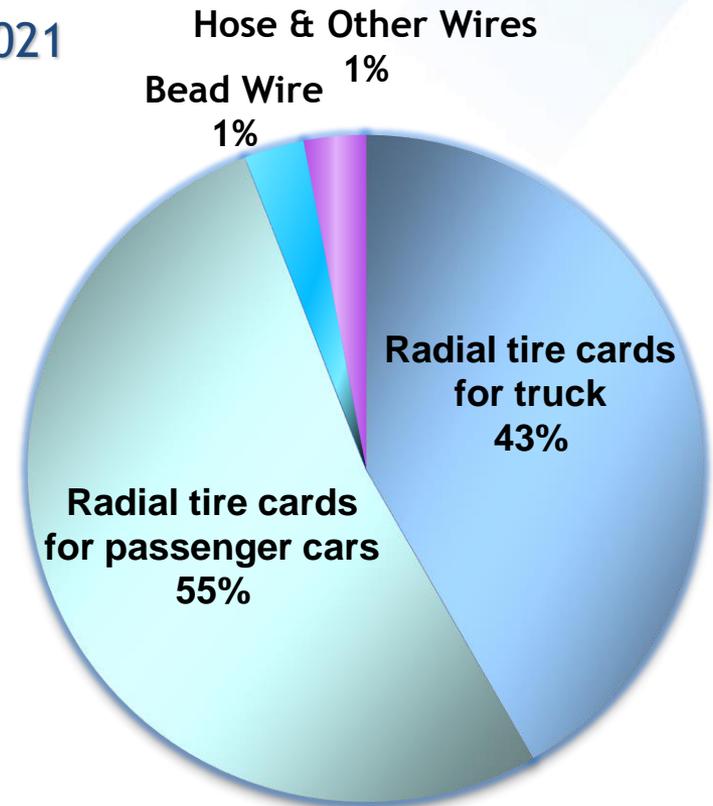
Financial Highlights

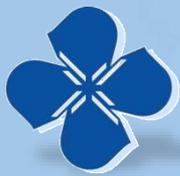
Export Sales by Product

1H 2020



1H 2021

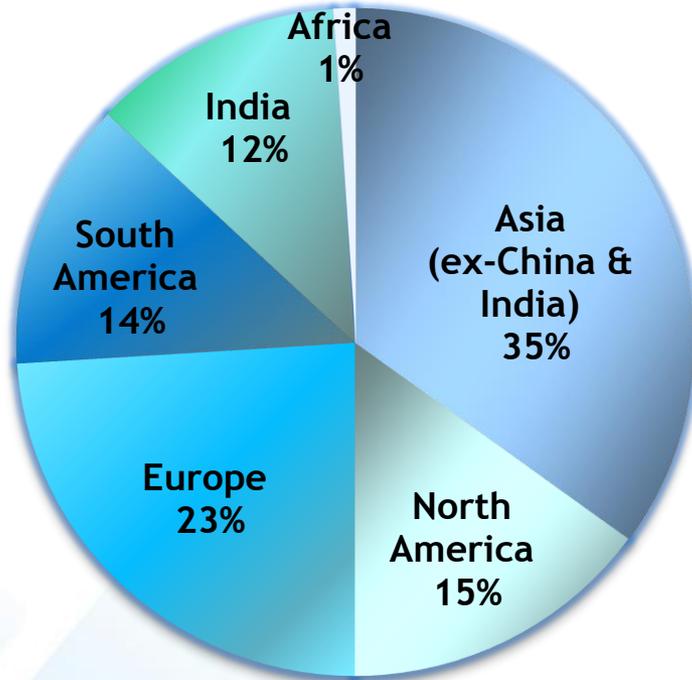




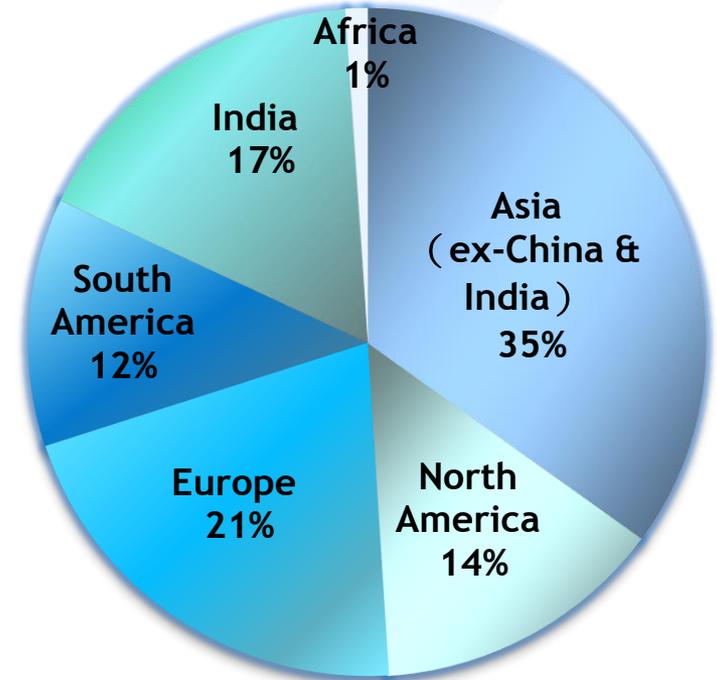
Financial Highlights

Export Sales by Location

1H 2020



1H 2021





Cash Flow (Extract)

<i>RMB' million</i>	For the six months ended 30 June	
	2020 (Unaudited)	2021 (Unaudited)
Net Operating Cash Inflow (outflow)	403	(230)
Cash used in CAPEX	(267)	(395)
Net Addition of Borrowings	632	947
Cash and Cash Equivalents at Period End	650	821



Key Ratios

	As at 31 Dec 2020 (audited)	As at 30 Jun 2021 (unaudited)
Current Ratio (times)	1.1	1.1
Debtors' Turnover Days	103	97
Stock Turnover Days	46	50
Creditors' Turnover Days	91	112
Return on Capital Employed (Adjusted) *	4.0%	5.0%
Return on Equity (Adjusted) *	5.5%	7.6%
Gearing Ratio	22.9%	25.2%

*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 from 743k mtpa in 1H 2020 to 930k mtpa in 1H 2021
- ❖ Bead wire capacity increased from 107K mtpa in 1H 2020 to 155k mtpa in 1H 2021
- ❖ Hose wire and other wire capacity increased from 82K mtpa in 1H 2020 to 98k mtpa in 1H 2021

❖ Jiangsu Factory

- ❖ Radial tire cord capacity increased to 732k mtpa in 1H 2021

❖ Shandong Factory

- ❖ Radial tire cord capacity increased to 144k mtpa in 1H 2021

❖ Thailand Factory

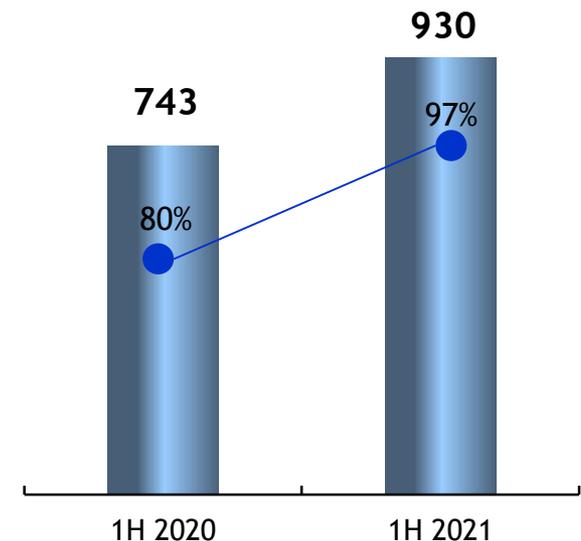
- ❖ Radial tire cord capacity of 54k mtpa in mid-2021

❖ Utilisation rate

- ❖ Radial tire cord utilisation rebounded from 80% to 97% in 1H 2021

Tire Cords Capacity & Utilisation Rate

'000 tonnes



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Highlights for 1H 2021

Revenue

- Increased by 63.1% to RMB5,275 mn
- Mainly due to the increase in sales volume of the Group's products driven by economic recovery and activities in China and overseas

Sales volume

- Up by 50.6% to 554,200 tonnes
- TBR +43.8%
- PCR +56.3%

GP Margin

- Increased by 1.1 ppt to 20.3%
- Mainly due to the rise in sales volumes and average selling prices of the Group's products, partly offset by an increase in major raw material prices

Profit attributable to the owners of the Company

- Increased by 58.7% to RMB214 mn

Basic earnings per share

- RMB13.37 cents
- (1H 2020: RMB8.86 cents)

Strong cash & cash equivalents

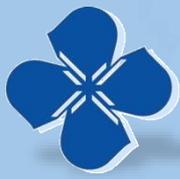
- RMB821 mn
- Continued to maintain a solid financial position

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- ❖ To alleviate the negative impact of the pandemic on the operating environment, the Chinese government launched a series of stimulus measures
- ❖ The central bank lowered its RRR by 0.5% in mid-July this year, which is expected to release 100 billion yuan of long-term liquidity, which will play a positive role in “expanding domestic demand” and will also help China's economy to achieve “steady growth”
- ❖ The “Outline of the 14th Five-Year Plan for Rubber Industry” will drive continuous positive development of the industry
- ❖ Positive view on China market in the long run



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