XINGDA
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XINGDA INTERNATIONAL HOLDINGS LIMITED
興 達 國 際 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 01899)

FINAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

FINANCIAL HIGHLIGHTS

	2015	2014	
	RMB in million	*RMB in million*	**Change**
Revenue	**4,736.9**	5,594.9	**-15.3%**
Gross profit margin	**17.9%**	22.8%	**-4.9pp**
Profit attributable to owners of the Company	**173.8**	327.8	**-47.0%**
Adjusted profit attributable to owners of the Company (note)	**112.9**	336.5	**-66.4%**
Earnings per share – basic (RMB fen)	**11.57**	21.51	**-46.2%**
Gearing ratio	**5.4%**	8.1%	**-2.7pp**
Proposed final dividend/Final dividend per share (HK cents)	**10.0**	13.0	**-23.1%**
Dividend payout ratio	**71.7%**	47.2%	**+24.5pp**

Note: It is defined as profit attributable to owners of the Company excluding net gain on disposal of available-for-sale investment from non-operating activities, deferred tax charge related to the provision of withholding tax and net exchange loss arising from non-operating activities. Please refer to "Reconciliation of report profit and underlying profit" under "Financial Review" in "Management Discussion and Analysis" section of this announcement for details.

RESULTS

The board of directors (the "Board") of Xingda International Holdings Limited (the "Company" or "Xingda") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2015 together with the comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	NOTES	**2015** ***RMB'000***	2014 *RMB'000*
Revenue	5	**4,736,889**	5,594,925
Cost of sales		**(3,886,725)**	(4,321,990)
Gross profit		**850,164**	1,272,935
Other income	6	**22,453**	35,845
Gain on disposal of available-for-sale investment		**131,644**	—
Government grants		**29,977**	35,871
Selling and distribution expenses		**(376,432)**	(362,323)
Administrative expenses		**(280,902)**	(272,090)
Other gains and losses, net	7	**(49,827)**	(86,425)
Share of loss of a joint venture		**(11)**	(122)
Finance costs	8	**(34,235)**	(48,941)
Profit before tax		**292,831**	574,750
Income tax expense	9	**(53,109)**	(111,891)
Profit for the year	10	**239,722**	462,859
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Gain on revaluation of available-for-sale investment		—	66,600
Deferred tax liability on recognition on fair value gain on available-for-sale investment		—	(9,990)
Other comprehensive income for the year, net of tax		—	56,610
Total comprehensive income for the year, net of tax		**239,722**	519,469
Profit for the year attributable to:			
Owners of the Company		**173,754**	327,788
Non-controlling interests		**65,968**	135,071
		239,722	462,859

	NOTE	**2015**	2014
		RMB'000	*RMB'000*
Total comprehensive income for the year attributable to:			
Owners of the Company		**173,754**	367,155
Non-controlling interests		**65,968**	152,314
		239,722	519,469
Earnings per share	12		
Basic (RMB fen)		**11.57**	21.51

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	NOTES	**2015** *RMB'000*	2014 *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**3,984,404**	3,679,700
Prepaid lease payments		**282,157**	233,215
Investment properties		**136,690**	130,240
Interest in a joint venture		—	250,810
Available-for-sale investment		—	201,000
Deferred tax assets		**16,583**	10,493
Prepayment		**4,000**	11,583
		4,423,834	4,517,041
CURRENT ASSETS			
Prepaid lease payments		**6,965**	5,812
Inventories		**395,810**	544,497
Trade and other receivables	13	**1,933,267**	2,026,333
Bill receivables	13	**1,973,563**	2,493,087
Pledged bank deposits		**17,500**	8,000
Bank balances and cash		**733,347**	530,910
		5,060,452	5,608,639
CURRENT LIABILITIES			
Trade and other payables	14	**1,718,818**	2,231,812
Amount due to a related company		**157**	4,257
Tax payable		**32,051**	45,736
Bank borrowings - due within one year		**514,953**	815,690
Government grants		**15,500**	10,000
		2,281,479	3,107,495
NET CURRENT ASSETS		**2,778,973**	2,501,144
TOTAL ASSETS LESS CURRENT LIABILITIES		**7,202,807**	7,018,185
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**39,609**	53,505
NET ASSETS		**7,163,198**	6,964,680

	NOTE	**2015**	2014
		RMB'000	*RMB'000*
CAPITAL AND RESERVES			
Share capital	15	**148,014**	150,251
Reserves		**4,976,016**	5,030,489
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**5,124,030**	5,180,740
NON-CONTROLLING INTERESTS		**2,039,168**	1,783,940
TOTAL EQUITY		**7,163,198**	6,964,680

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	RMB'000	*RMB'000*
OPERATING ACTIVITIES		
Profit before tax	**292,831**	574,750
Adjustments for:		
Depreciation and amortisation	**482,910**	442,554
Interest income	**(5,817)**	(5,419)
(Gain) loss on fair value change on investment properties	**(6,450)**	3,060
Share of loss of a joint venture	**11**	122
Gain on deemed disposal of a joint venture	**(6,807)**	—
Loss on disposal of property, plant and equipment	**1,581**	12,449
Gain on disposal of land use right	**(7)**	—
Gain on disposal of available-for-sale investment	**(131,644)**	—
Impairment loss recognised in respect of trade and other receivables	**71,005**	10,424
Write-off of trade receivables	**2,912**	1,888
Recovery of doubtful debts	**(27,454)**	(7,857)
Recognition of equity-settled share-based payment	**6,116**	11,283
Finance costs	**34,235**	48,941
Operating cash flows before movements in working capital	**713,422**	1,092,195
Decrease (increase) in inventories	**168,050**	(179,713)
Decrease (increase) in trade and other receivables	**65,496**	(47,822)
Decrease (increase) in bill receivables	**519,524**	(101,413)
Decrease (increase) in prepayment	**3,000**	(1,583)
(Decrease) increase in trade and other payables	**(480,285)**	248,751
Increase in government grants received	**5,500**	—
(Decrease) increase in amount due to a related company	**(4,100)**	2,599
Purchase of shares for the purpose of share award scheme	—	(10,920)
Cash generated from operations	**990,607**	1,002,094
Income tax paid	**(81,239)**	(148,457)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**909,368**	853,637

	2015	2014
	RMB'000	*RMB'000*
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(417,610)**	(313,746)
Purchase of available-for-sale investment	—	(134,400)
Placement of pledged bank deposits	**(71,500)**	(85,500)
Purchase of land use right	**(418)**	—
Withdrawal of pledged bank deposits	**62,000**	111,500
Proceeds on disposal of property, plant and equipment	**1,373**	2,653
Proceeds on disposal of available-for-sale investment	**266,044**	—
Proceeds on disposal of land use right	**723**	—
Net cash inflow arising on acquisition of a subsidiary	**15,970**	—
Interest received	**5,817**	5,419
Repayment from a joint venture	—	3,650
NET CASH USED IN INVESTING ACTIVITIES	**(137,601)**	(410,424)
FINANCING ACTIVITIES		
Repayment of borrowings	**(911,352)**	(1,220,000)
Dividend paid	**(154,862)**	(191,812)
Dividend paid to non-controlling shareholders	**(41,000)**	(41,000)
Interest paid	**(30,380)**	(48,941)
Payment on repurchase of ordinary shares	**(42,351)**	(20,462)
New bank loans raised	**610,615**	1,195,690
NET CASH USED IN FINANCING ACTIVITIES	**(569,330)**	(326,525)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**202,437**	116,688
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**530,910**	414,222
CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by bank balances and cash	**733,347**	530,910

NOTES

1. GENERAL

The Company is a limited company incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The registered office of the Company is located at Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of its business is Xinghua City, Jiangsu Province, The People's Republic of China (the "PRC").

The consolidated financial statements are presented in Renminbi ("RMB") which is also the functional currency of the Company and its subsidiaries (the "Group").

The Company is an investment holding company and its subsidiaries are engaged in the manufacture and trading of radial tire cords, bead wires and other wires.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

The Group has applied the following amendments to IFRSs issued by the International Accounting Standard Board ("IASB") for the first time in the current year:

Amendments to IAS 19	Defined Benefit Plans: Employee Contributions
Amendments to IFRSs	Annual Improvements to HKFRSs 2010 -2012 Cycle
Amendments to IFRSs	Annual Improvements to HKFRSs 2011 -2013 Cycle

The application of the amendments to IFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or disclosures set out in these consolidated financial statements.

New and revised IFRSs in issue but not yet effective

The Group has not early applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments[1]
IFRS 14	Regulatory Deferral Accounts[2]
IFRS 15	Revenue from Contracts with Customers[1]
IFRS 16	Lease[5]

Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations[3]
Amendments to IAS 1	Disclosure Initiative[3]
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[3]
Amendments to IFRSs	Annual Improvements to IFRSs 2012-2014 Cycle[3]
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants[3]
Amendments to IAS 27	Equity Method in Separate Financial Statements[3]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception[3]

[1] Effective for annual periods beginning on or after 1 January 2018

[2] Effective for first annual IFRS financial statements beginning on or after 1 January 2016

[3] Effective for annual periods beginning on or after 1 January 2016

[4] Effective for annual periods beginning on or after a date to be determined

[5] Effective for annual periods beginning on or after 1 January 2019

IFRS 9 Financial Instruments

IFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2014 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in 2015 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9 are described below:

- all recognised financial assets that are within the scope of IAS 39 *Financial Instruments*: *Recognition and Measurement* are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.

- in relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the retrospective quantitative effectiveness test has been removed. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company anticipate that the application of IFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial assets (e.g. the impairment on trade and other receivables). It is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

IFRS 15 Revenue from Contracts with Customers

In July 2015, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related Interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15. The directors of the Company anticipate that the applicable of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of that effect of IFRS 15 until a detailed review has been completed.

Except as described above, the Director do not anticipate that the application of other new and revised IFRSs will have a material effect on the Group's consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") and by the Hong Kong Companies Ordinance.

The provisions of the new Hong Kong Companies Ordinance (Cap. 622) regarding preparation of accounts and directors' reports and audits became effective for the Company for the financial year ended 31 December 2015. Further, the disclosure requirements set out in the Listing Rules regarding annual accounts have been amended with reference to the new Hong Kong Companies Ordinance. Accordingly the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31 December 2015 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31 December 2014 are presented or disclosed in the consolidated financial statements based on the new requirements. Information previously required to be disclosed under the predecessor Hong Kong Companies Ordinance or Listing Rules but not under the new Hong Kong Companies Ordinance or amended Listing Rules are not disclosed in these consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis, except for certain properties and financial instruments that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods.

4. SEGMENT INFORMATION

The directors, being the chief operating decision maker of the Group, regularly review revenue analysis by types of products which are basically radial tire cords, bead wires and other wires, for the purposes of resource allocation and assessment of performance. However, other than revenue analysis, no operating results and other discrete financial information is available for the assessment of performance of the respective types of products. The directors review the operating results of the Group as a whole to make decisions about resource allocation. The operation of the Group constitutes one single operating and reportable segment under IFRS 8 "Operating Segments" and accordingly no separate segment information is prepared. The Group's non-current assets (other than deferred tax assets) are located in the PRC.

Revenue from major products

The following is an analysis of the Group's revenues from its major products:

	Year ended	
	2015	2014
	RMB'000	*RMB'000*
Radial tire cords		
- For trucks	**2,667,805**	3,428,443
- For passenger cars	**1,666,622**	1,699,786
Bead wires and other wires	**402,462**	466,696
	4,736,889	5,594,925

Geographical information

Information about the Group's revenue from operations from external customers is presented based on the location of the goods delivered.

	2015	2014
	RMB'000	*RMB'000*
The PRC (country of domicile)	**3,538,342**	4,465,483
India	**228,783**	209,448
Korea	**214,483**	216,782
United States of America	**172,013**	170,848
Germany	**84,569**	85,347
Others	**498,699**	447,017
	4,736,889	5,594,925

"Others" included revenue from various countries which are individually immaterial to the Group's total revenue.

Information about major customers

Revenues from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

	2015	2014
	RMB'000	*RMB'000*
Customer 1	**491,109**	653,418

5. REVENUE

Revenue represents amounts received and receivable for sales of radial tire cords, bead wires and other wires in the normal course of business, net of discount.

6. OTHER INCOME

	2015	2014
	RMB'000	*RMB'000*
Sales of scrap materials	**4,900**	19,487
Interest income earned on bank balances and bank deposits	**5,817**	5,419
Cash discounts received on early settlement of trade payables	**338**	18
Rental income from investment properties, net	**6,123**	6,024
Sundry income	**5,275**	4,897
	22,453	35,845

7. OTHER GAINS AND LOSSES, NET

	2015	2014
	RMB'000	*RMB'000*
(Gain) loss on fair value change of investment properties	**(6,450)**	3,060
Loss on disposal of property, plant and equipment	**1,581**	12,449
Gain on disposal of land use right	**(7)**	—
Gain on deemed disposal of a joint venture	**(6,807)**	—
Research and development expenditure	**44,950**	57,078
Impairment loss recognised on trade and other receivables	**71,005**	10,424
Write-off of trade receivables	**2,912**	1,888
Recovery of doubtful debts	**(27,454)**	(7,857)
Exchange (gain) loss, net	**(29,903)**	9,383
	49,827	86,425

8. FINANCE COSTS

	2015	2014
	RMB'000	*RMB'000*
Interest on:		
Bank loans wholly repayable within five years	**34,235**	48,941

9. INCOME TAX EXPENSE

	2015	2014
	RMB'000	*RMB'000*
Current tax	**82,292**	118,010
Overprovision in prior years	**(4,748)**	(4,403)
Deferred taxation	**(24,435)**	(1,716)
	53,109	111,891

The tax charge represents income tax in the PRC which is calculated at the prevailing tax rate of 25% for both years on the taxable income of the group entities in the PRC. Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate for certain PRC subsidiaries is 25% from 1 January 2008 onwards except for the subsidiary described below.

Jiangsu Xingda Steel Tyre Cord Co., Ltd. ("Jiangsu Xingda") renewed its High-tech Enterprise Certificate which expired in 2014 with the relevant authorities issued the High-tech Enterprise Certificate on 6 July 2015. In accordance with the renewed High-tech Enterprise Certificate, the status of High-tech Enterprise is effective for the years 2015, 2016 and 2017. As a result, the tax rate of 15% is used to calculate the amount of current and deferred tax for the years ended 31 December 2015 and 2014.

No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in, nor is derived from, Hong Kong for both years.

The tax charge for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2015	2014
	RMB'000	*RMB'000*
Profit before tax	**292,831**	574,750
Tax at the PRC tax rate of 25%	**73,207**	143,688
Tax effect of expenses not deductible for tax purposes	**24,841**	16,860
Tax effect of income not taxable for tax purposes	**(14,339)**	(14,948)
Tax effect of preferential tax rate	**(15,737)**	(22,817)
Tax effect of share of loss of a joint venture	**3**	30
Overprovision in prior years	**(4,748)**	(4,403)
Withholding tax (Note)	**(9,850)**	(6,405)
Others	**(268)**	(114)
Income tax expense for the year	**53,109**	111,891

Note: Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards at a tax rate of 10%. In 2015, one of the PRC subsidiaries, Jiangsu Xingda Special Cord Co., Ltd. ("Xingda Special Cord") has distributed previously proposed dividends of RMB130,500,000 (2014: RMB111,000,000) and proposed additional dividends on 2015's earnings to its immediate holding company, Faith Maple International Ltd. ("Faith Maple") which was not accredited as a PRC tax resident as at 31 December 2015 and up to the date of these consolidated financial statements were authorised for issuance.

As a result, a deferred tax credit of approximately RMB9,850,000 (2014: RMB6,405,000) was provided in these consolidated financial statements. No deferred taxation has been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries other than Xingda Special Cord amounting to RMB2,451,000,000 (2014: RMB2,165,000,000), as the Group is able to control the timing of the reversal of the temporary differences of these PRC subsidiaries and it is probable that the temporary differences will not reverse in the foreseeable future.

10. PROFIT FOR THE YEAR

	2015	2014
	RMB'000	*RMB'000*
Profit for the year has been arrived at after charging (crediting):		
Staff cost, including directors' remuneration		
Salaries, wages and other benefits	**468,620**	480,348
Retirement benefits scheme contributions	**33,559**	34,452
Share-based payments	**6,116**	11,283
Total staff costs	**508,295**	526,083
Amortisation of prepaid lease payments	**6,920**	5,812
Auditor's remuneration	**2,005**	1,815
Cost of inventories recognised as an expense	**3,886,725**	4,321,990
Depreciation for property, plant and equipment	**475,990**	436,742
Gross rental income from investment properties	**(6,490)**	(6,394)
Less: direct operating expenses incurred for investment properties that generated rental income during the year	**367**	370
	(6,123)	(6,024)

11. DIVIDEND

	2015	2014
	RMB'000	*RMB'000*
Dividend recognised as distribution during the year:		
Final dividend paid in respect of the year ended 31 December 2014 – 13.0 HK cents per share (2014: final dividend paid in respect of the year ended 31 December 2013 – 16.0 HK cents per share)	**154,862**	191,812
Final dividend proposed, 10.0 HK cents (financial year ended 31 December 2014: 13.0 HK cents) per share	**124,619**	154,862

Subsequent to the end of the reporting period, final dividend for the year ended 31 December 2015 of 10.0 HK cents (2014: 13.0 HK cents) per share has been proposed by the Directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

The dividend proposed for the year ended 31 December 2015 and the dividend paid for financial year ended 31 December 2014 will be or were paid out of share premium. Under the Companies Law (Revised) Chapter 22 of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum of Association and Articles of Association and provided that immediately following the distribution of dividend the Company is able to pay its debts as they fall due in the ordinary course of business.

12. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	2015	2014
	RMB'000	*RMB'000*
Earnings		
Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company)	**173,754**	327,788

	2015	2014
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,502,008**	1,523,812

There was no potential ordinary shares outstanding during the years ended 31 December 2015 and 2014.

13. TRADE AND OTHER RECEIVABLES AND BILL RECEIVABLES

The Group has a policy of allowing an average credit period of 120 days to its trade customers. The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period which approximated the respective revenue recognition dates.

The Group accepts bills from various local customers as settlement when the trade receivables fall due. Before accepting the bills, the Group would confirm with the relevant banks on the validity of the bills. It is the Group's practice to utilise bills received to settle certain of its debts. The aged analysis of bill receivables is presented based on the invoice date as at the end of the reporting period which approximated the respective revenue recognition dates.

	2015	2014
	RMB'000	*RMB'000*
Trade receivables		
0 - 90 days	**1,304,091**	1,417,477
91 - 120 days	**203,963**	215,274
121 - 180 days	**212,972**	214,540
181 - 360 days	**168,758**	128,198
Over 360 days	**10,404**	—
	1,900,188	1,975,489
Advance to raw material suppliers	**6,220**	—
Prepayment for spools	**10,323**	26,637
Other receivables and prepayments	**22,302**	24,327
Less: Allowance for doubtful debts on other receivables	**(5,766)**	(120)
	33,079	50,844
	1,933,267	2,026,333
Bill receivables		
0 - 90 days	**85,245**	278,043
91 - 180 days	**677,517**	890,119
181 - 360 days	**1,087,726**	1,192,080
Over 360 days	**123,075**	132,845
	1,973,563	2,493,087

14. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period.

	2015	2014
	RMB'000	*RMB'000*
Trade payables		
0 - 90 days	**726,020**	853,393
91 - 180 days	**197,015**	546,088
181 - 360 days	**256,601**	163,511
Over 360 days	**31,051**	10,351
	1,210,687	1,573,343
Value-added tax payables and other tax payables	**4,472**	43,014
Accrued staff costs and pension	**197,811**	202,309
Payables for purchase of property, plant and equipment	**251,386**	318,251
Accrued interest expense	**5,248**	1,393
Accrued electricity charges	**1,773**	53,322
Others	**47,441**	40,180
	508,131	658,469
	1,718,818	2,231,812

All Group's trade payables are denominated in the functional currency of the group entities.

The average credit period on purchase of goods is 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

15. SHARE CAPITAL

	Number of shares		Share capital	
	2015	2014	**2015**	2014
	'000	*'000*	***RMB'000***	*RMB'000*
Authorised:				
3 billion ordinary shares of HK$0.10 each	**3,000,000**	3,000,000	**301,410**	301,410
Issued and fully paid:				
At beginning of year	**1,515,287**	1,524,777	**150,251**	150,999
Repurchase of shares	**(27,792)**	(9,490)	**(2,237)**	(748)
At end of year	**1,487,495**	1,515,287	**148,014**	150,251

During the year ended 31 December 2015, the Company repurchased its own shares through the Stock Exchange of Hong Kong Limited as follows:

	No. of ordinary shares at HK$0.1 each	Price per share		Aggregate consideration paid	Aggregate consideration paid equivalent to
		Highest	Lowest		
	'000	*HK$*	*HK$*	*HK$'000*	*RMB'000*
January 2015	5,220	2.70	2.49	13,582	10,753
July 2015	9,202	2.05	1.65	17,931	14,149
August 2015	2,239	1.60	1.51	3,537	2,916
September 2015	10,360	1.65	1.49	16,444	13,497
October 2015	771	1.67	1.58	1,265	1,036
	27,792			52,759	42,351

The above shares were cancelled subsequently after their repurchase. Save as disclosed above, neither the Company nor any of the Company's subsidiaries purchased, sold or redeemed any of the Company's shares during the year ended 31 December 2015.

16. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation.

17. SUBSEQUENT EVENT

On 24 January 2016, the directors of Shandong Xingda Steel Tyre Cord Co., Ltd. ("Shandong Xingda") have approved to increase the capital of Shandong Xingda by RMB100,000,000. As the Group holds 51% shareholdings of Shandong Xingda, it has to inject RMB51,000,000 to Shandong Xingda. At the date of this report, the Group has injected RMB30,000,000 into Shandong Xingda.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

China's GDP grew by 6.9% in 2015. The country's weaker economic growth led to a weak demand on trucks as well as logistics services. According to the China Association of Automobile Manufacturers, the national production volume of trucks fell by 11.4% to approximately 2.83 million vehicles, while the production volume of passenger cars increased by 5.8% to about 21.08 million vehicles in 2015. This was mainly attributable to a policy launched by the Chinese government in late September last year to cut the sales tax of vehicles with engines under 1.6 litres by 50%, which stimulated the production and sale of such vehicles.

According to the China Rubber Industry Association, China's tire output increased by 0.18% to approximately 563 million units last year, of which approximately 518 million units were radial tires. The modest rise in radial tire production was the result of the Chinese government's efforts to promote the use of radial tires on passenger cars, heavy-duty trucks and light-duty trucks. In 2015, the radialization rate reached 92%, up from 90% in 2014.

BUSINESS REVIEW

Widespread volatility existed in global and domestic financial markets in 2015, particularly in the second half of the year. The resulting unfavourable sentiment together with the intense competition in the radial tire cord industry has caused the Group's total sales volume to decline by 2.0% to 580,800 tonnes. The sales volume of radial tire cords dropped by 2.5% to 501,100 tonnes, accounting for 86.3% of the Group's total sales volume (2014: 86.7%). However, the sales volume of bead wires and other wires increased by 1.3% to 79,700 tonnes, representing 13.7% of the Group's total sales volume (2014: 13.3%).

During the year, the sales volume of radial tire cords for trucks registered a decrease of 9.3% to 304,000 tonnes. This drop was mainly attributable to the weaker demand within the truck industry seen both in new orders and replacement demand as a result of China's slower economic growth. The sales volume of radial tire cord for passenger cars rose 10.4% to 197,100 tonnes, due to the Group's efforts in adjusting its global market strategies and developing the overseas passenger cars market, which has in turn increased the contribution of the overseas market to the sales of radial tire cords for passenger cars. Sales of radial tire cords for trucks and passenger cars represented 60.7% and 39.3% of the Group's total sales volume of radial tire cord products respectively (2014: 65.2% and 34.8%).

Sales Volume	**2015** ***Tonnes***	2014 *Tonnes*	Change
Radial tire cords	**501,100**	513,900	-2.5%
- For trucks	***304,000***	*335,300*	*-9.3%*
- For passenger cars	***197,100***	*178,600*	*+10.4%*
Bead wires and other wires	**79,700**	78,700	+1.3%
Total	**580,800**	592,600	-2.0%

The slowdown in China's economic growth has caused the domestic sales volume of radial tire cords to drop by 7.0% to 385,100 tonnes (2014: 414,200 tonnes), representing 76.9% of the Group's total sales volume for this product (2014: 80.6%). Nonetheless, the Group's global business continued to show stable growth and maintained healthy momentum. Internationally, the pan-Asia Pacific region (excluding China) and North America markets remain the Group's key overseas markets. Stable growth is continued to be seen in overseas orders from countries such as India, Germany, Korea and the United States of America. The export sales volume of the Group's radial tire cords increased to 116,000 tonnes (2014: 99,700 tonnes), accounting for 23.1% of the Group's total sales volume of radial tire cords in 2015 (2014: 19.4%).

The Group's new Shandong plant commenced operation in the second quarter of 2015, boosting the Group's total annual production capacity of radial tire cords to 610,000 tonnes. The annual production capacity of its Jiangsu factory and phase one of the Shandong plant was 560,000 tonnes and 50,000 tonnes respectively. As for bead wires and other wires, the annual production capacity was 112,000 tonnes. During the year, the overall utilisation rate of the Group dropped to 80% (2014: 90%).

	2015 Production Capacity (Tonnes)	**2015 Utilization Rate**	2014 Production Capacity (Tonnes)	2014 Utilization Rate
Radial tire cords	**610,000**	**82%**	560,000	94%
Bead wires and other wires	**112,000**	**71%**	112,000	71%
Overall	**722,000**	**80%**	672,000	90%

As at the end of 2015, the Group offered a wide variety of products, including 238 types of radial tire cords, 83 types of bead wires and other wires.

FINANCIAL REVIEW

Revenue

The Group's revenue breakdown by product category is as follows:

RMB in million	**2015**	**Proportion**	2014	Proportion	Change
Radial tire cords	**4,334.4**	**91%**	5,128.2	92%	-15.5%
- For trucks	***2,667.8***	***56%***	*3,428.4*	*61%*	*-22.2%*
- For passenger cars	***1,666.6***	***35%***	*1,699.8*	*31%*	*-2.0%*
Bead wires and other wires	**402.5**	**9%**	466.7	8%	-13.8%
Total	**4,736.9**	**100%**	5,594.9	100%	-15.3%

The Group's total revenue in 2015 decreased by 15.3% or RMB858.0 million to RMB4,736.9 million, mainly due to the decrease in average selling prices of the radial tire cords and lower sales of radial tire cords for trucks in China.

Gross profit and gross profit margin

Gross profit decreased by 33.2% or RMB422.7 million to RMB850.2 million in 2015 (2014: RMB1,272.9 million), mainly due to the Group's strategy to set a lower average selling price to cope with the competition of the industry. Hence, gross profit margin decreased 4.9 percentage points to 17.9% (2014: 22.8%).

Other income

Other income decreased by RMB13.3 million or 37.2% from RMB35.8 million in 2014 to RMB22.5 million for the year under review, due to the decrease in sales of scrap materials.

Government grants

Government grants for the year decreased by 16.4% from RMB35.9 million in 2014 to RMB30.0 million mainly due to the decrease in recurring subsidies from the local government.

Gain on disposal of available-for-sale investment

The gain on disposal of available-for-sale investment amounting to RMB131.6 million in 2015 represented a gain realized on selling the shares of Guizhou Tyre Co., Ltd. ("Guizhou Tyre") in April 2015 as mentioned below.

Selling and distribution expenses

In 2015, selling and distribution expenses increased by RMB14.1 million or 3.9% to RMB376.4 million (2014: RMB362.3 million), which was mainly caused by the higher shipping cost associated with higher export sales volume. The increase in selling and distribution expenses is partially offset by the decrease in incentive rewards payable to the sales team.

Administrative expenses

Administrative expenses increased by RMB8.8 million or 3.2% to RMB280.9 million in 2015. Such increase was mainly due to the inclusion of administrative expenses from a new subsidiary, Shandong Xingda Steel Tyre Cord Co., Ltd and an increase in local tax levies which had fully offset the drop in staff costs.

Other gain and losses, net

Other gains and losses, net decreased by RMB36.6 million or 42.4% from RMB86.4 million in 2014 to RMB49.8 million in 2015. The decrease was mainly attributable to the net exchange gain and gain on fair value change of investment properties recognized in this year accompanied with a drop in research and development expenditure which was partially offset by the increase in impairment loss recognised on trade and other receivables.

Finance costs

Finance costs dropped by RMB14.7 million or 30.1% to RMB34.2 million from RMB48.9 million in 2014. The decrease was mainly due to the drop of both the average balance of bank borrowings and the weighted average interest rate of bank borrowings.

Income tax expense

The Group's income tax charge decreased by RMB58.8 million to RMB53.1 million with an effective tax rate 18.1% (2014: 19.5%). The decrease in income tax expenses was mainly caused by the decline in operating profits.

Net profit

Taking the above factors into account, the Group's net profit for the year ended 31 December 2015 decreased by RMB223.2 million or 48.2% from RMB462.9 million in 2014 to RMB239.7 million. If the net gain on disposal of available-for-sale investment from non-operating activities, deferred tax charges related to provision of withholding tax and net exchange loss arising from non-operating activities were excluded, the adjusted net profit of the Group for the year ended 31 December 2015 have been RMB144.8 million, representing a decrease of RMB326.8 million or 69.3% when compared with the previous year.

Reconciliation of report profit and underlying profit

	2015	2014
	RMB'000	*RMB'000*
Profit for the year	**239,722**	462,859
Net gain on disposal of available-for-sale investment from non-operating activities	**(111,897)**	-
Deferred tax charges related to the provision of withholding tax	**3,200**	3,585
Net exchange loss arising from non-operating activities	**13,802**	5,107
Underlying profit for the year	**144,827**	471,551
Underlying profit for the year attributable to:		
Owners of the Company	**112,943**	336,480
Non-controlling interests	**31,884**	135,071
	144,827	471,551

LIQUIDITY, CAPITAL RESOURCES AND CAPITAL STRUCTURE

During the year under review, there was no significant change in the Group's funding and treasury policy. The principal source of liquidity and capital resources was cash flow generated from operating activities and proceeds from disposal of available-for-sale investment whereas the principal uses of cash were expansion of production capacity, payment of dividends, repayment of bank loans and payment for repurchase of ordinary shares.

Bank balances and cash including bank deposits of the Group increased by RMB202.4 million from RMB530.9 million as at 31 December 2014 to RMB733.3 million as at 31 December 2015. The increase was due to the cash generated from operating activities of RMB909.3 million exceeding the cash used in financing activities of RMB569.3 million and investment activities of RMB137.6 million.

Bank borrowings decreased by RMB300.7 million or 36.9% to RMB515.0 million as at 31 December 2015 from RMB815.7 million as at 31 December 2014. The bank borrowings carry interest at market rates from 1.05% to 5.60% (2014: 1.43% to 5.70%) and are repayable within one year from 31 December 2015.

The Group's current assets decreased by 9.8% to RMB5,060.5 million as at 31 December 2015 from RMB5,608.6 million as at 31 December 2014 and its current liabilities decreased by 26.6% from RMB3,107.5 million as at 31 December 2014 to RMB2,281.5 million as at 31 December 2015. The Group's current ratio, being defined as current assets over current liabilities, increased from 1.80 times as at 31 December 2014 to 2.22 times as at 31 December 2015. The increase was mainly caused by the decrease in trade and other payables and bank borrowings repayable within one year as well as an increase in bank balances and cash. The gearing ratio which is measured by total debts (bank borrowings) to total assets decreased from 8.1% as at 31 December 2014 to 5.4% as at 31 December 2015 mainly due to a decrease in bank borrowings repayable within one year.

FOREIGN EXCHANGE RISK

The Group's sales and purchases were principally denominated in Renminbi, US dollars and euros. Part of the sales proceeds in US dollars and euros have been used to purchase imported raw materials in the same currencies, while the exchange rate fluctuation of Renminbi did not have a significant adverse effect on the operating results of the Group in 2015.

Apart from certain bank and debtors' balances in US dollars, euros and Hong Kong dollars, most of the assets and liabilities of the Group were denominated in Renminbi. Therefore, the Group was not exposed to significant foreign exchange risk. During the year under review, the depreciation of Renminbi provided a favourable effect on the operation or liquidity of the Group. Accordingly, the Group did not enter into any financial derivative instruments to hedge against foreign exchange currency exposure during the year under review. However, the Group is closely monitoring the impact of change in value of the renminbi on its operations and may consider appropriate hedging solutions, if required.

CAPITAL EXPENDITURE

For the year ended 31 December 2015, capital expenditure of the Group for property, plant and equipment amounted to RMB350.7 million (2014: RMB417.8 million).

CAPITAL COMMITMENTS

As at 31 December 2015, the Group had made capital commitment of approximately RMB82.1 million (31 December 2014: RMB143.5 million) for acquisition of property, plant and equipment contracted for but not provided in the financial statements. The Group did not make any capital commitment for acquisition of property, plant and equipment authorised but not contracted for in both years.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31 December 2015 and 31 December 2014.

PLEDGE OF ASSETS

As at 31 December 2015, the Group pledged bank deposits of RMB17.5 million to a bank to secure bank borrowings of the Group (31 December 2014: RMB8.0 million).

SIGNIFICANT INVESTMENTS

On 14 April 2015, Jiangsu Xingda, a subsidiary of the Company, disposed of 30,000,000 A shares of Guizhou Tyre to the Purchaser, an independent third party, for an aggregate consideration, after expenses, of approximately RMB266.0 million pursuant to an agreement entered into between Jiangsu Xingda and the Purchaser. Upon completion of the disposal, the Group no longer holds any shares in Guizhou Tyre.

SIGNIFICANT ACQUISITIONS AND DISPOSALS

Other than the disposal of an investment as mentioned in the above paragraph headed "Significant Investments", the Group had no other significant acquisitions and disposals for the years ended 31 December 2015 and 31 December 2014 respectively.

HUMAN RESOURCES

As at 31 December 2015, the Group had approximately 6,400 (31 December 2014: approximately 6,500) full time employees. Total staff costs including directors' remuneration for the year ended 31 December 2015 was approximately RMB508.3 million (2014: approximately RMB526.1 million). Salaries are generally reviewed with reference to employees' merit, qualifications and competence. The calculation of bonuses was based on an evaluation of individual efforts and contributions to the financial performance of the Group. The Group also continues to provide training programs for staff to enhance their technical and product knowledge as well as knowledge of industry quality standards.

In addition to salaries and bonuses, the Group also provides various benefits to employees through the Labour Union of Jiangsu Xingda ("Xingda Labour Union"). Each year, Jiangsu Xingda contributes 2% of the total salary of its staff ("Union Fee") to support operation of the Xingda Labour Union. The Union Fee, together with other funds obtained by the Xingda Labour Union, are used to provide a variety of welfare benefits and services to employees of the Group, including provision of staff quarters which employees may choose to purchase. For the year ended 31 December 2015, the amount of Union Fees contributed by Jiangsu Xingda to the Xingda Labour Union amounted to RMB8.5 million (2014: RMB8.1 million).

According to the Social Insurance Regulations published by the State Council of China on 14 January 1999, the Group is required to make contributions to pension funds and insurance policies for its employees. Full-time employees of the Group in China are covered by the contributory pension scheme managed by the state entitling them to a monthly pension after they retire. The PRC government is responsible for crediting the pension to the retired and the Group is required to make annual contributions to the retirement scheme run by the Xinghua Municipality at a specified rate. The contribution is booked in due course as an operating expense of the Group. Under the scheme, no forfeited contributions are available to reduce the existing level of contributions. Apart from the pension funds, the Group has provided medical, personal accident and unemployment insurance policies for its employees.

In 2009, the Board of Directors adopted a share award scheme to encourage and retain elite employees to stay with the Group and to provide incentives to achieve performance goals with a view to attaining the objectives of increasing the value of the Group and aligning the interests of selected employees directly to the shareholders of the Company through ownership of shares. Pursuant to the scheme, shares will be purchased by the trustee in the market out of cash contributed by the Company and be held in trust for the selected employees until such shares are vested in the selected employees in accordance with the provisions of the scheme.

In 2010, 5,000,000 shares in the Company (the "First Batch Shares") were purchased by the trustee on the public market. In 2011, another 5,000,000 shares in the Company (the "Second Batch Shares") were purchased by the trustee on the public market. In 2013, 10,481,000 shares in the Company were purchased by the trustee on the public market, of which 5,000,000 shares were added to the Second Batch Shares and the remaining 5,481,000 shares were treated as the "Third Batch Shares". In 2014, 4,519,000 shares in the Company were purchased by the trustee on the public market and were added to the "Third Batch Shares". As at 31 December 2015, the balance of the Third Batch Shares was 10,000,000 shares.

As at 31 December 2015, all the First Batch Shares and the Second Batch Shares have been vested with selected employees. The next vesting of shares will be expected to defer by one year to 2017 and therefore all the Third Batch Shares are expected to be vested with selected employees in a three-year period from 2017 onwards.

PROSPECTS

The Group expects the global economy to remain unstable in the short term. Hence, the management will prudently formulate business strategies that are appropriate for this complex business environment. In the long term, slower economic growth will present an opportunity for China to conduct inventory adjustments, comprehensive supply-side reforms and expand demand. This will lay the foundation for China to enter the new normal of medium to high rate economic growth. The government is also taking steps to revive the economy by implementing major initiatives such as One Belt, One Road, Beijing-Tianjin-Hebei integration, and state-owned enterprise reforms. In addition, Public-Private Partnership (PPP) will accelerate infrastructure development, while relaxed financing constraints will stimulate investment in property and other assets. The aforementioned factors will add momentum to the recovery of the radial tire cord market in the long run.

On the industry front, the radial tire cord industry is expected to remain competitive. However, as more small and medium-sized players in this industry begin to shut down due to prohibitive operating costs, the downward spiral of radial tire cord prices is likely to stop. It is believed that a new industry landscape will emerge afterwards. Xingda will continue to leverage on its strong production capacity and abundant capital to overcome the tumultuous environment, minimize negative external impacts, and seize emerging opportunities once consolidation concludes. As obsolete production facilities are removed from the market, resource allocation and profit levels within the industry will improve accordingly. This may help Xingda increase its market share as well.

The Group will adopt measures that are suitable for market conditions, and timely adjustments will be made to reinforce existing advantages. With regards to production, the Group will place emphasis on enhancing the utilization rate of production facilities, as well as maintaining and optimizing product quality, in order to gain the recognition and trust of its current and potential customers. On the sales front, the Group will closely monitor market trends and adjust strategies and resource allocation of different products according to geographical areas and target customers. As for operations, the Group will impose stringent controls on capital expenditure, improve its financial position, and enhance operational efficiency to maximize gains for the Company. The management believes that Xingda will remain well-positioned to capture future opportunities through these positive and effective measures.

DIVIDEND

The Board has recommended the payment of a final dividend of 10.0 HK cents (approximately RMB8.4 fen) per share for the financial year ended 31 December 2015 to the shareholders whose names appear on the register of members of the Company on Friday, 3 June 2016. The final dividend will be payable on Thursday, 30 June 2016.

ANNUAL GENERAL MEETING

An annual general meeting of the Company will be held on Friday, 20 May 2016, notice of which will be published and dispatched to the shareholders as soon as practicable in accordance with the Company's articles of association and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 18 May 2016 to Friday, 20 May 2016, both days inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the forthcoming annual general meeting to be held on Friday, 20 May 2016, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Boardroom Share Registrars (HK) Limited at 31/F., 148 Electric Road, North Point, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 17 May 2016.

The proposed final dividend for the year ended 31 December 2015 is subject to the approval by the shareholders of the Company at the forthcoming annual general meeting to be held on Friday, 20 May 2016. The register of members of the Company will be closed from Wednesday, 1 June 2016 to Friday, 3 June 2016, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for receiving the final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with Boardroom Share Registrars (HK) Limited at 31/F., 148 Electric Road, North Point, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 31 May 2016.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

For the year ended 31 December 2015, the Company repurchased 27,792,000 shares through the Stock Exchange at a total consideration, after expenses, of approximately RMB42.4 million. Such shares have been cancelled up to the date of this announcement. Details of repurchase are as follows:

Month of repurchase	Number of ordinary shares repurchased	Price per share Highest HK$	Lowest HK$	Aggregate consideration paid HK$ Million	Equivalent to RMB Million
January 2015	5,220,000	2.70	2.49	13.6	10.8
July 2015	9,202,000	2.05	1.65	17.9	14.2
August 2015	2,239,000	1.60	1.51	3.5	2.9
September 2015	10,360,000	1.65	1.49	16.5	13.5
October 2015	771,000	1.67	1.58	1.3	1.0
Total	27,792,000			52.8	42.4

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2015.

CORPORATE GOVERNANCE PRACTICES

To promote high level of transparency, accountability and independence in the interests of the shareholders, the Company is committed to maintaining high standards of corporate governance.

The Company has applied the principles in and complied with the Corporate Governance Code contained in Appendix 14 of the Listing Rules throughout the year ended 31 December 2015, except for the following:-

Code provision A.2.1 provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The chairman of the Board, Mr. Liu Jinlan, provides overall leadership for the Board and takes the lead to ensure that the Board acts in the best interest of the Company. The Company does not have the position of chief executive and the daily operation of the Group is assigned among the executive Directors. In addition to the fact that the responsibilities of the chairman are shared by the remaining executive Directors, the Executive Committee of the Company which has been established for determining, approving and overseeing the day-to-day control over the allocation of the Group's resources also segregates the duties of Mr. Liu Jinlan.

Code Provision A.4.1 provides that non-executive directors should be appointed for a specific term and be subject to re-election. The Company has not fixed the term of appointment for its non-executive director, Ms. Wu Xiaohui, since she is subject to retirement by rotation at least once every three years and re-election at the annual general meeting of the Company in accordance with the Articles of Association of the Company.

Code provision A.6.7 provides that independent non-executive directors and non-executive directors should attend general meetings. All the Directors were unable to attend the annual general meeting of the Company held on 21 May 2015 due to flight delays of all executive Directors under adverse weather conditions and other business engagements and commitments of the independent non-executive Directors and the non-executive Director. The company secretary of the Company was elected as the Chairman of the annual general meeting and the head of the investor relations department replied the questions from the shareholders attending the annual general meeting. All the Directors subsequently requested the company secretary of the Company to report to each of them on the views of the shareholders of the Company in the annual general meeting. As such, the Board considers that the development of a balanced understanding of the views of shareholders among the Directors was ensured.

In compliance with the code provisions of the Corporate Governance Code, the Company has set up the Audit Committee, the Remuneration and Management Development Committee and the Nomination Committee, and the Board has been responsible for performing the corporate governance duties as set out in the code provisions.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as the code of conduct regarding Directors' securities transactions. After having made specific enquiry with all Directors, the Company has received confirmations from all directors that they have complied with the required standards set out in the Model Code during the year ended 31 December 2015.

The Company has also adopted procedures on terms no less exacting than the Model Code in respect of the securities transactions of the employees who are likely to be in possession of unpublished price-sensitive information.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee and the management of the Company have reviewed the accounting principles and practices adopted by the Group, discussed auditing and financial reporting matters and have reviewed the annual results of the Group for the year ended 31 December 2015. In addition, the consolidated financial statements of the Group for the year ended 31 December 2015 have been audited by the Group's auditor, Messrs. Deloitte Touche Tohmatsu and an unqualified opinion report was issued.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2015 as set out in this announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on this announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange at www.hkex.com.hk and at the website of the Company at www.irasia.com/listco/hk/xingda/index.htm. The annual report will be dispatched to the shareholders and available on the above websites in due course.

APPRECIATION

The Board would like to express its gratitude to all employees for their diligence and contribution. At the same time, the Board is also thankful for the support it has from all the customers, suppliers and shareholders of the Group. The Group will continue to work as a team to push for more brilliant results in 2016.

By Order of the Board
XINGDA INTERNATIONAL HOLDINGS LIMITED
Liu Jinlan
Chairman

Shanghai, the PRC, 22 March 2016

As at the date of this announcement, the executive Directors are Mr. LIU Jinlan, Mr. LIU Xiang, Mr. TAO Jinxiang and Mr. ZHANG Yuxiao, the non-executive Director is Ms. WU Xiaohui and the independent non-executive Directors are Mr. KOO Fook Sun, Louis, Mr. William John SHARP and Ms. XU Chunhua.