



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



**2023 Interim Results Corporate Presentation**

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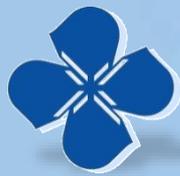
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## Agenda

I  
**Financial  
Review**

II  
**Business  
Overview**

III  
**Outlook &  
Strategies**



# Financial Highlights

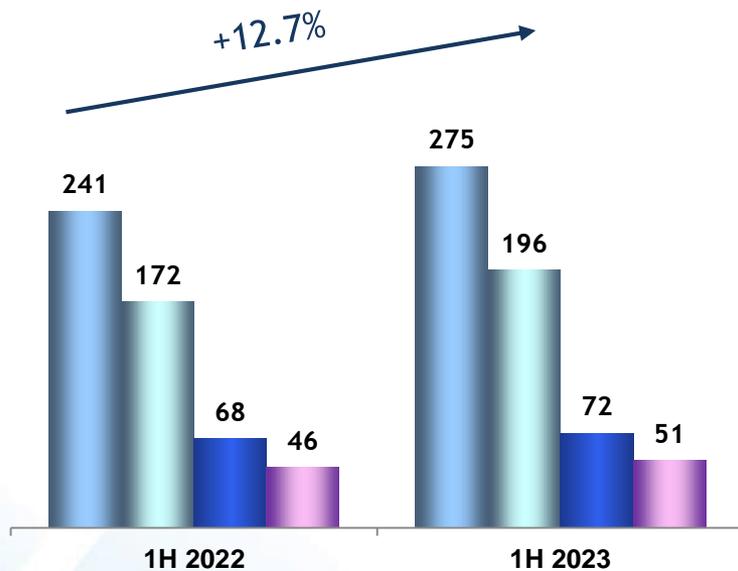
<i>RMB' million</i>	For the six months ended		YOY Change
	30 June		
	<u>2022</u> (unaudited)	<u>2023</u> (unaudited)	
Revenue	5,540	5,418	-2.2%
Gross Profit	1,160	1,027	-11.4%
Gross Profit Margin	20.9%	19.0%	-1.9pp
EBITDA	721	812	+12.6%
EBITDA Margin	13.0%	15.0%	+2.0pp
Profit Attributable to Owners of the Company	165	192	+16.5%
Basic EPS (RMB cents)	9.93	11.57	+16.5%
Diluted EPS (RMB cents)	9.88	11.48	+16.2%



# Financial Highlights

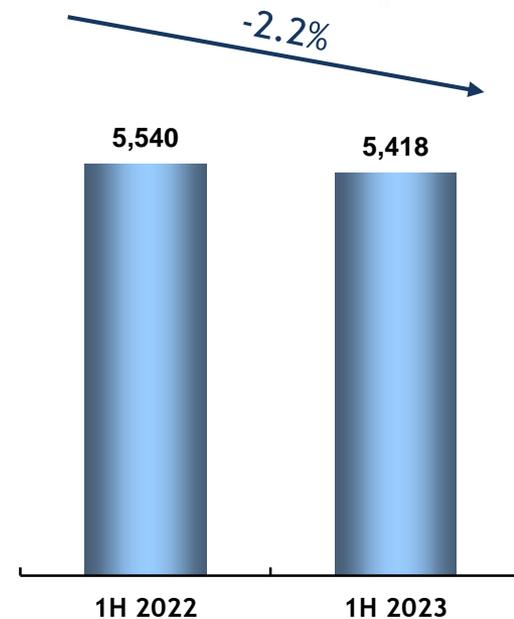
## Sales Volume by Product

'000 tonnes



## Revenue

RMB' million



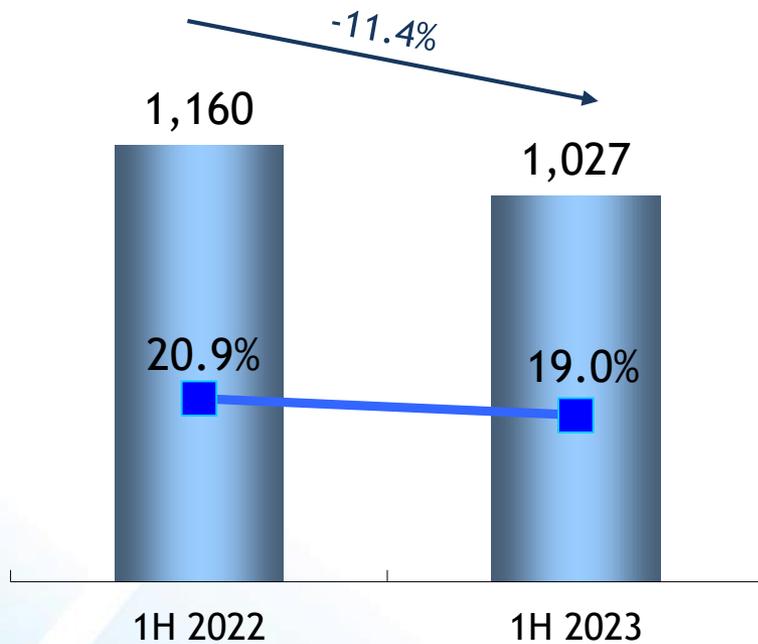
Radial tire cord for trucks   Radial tire cord for passenger cars   Bead wires   Hose wires & other wires



# Financial Highlights

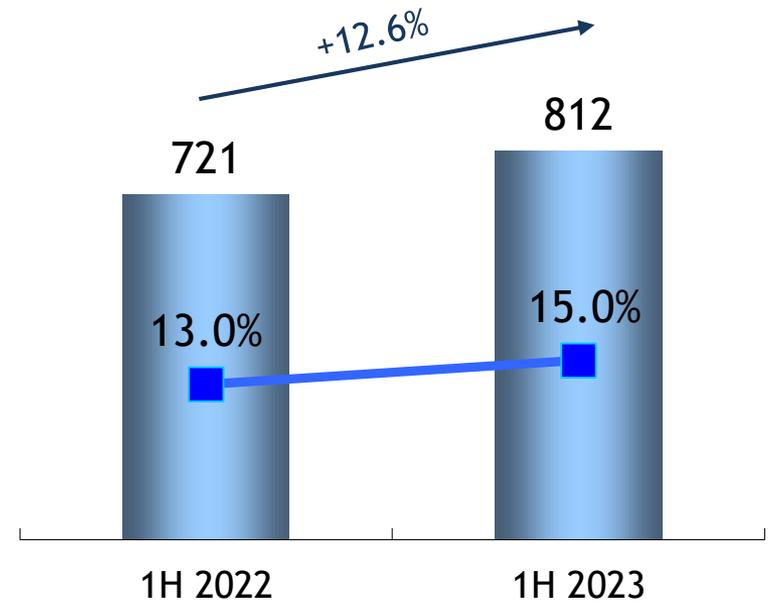
## Gross Profit & Margin

RMB' million



## EBITDA & Margin

RMB' million

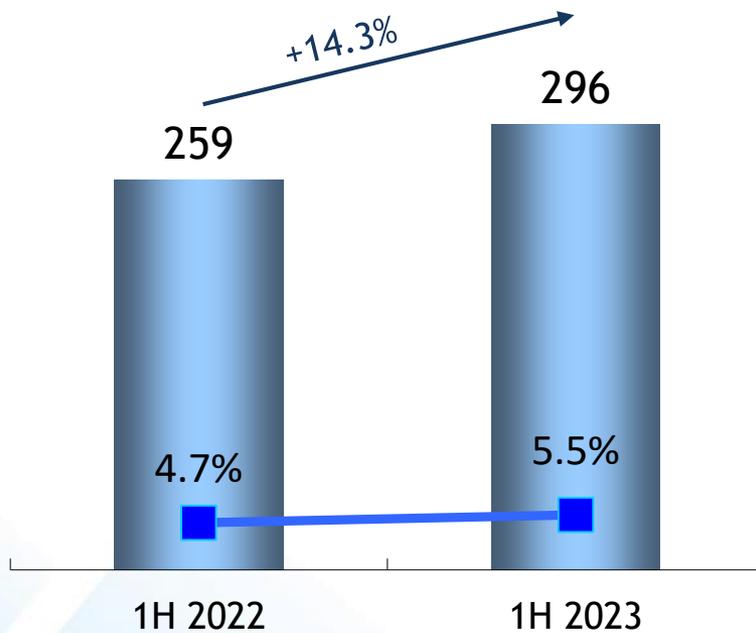




# Financial Highlights

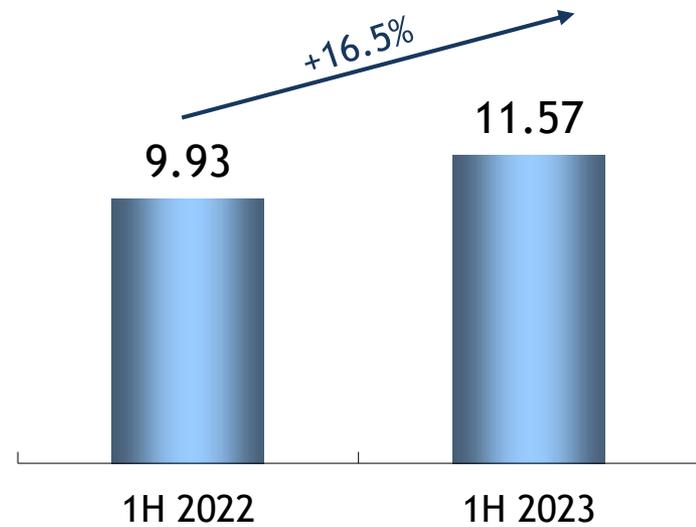
## Net Profit & Margin

RMB' million



## EPS - Basic

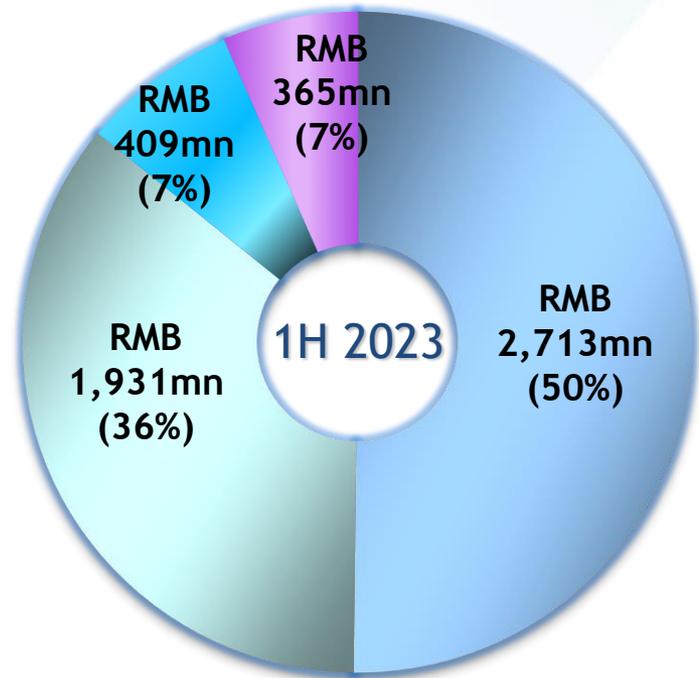
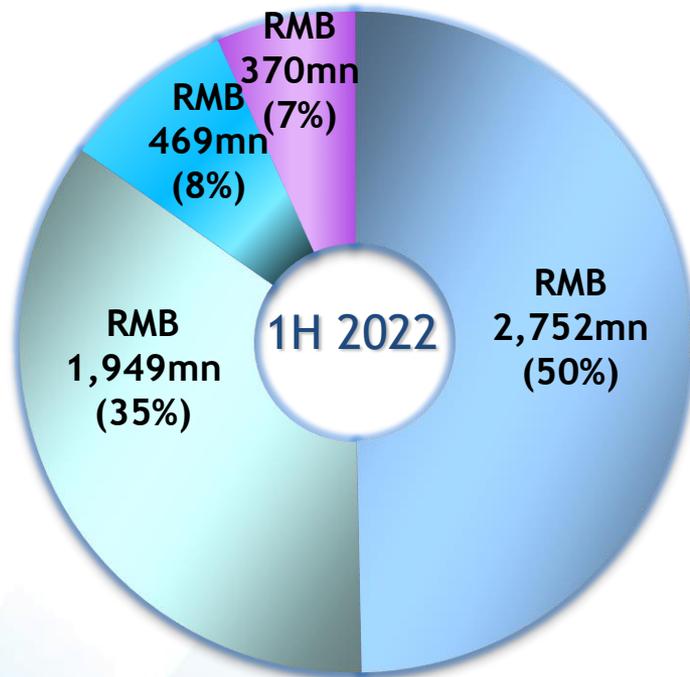
RMB cents





# Financial Highlights

## Revenue by Product



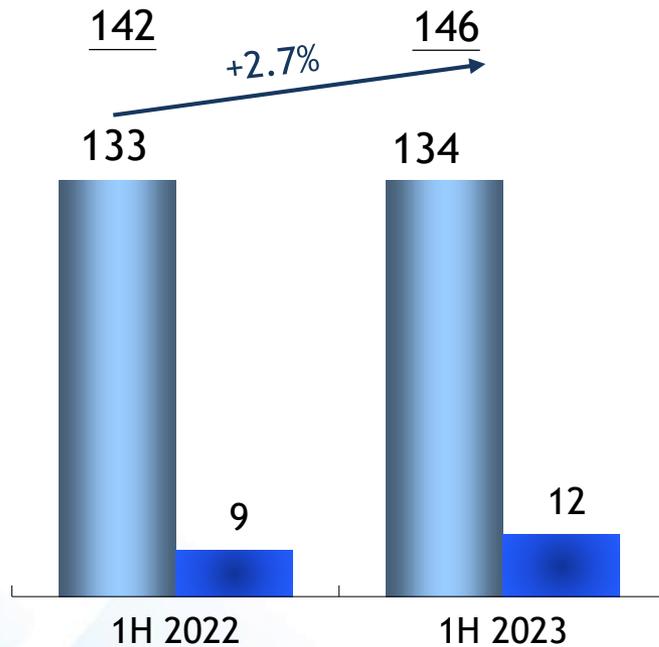
Radial tire cord for trucks   Radial tire cord for passenger cars   Bead wires   Hose wires & other wires



# Financial Highlights

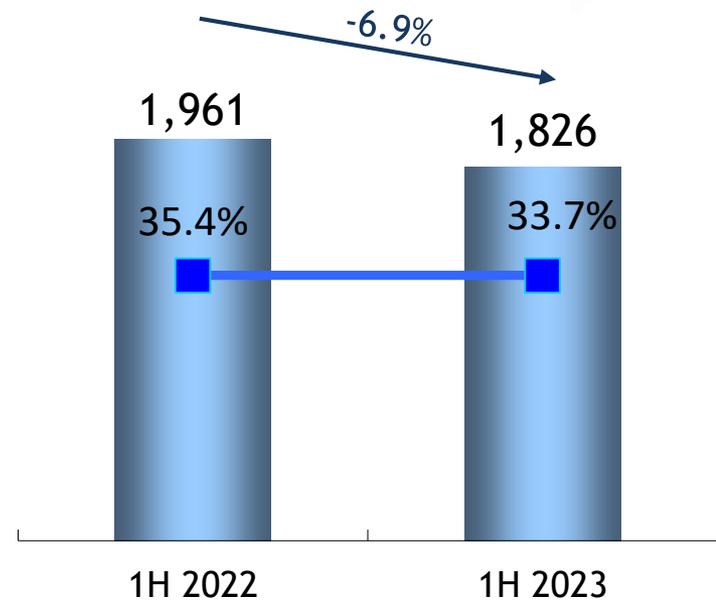
## Export Sales Volume

'000 tonnes



## Export Sales

RMB' million



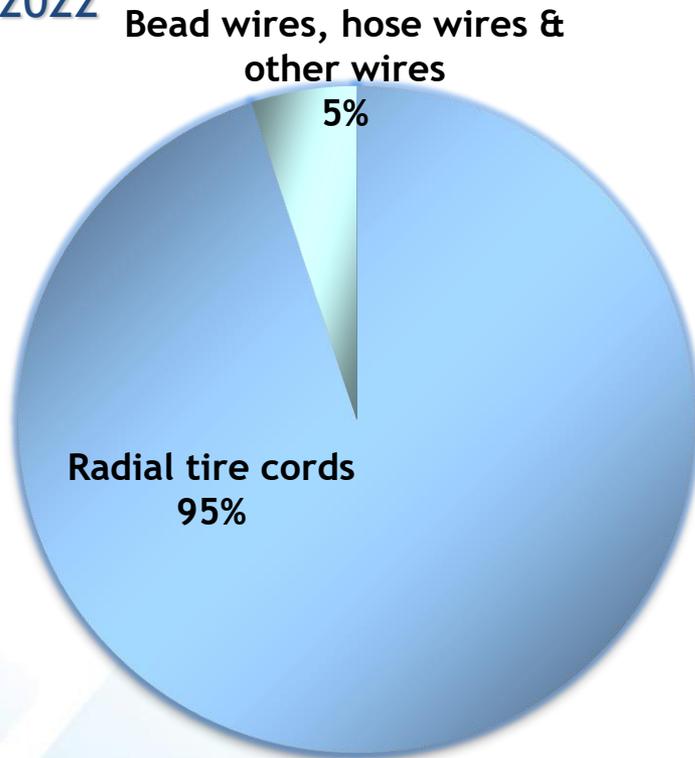
Radial tire cord

Bead wires, hose wires & other wires

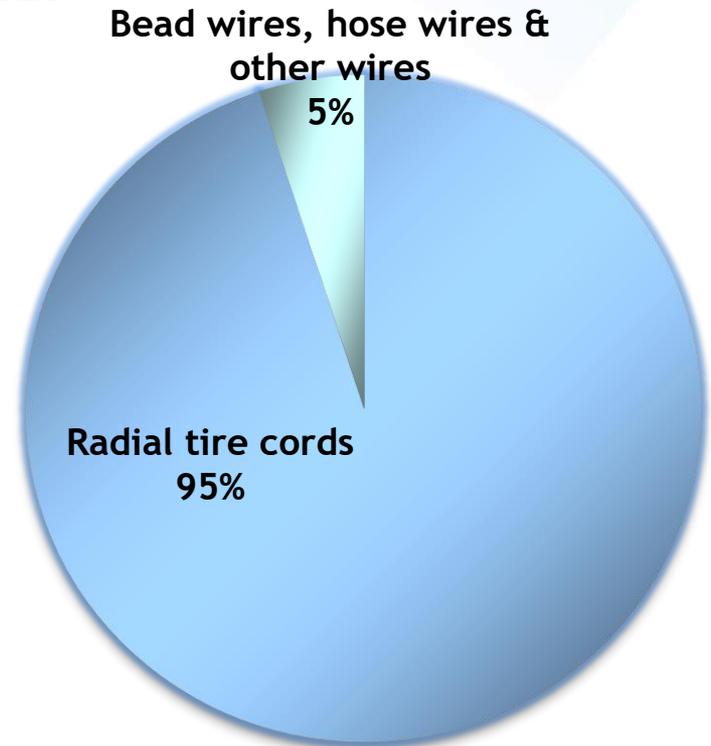


## Export Sales by Product

1H 2022



1H 2023

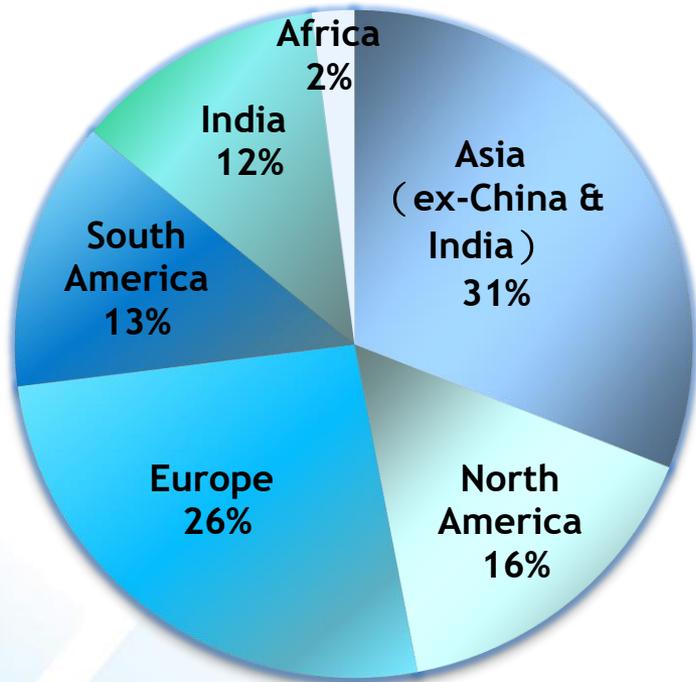




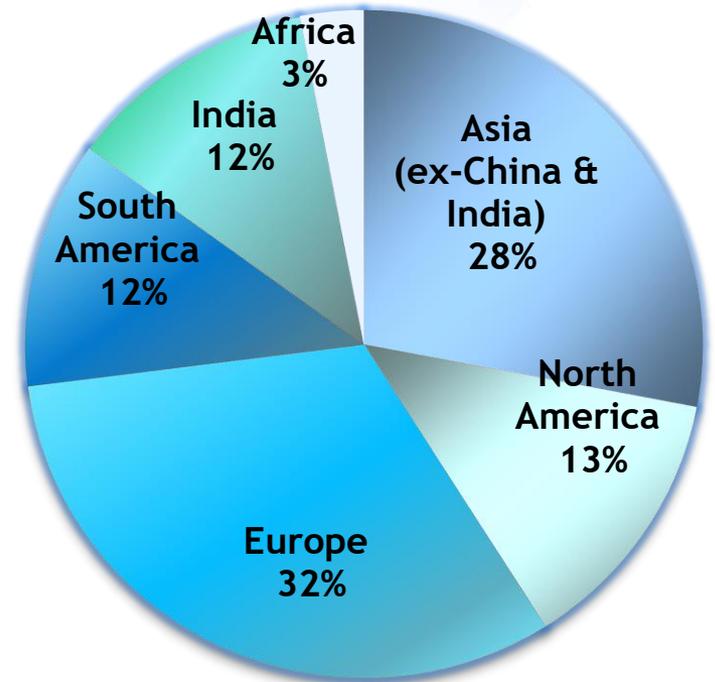
# Financial Highlights

## Export Sales by Location

1H 2022



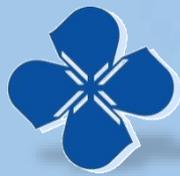
1H 2023





# Cash Flow (Extract)

	For the six months ended 30 June	
<i>RMB' million</i>	2022 (Unaudited)	2023 (Unaudited)
Net Operating Cash Inflow	600	1,324
Cash used in CAPEX	(808)	(625)
Net Addition (repayment) of Borrowings	589	(17)
Cash and Cash Equivalents at Period End	1,178	1,165



## Key Ratios

	As at 31 Dec 2022 (audited)	As at 30 Jun 2023 (unaudited)
Current Ratio (times)	1.0	1.0
Debtors' Turnover Days	97	105
Stock Turnover Days	50	49
Creditors' Turnover Days	131	113
Return on Capital Employed	3.8%	4.0%
Return on Equity	5.9%	6.4%
Gearing Ratio	32.8%	32.2%



# Capacity & Utilisation

## ❖ Production capacity

- ❖ Radial tire cords capacity increased from 975k tonnes in 1H 2022 to 999k tonnes in 1H 2023
- ❖ Bead wire capacity decreased from 177k tonnes in 1H 2022 to 159k tonnes in 1H 2023
- ❖ Hose wire and other wire capacity increased from 108k tonnes in 1H 2022 to 109k tonnes in 1H 2023

## ❖ Jiangsu Factory

- ❖ Radial tire cord capacity increased to 754k tonnes in 1H 2023

## ❖ Shandong Factory

- ❖ Radial tire cord capacity increased to 170k tonnes in 1H 2023

## ❖ Thailand Factory

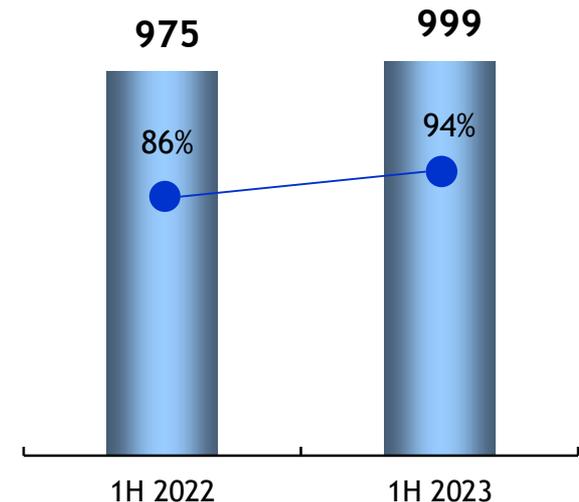
- ❖ Radial tire cord capacity increased to 75k tonnes in 1H 2023

## ❖ Utilisation rate

- ❖ Radial tire cord utilisation increased from 86% to 94% in 1H 2023

### Tire Cords Capacity & Utilisation Rate

'000 tonnes



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# Highlights for 1H 2023

## Revenue

- Decreased by 2.2% to RMB5.42 bn
- Mainly due to drop in the average selling prices of the Group's products

## Sales volume

- Increased by 12.7% to 594,300 tonnes
- Radial tire cords for trucks up by 14.1%
- Radial tire cords for passenger cars up by 14.3%

## GP Margin

- Decreased by 1.9 ppt to 19.0%
- Mainly due to the impairment loss on property, plant and equipment and freehold land of RMB91.6 million was included in cost of sales

## Profit Attributable to the Owners of the Company

- Increased by 16.5% to RMB192 mn

## Basic earnings per share

- RMB11.57 cents
- (1H 2022: RMB9.93 cents)

## Strong cash & cash equivalents

- RMB1.165 bn
- Continued to maintain a solid financial position

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# China Market Outlook

- ❖ At the end of the second quarter of 2023, economic activities in China were revived continuously, along with automobile production and sales rebounding and achieving year-on-year growth, all likely to boost demand for radial tire cords
- ❖ In December 2022, the State approved a plan to develop modern logistics, the issuance of the “Notice on the 14<sup>th</sup> Five-Year Plan for the Development of Modern Logistics”, will lead to an overall increase in the production and demand for automobiles and tires
- ❖ 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