



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



2022 Interim Results Corporate Presentation

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Agenda

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**Financial
Review**

II
**Business
Overview**

III
**Outlook &
Strategies**



Financial Highlights

<i>RMB' million</i>	For the six months ended		YOY Change
	30 June		
	<u>2021</u> (unaudited)	<u>2022</u> (unaudited)	
Revenue	5,275	5,540	+5.0%
Gross Profit	1,072	1,160	+8.2%
Gross Profit Margin	20.3%	20.9%	+0.6pp
EBITDA	716	721	+0.7%
EBITDA Margin	13.6%	13.0%	-0.6pp
Profit Attributable to Owners of the Company	214	165	-23.0%
Basic EPS (RMB cents)	13.37	9.93	-25.7%
Diluted EPS (RMB cents)	13.30	9.88	-25.7%

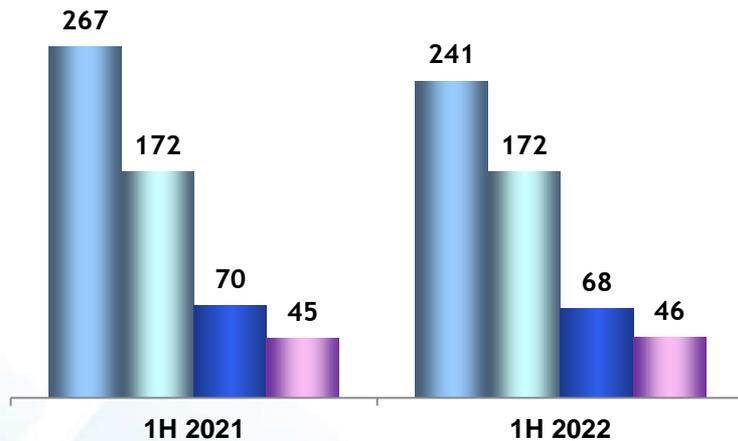


Financial Highlights

Sales Volume by Product

'000 tonnes

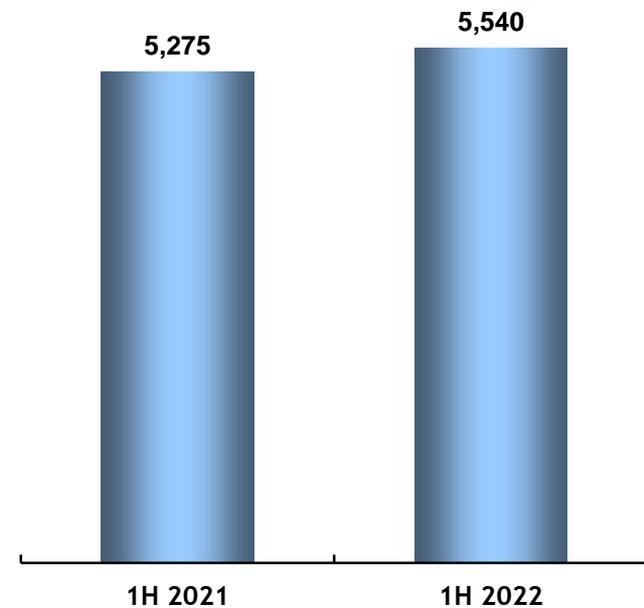
-4.8%



Revenue

RMB' million

+5.0%



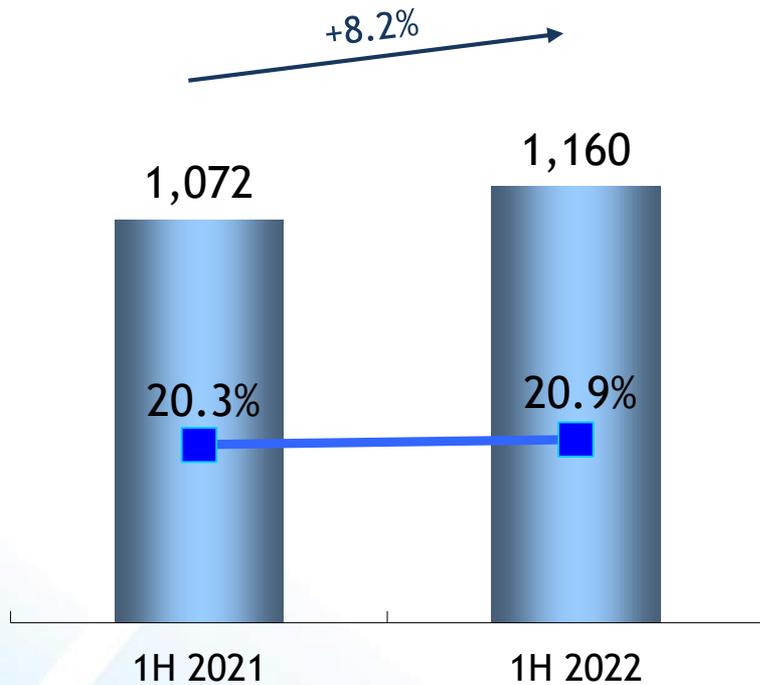
Radial tire cord for trucks Radial tire cord for passenger cars Bead wires Hose wires & other wires



Financial Highlights

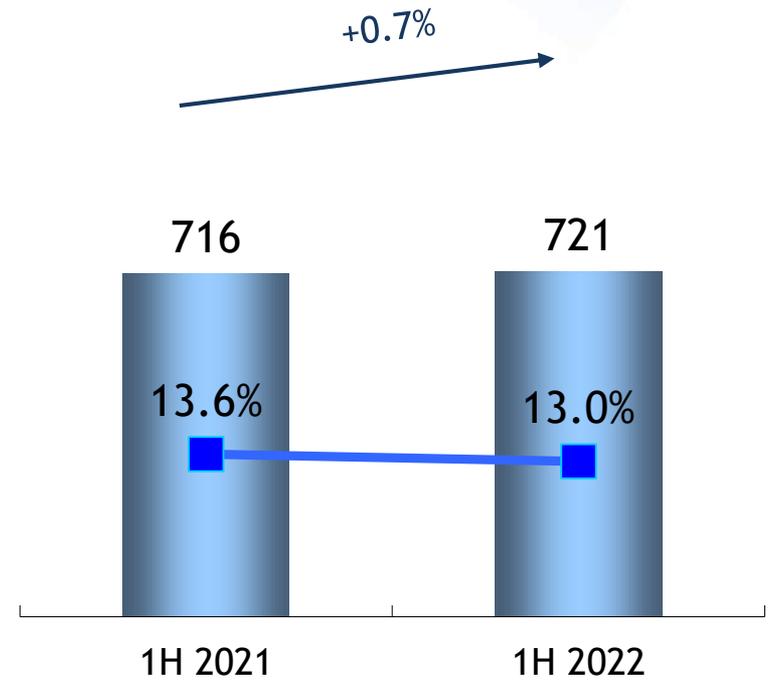
Gross Profit & Margin

RMB' million



EBITDA & Margin

RMB' million

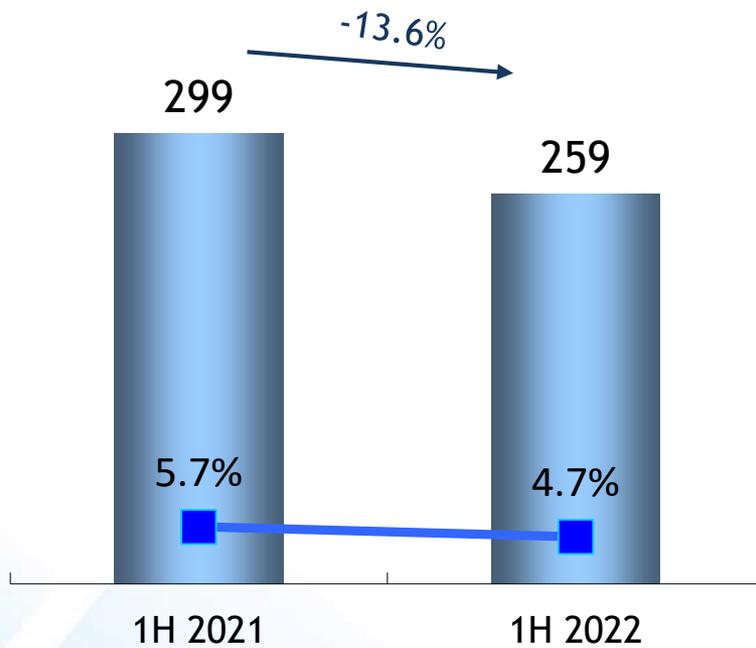




Financial Highlights

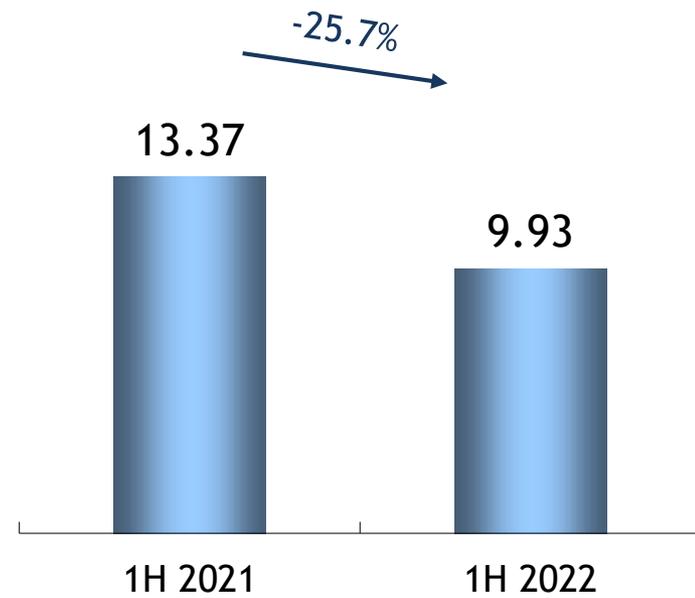
Net Profit & Margin

RMB' million



EPS - Basic

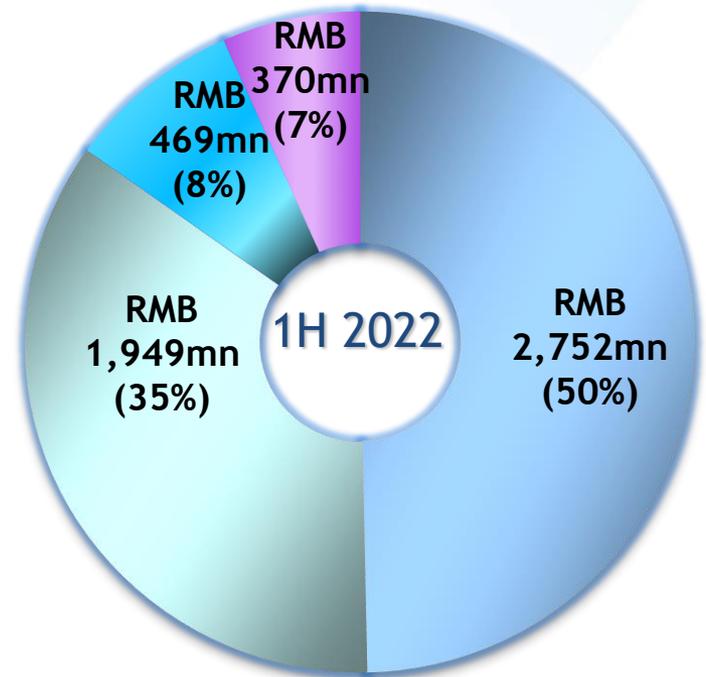
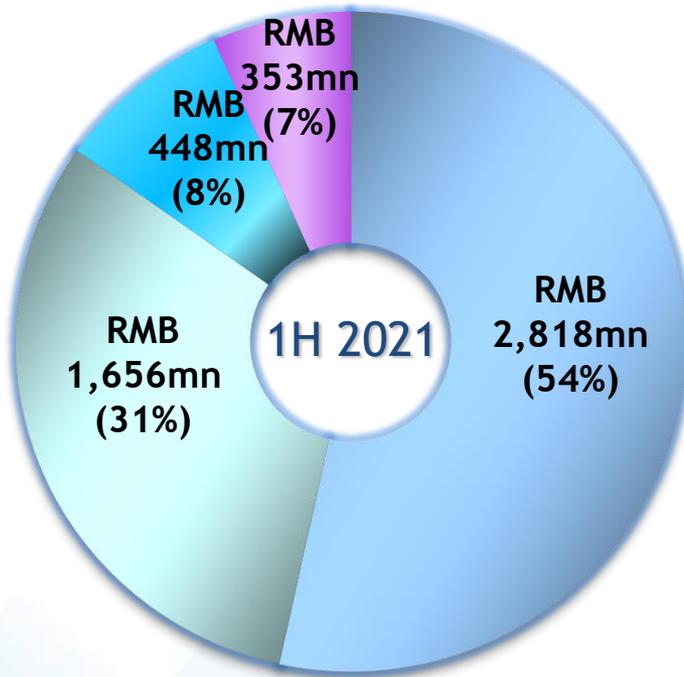
RMB cents





Financial Highlights

Revenue by Product



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

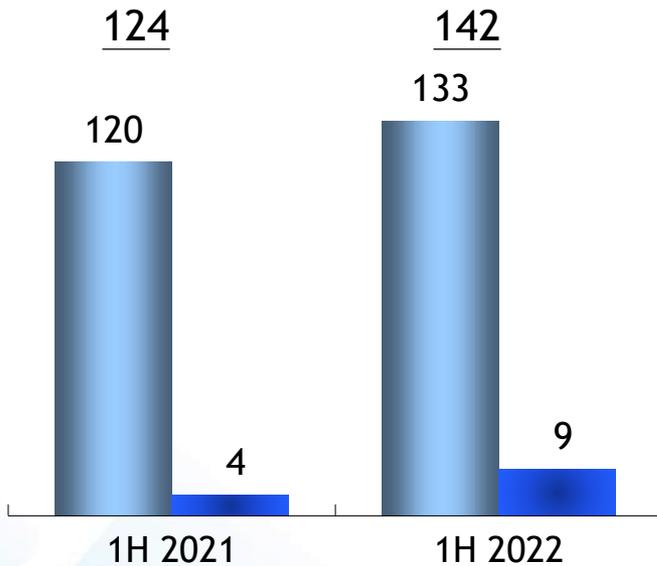


Financial Highlights

Export Sales Volume

'000 tonnes

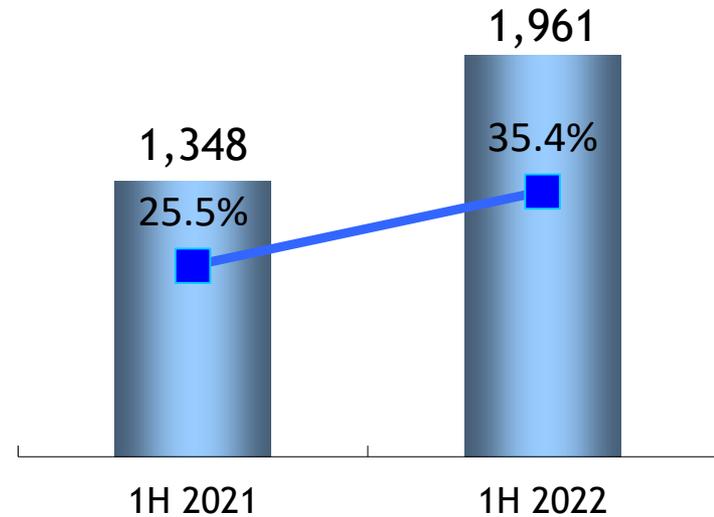
+14.7%



Export Sales

RMB' million

+45.5%



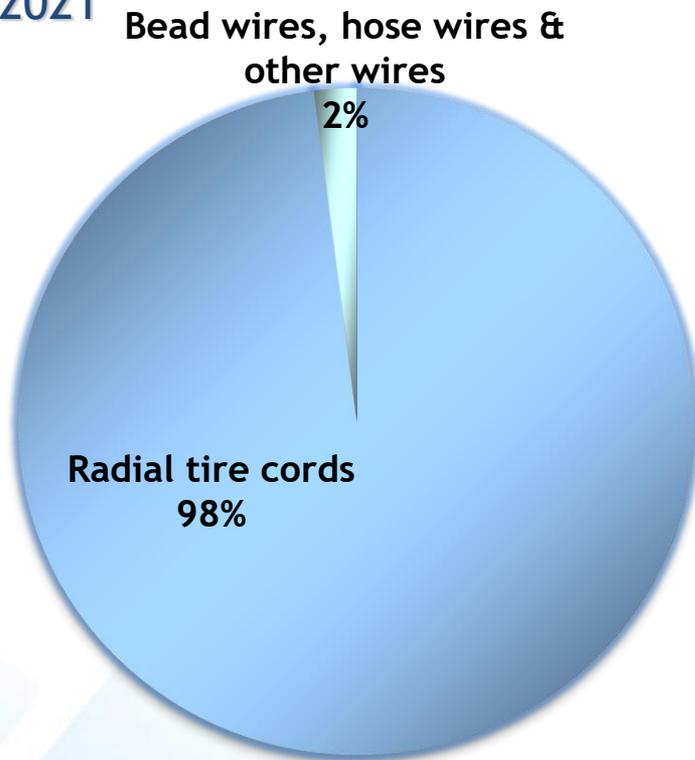
Radial tire cord

Bead wires, hose wires & other wires

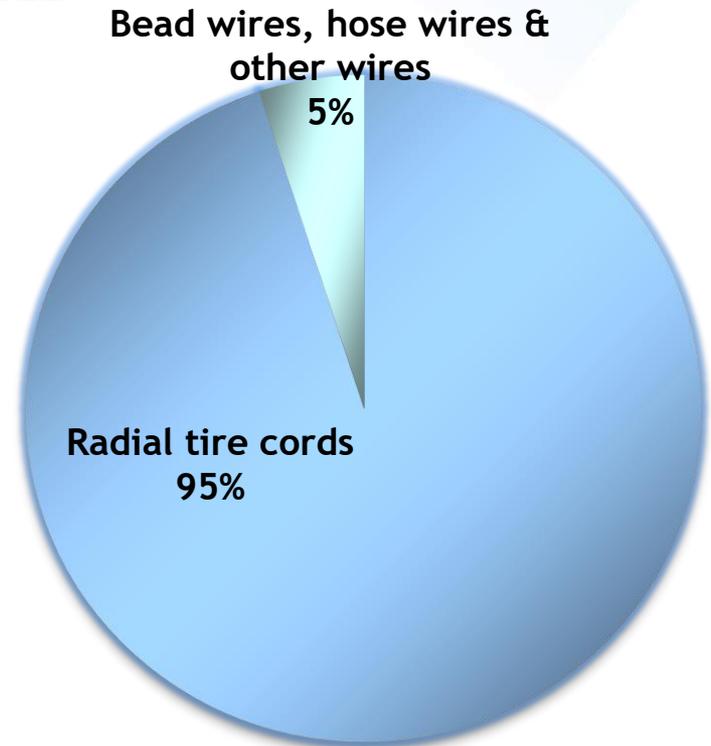


Export Sales by Product

1H 2021



1H 2022

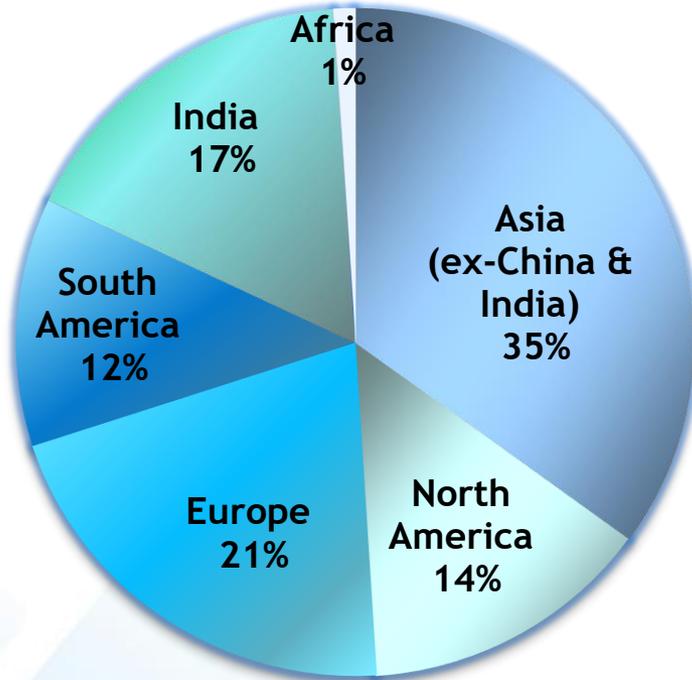




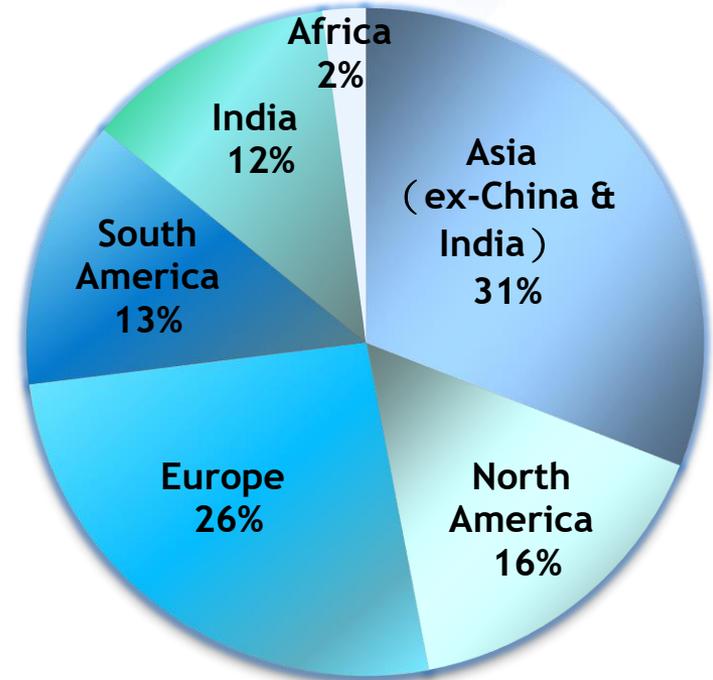
Financial Highlights

Export Sales by Location

1H 2021



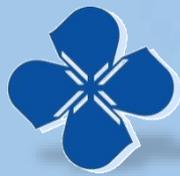
1H 2022





Cash Flow (Extract)

<i>RMB' million</i>	For the six months ended 30 June	
	2021 (Unaudited)	2022 (Unaudited)
Net Operating Cash Inflow (outflow)	(230)	600
Cash used in CAPEX	(395)	(808)
Net Addition of Borrowings	947	589
Cash and Cash Equivalents at Period End	821	1,178



Key Ratios

	As at 31 Dec 2021 (audited)	As at 30 Jun 2022 (unaudited)
Current Ratio (times)	1.1	1.1
Debtors' Turnover Days	95	111
Stock Turnover Days	58	71
Creditors' Turnover Days	141	149
Return on Capital Employed	2.3%	3.8%
Return on Equity	3.8%	5.8%
Gearing Ratio	28.0%	28.5%



Capacity & Utilisation

❖ Production capacity

- ❖ Radial tire cords capacity increased from 930k tonnes in 1H 2021 to 975k tonnes in 1H 2022
- ❖ Bead wire capacity increased from 155k tonnes in 1H 2021 to 177k tonnes in 1H 2022
- ❖ Hose wire and other wire capacity increased from 98k tonnes in 1H 2021 to 108k tonnes in 1H 2022

❖ Jiangsu Factory

- ❖ Radial tire cord capacity increased to 741k tonnes in 1H 2022

❖ Shandong Factory

- ❖ Radial tire cord capacity increased to 162k tonnes in 1H 2022

❖ Thailand Factory

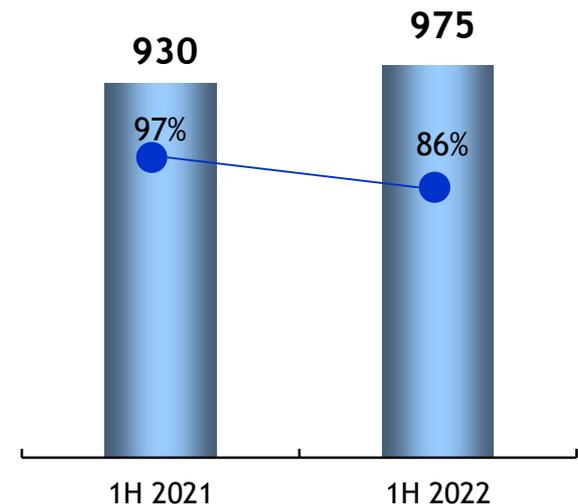
- ❖ Radial tire cord capacity increased to 72k tonnes in 1H 2022

❖ Utilisation rate

- ❖ Radial tire cord utilisation dropped from 97% to 86% in 1H 2022

Tire Cords Capacity & Utilisation Rate

'000 tonnes



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Highlights for 1H 2022

Revenue

- Increased by 5.0% to RMB5.54 bn
- Mainly due to the increase in average selling prices of the Group's products together with the boost of sales volumes of overseas market

Sales volume

- Decreased by 4.8% to 527,400 tonnes
- Radial tire cords for trucks down by 9.6%
- Radial tire cords for passenger cars down by 0.3%

GP Margin

- Increased by 0.6 ppt to 20.9%
- Mainly due to increase in average selling price being higher than the increase in the cost of sales per tonne

Profit Attributable to the Owners of the Company

- Decreased by 23.0% to RMB165 mn

Basic earnings per share

- RMB9.93 cents
- (1H 2021: RMB13.37 cents)

Strong cash & cash equivalents

- RMB1.178 bn
- Continued to maintain a solid financial position

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China Market Outlook

- ❖ At the end of the second quarter of 2022, economic activities in China were again revived, along with automobile production and sales rebounding and achieving year-on-year growth, all likely to boost demand for radial tire cords
- ❖ In June, the State Council launched a series of policies to promote automobile consumption, automobile and related consumption for the year is expected to increase by approximately RMB200 billion. Ecology of the automobile industry will continue to improve, and the auxiliary and replacement markets looking up are all conducive to the industry recovering further
- ❖ The “Outline of the 14th Five-Year Plan for Rubber Industry” will drive continuous positive development of the industry
- ❖ Cautiously optimistic about the short-term industry outlook



Steady Growth in Overseas Markets

- ❖ With robust overseas demand bracing export, Xingda will continue to broaden its international customers' base, leveraging its strong brand reputation
- ❖ Xingda will pay close attention to global economic development, timely adjust its strategic deployment heeding changes in pandemic situations, and strengthen flexible deployment of its factories in various regions
- ❖ **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