



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



2021 Annual Results Corporate Presentation

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Agenda

I

**Financial
Review**

II

**Business
Overview**

III

**Outlook &
Strategies**



Financial Highlights

RMB' million

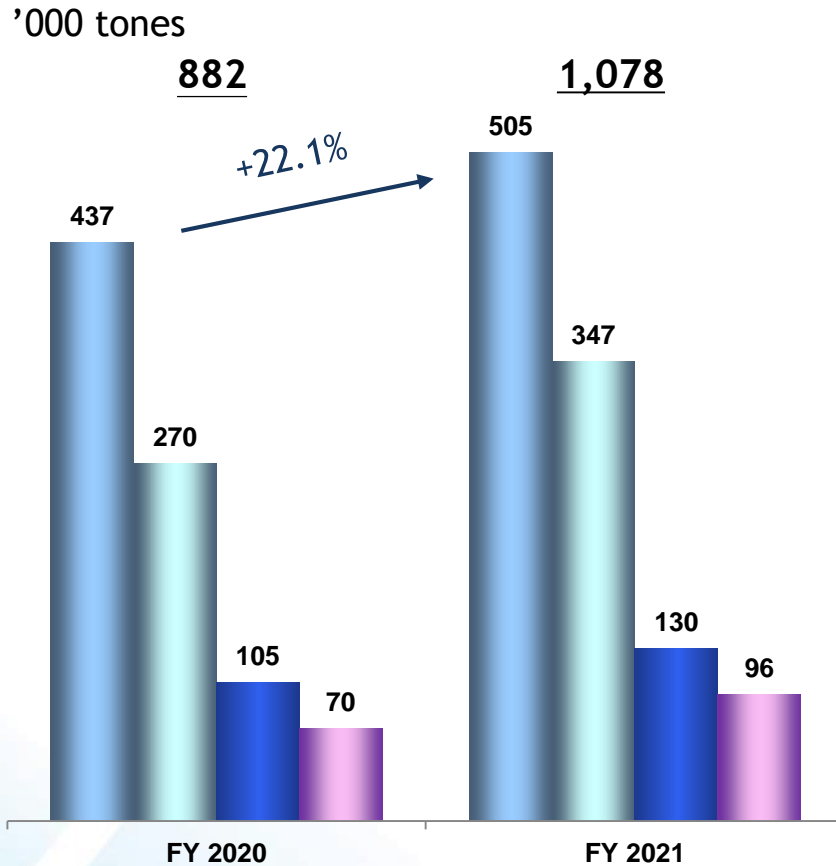
	For the Year Ended 31 December		YOY Change
	<u>2020</u>	<u>2021</u>	
Revenue	7,680	10,645	+38.6%
Gross Profit (Adjusted) *	1,604	2,065	+28.8%
Gross Profit Margin (Adjusted) *	20.9%	19.4%	-1.5pp
EBITDA (Adjusted) *	1,251	1,193	-4.7%
EBITDA Margin (Adjusted) *	16.3%	11.2%	-5.1pp
Profit Attributable to Owners of the Company (Adjusted) *	313	219	-30.1%
Basic EPS (RMB cents) (Adjusted) *	20.12	13.46	-33.1%
Diluted EPS (RMB cents) (Adjusted) *	20.00	13.37	-33.1%
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.

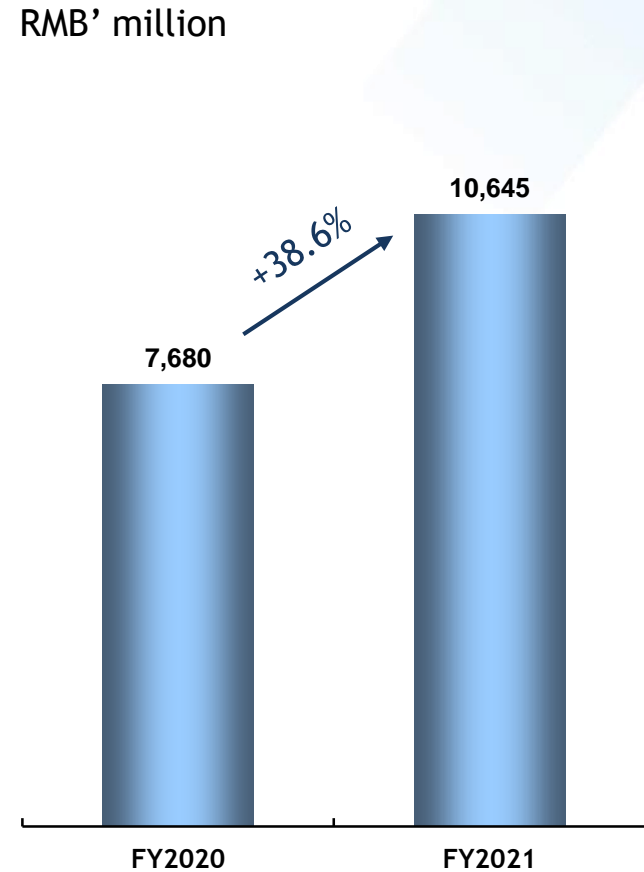


Financial Highlights

Sales Volume by Product



Revenue



Radial tire cord for trucks

Radial tire cord for passenger cars

Bead wires

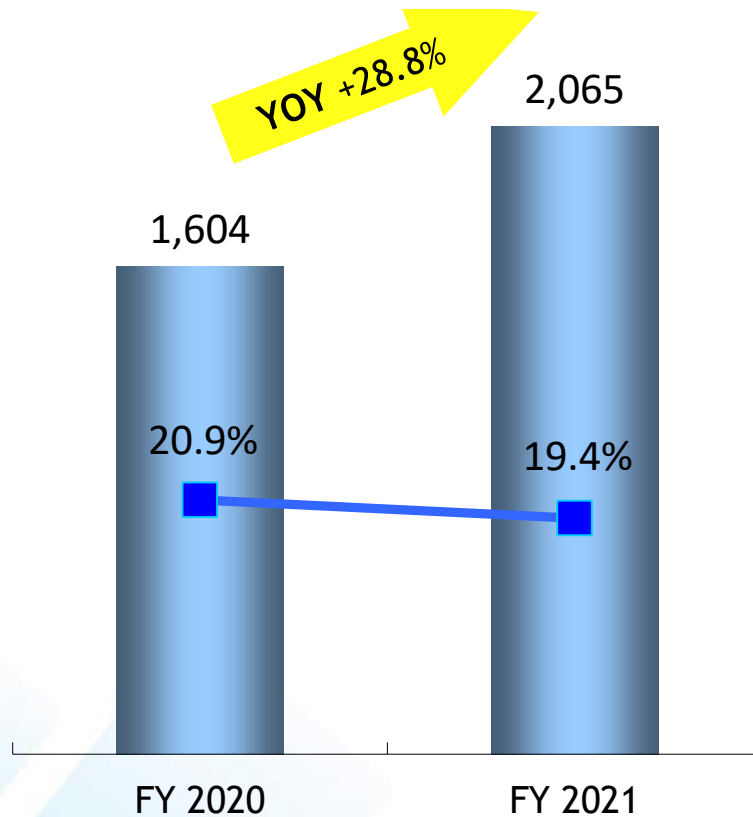
Hose wires & other wires



Financial Highlights

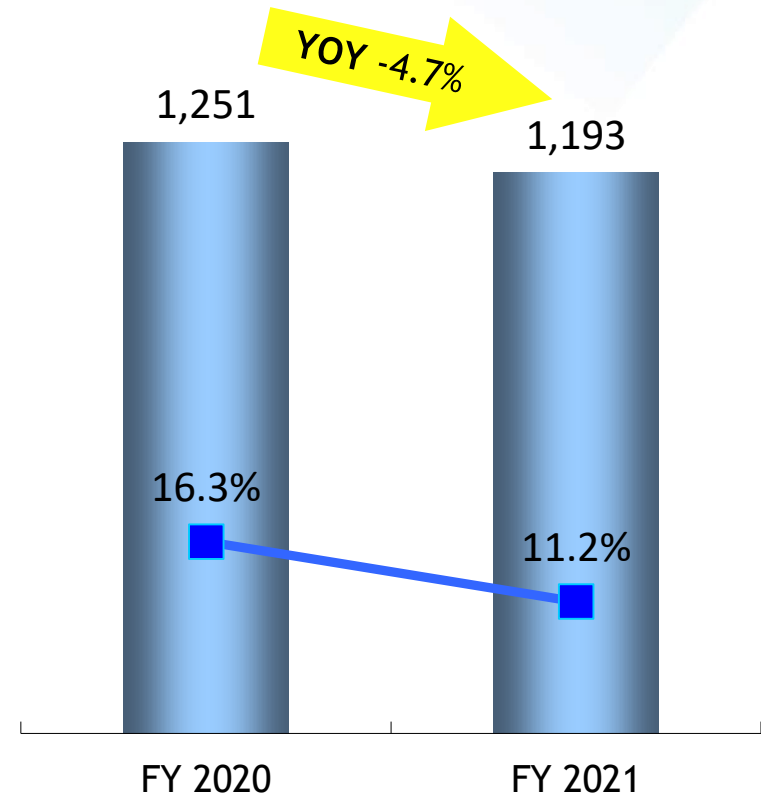
Gross Profit & Margin (Adjusted*)

RMB' million



EBITDA & Margin (Adjusted*)

RMB' million



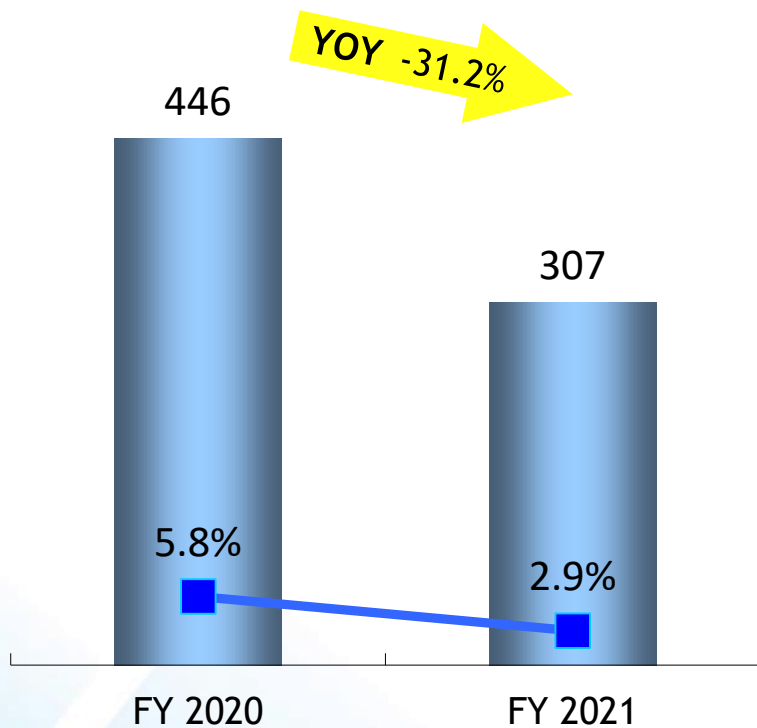
*Note: Non-recurring item including share-based payment of Jiangsu Xingda Steel Tyre Cord Co. Ltd. was excluded from calculation of these figures.



Financial Highlights

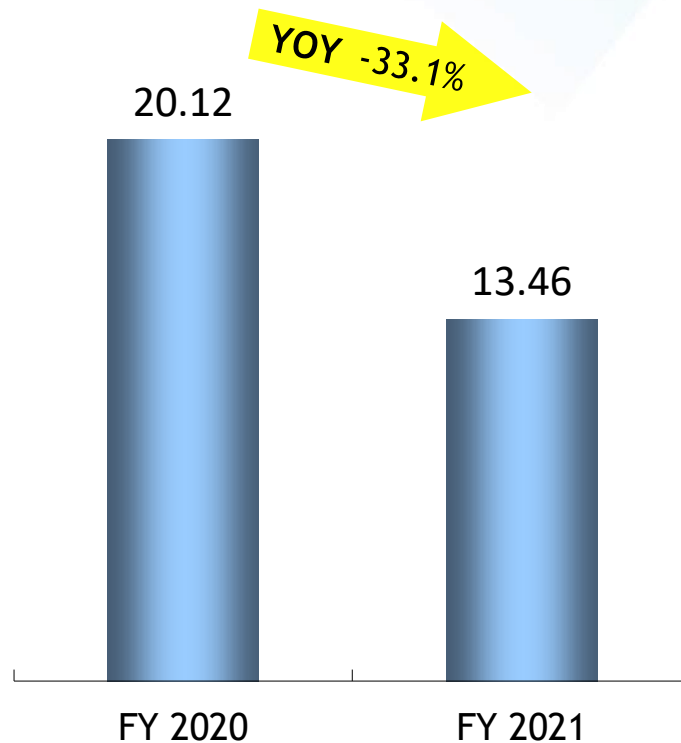
Net Profit & Margin (Adjusted*)

RMB' million



EPS - Basic (Adjusted*)

RMB cents

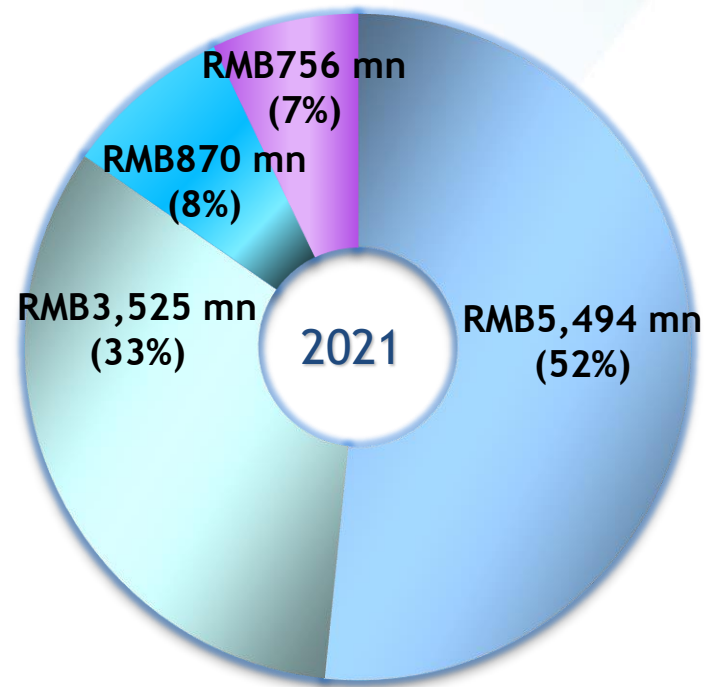
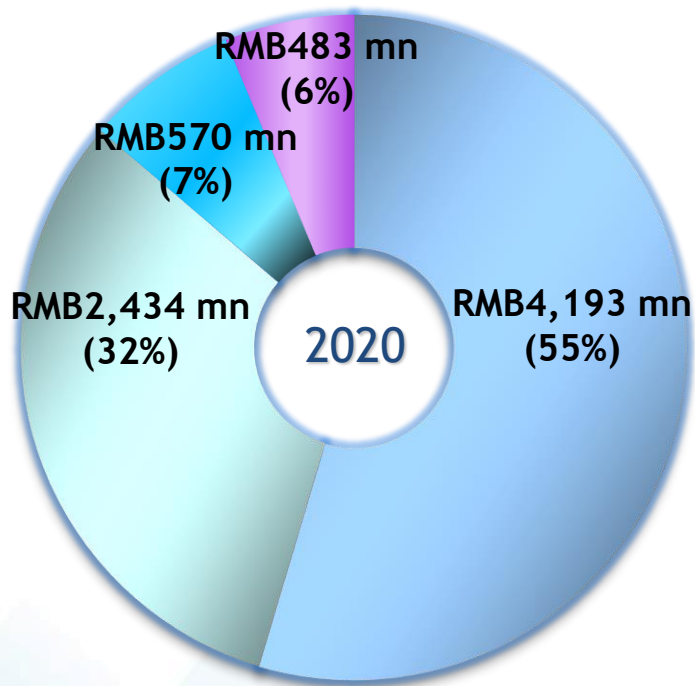


*Note: Non-recurring item including share-based payment of Jiangsu Xingda Steel Tyre Cord Co. Ltd. was excluded from calculation of these figures.



Financial Highlights

Revenue by Product



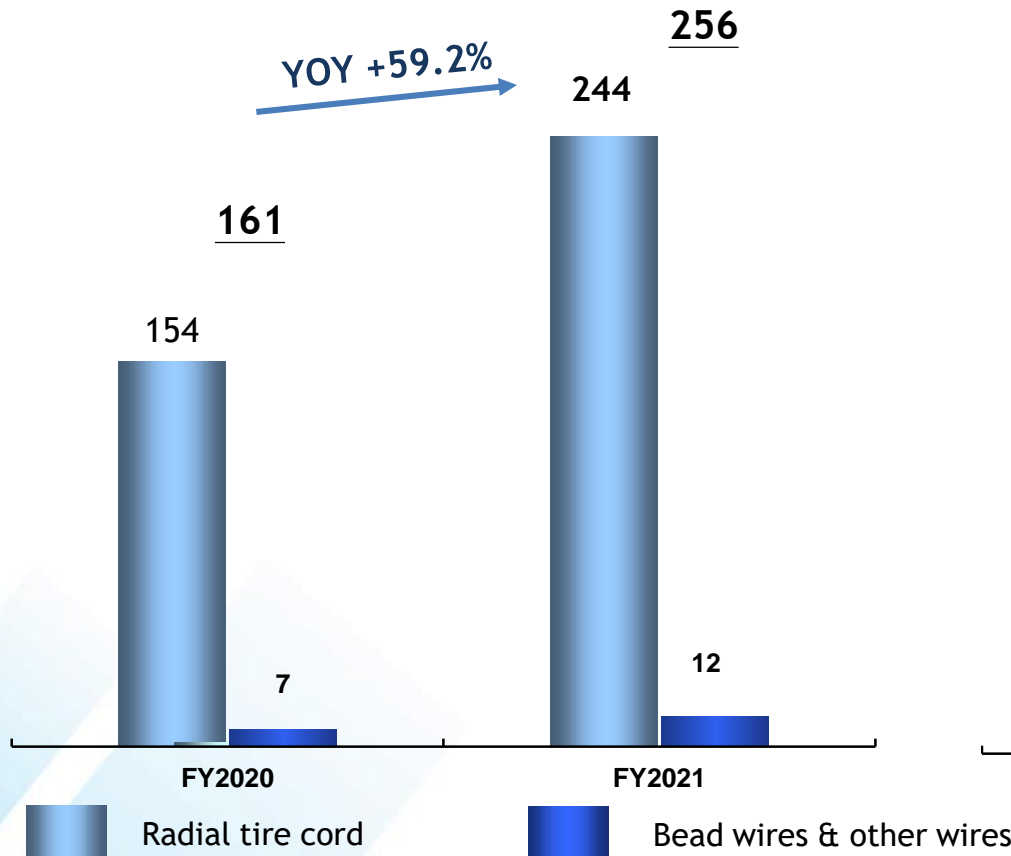
Radial tire cord for trucks Radial tire cord for passenger cars Bead wires Hose wires & other wires



Financial Highlights

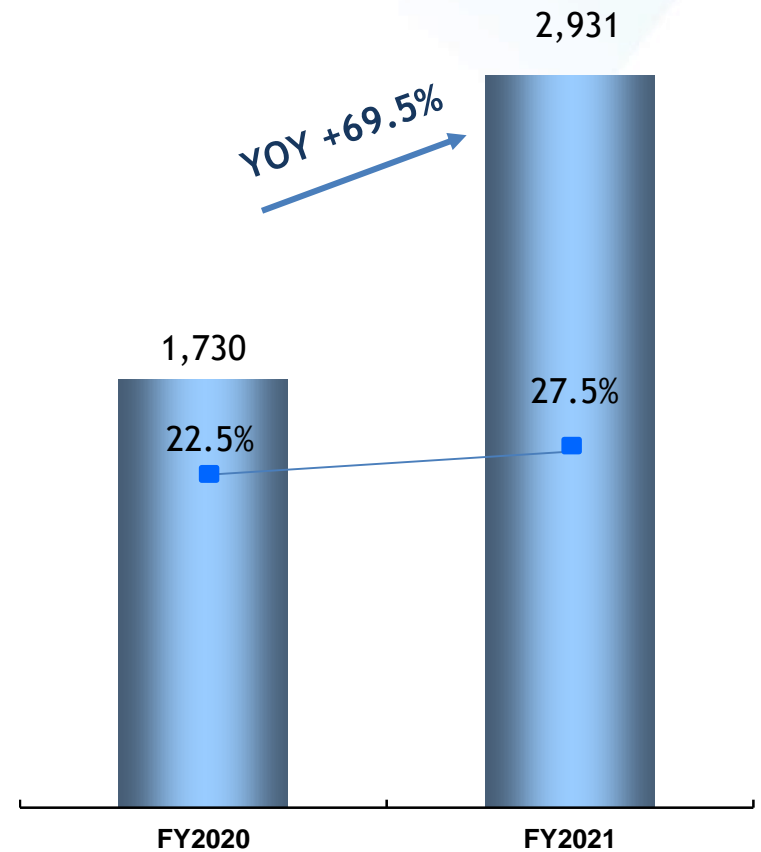
Export Sales Volume

'000 tonnes



Export Sales

RMB' million



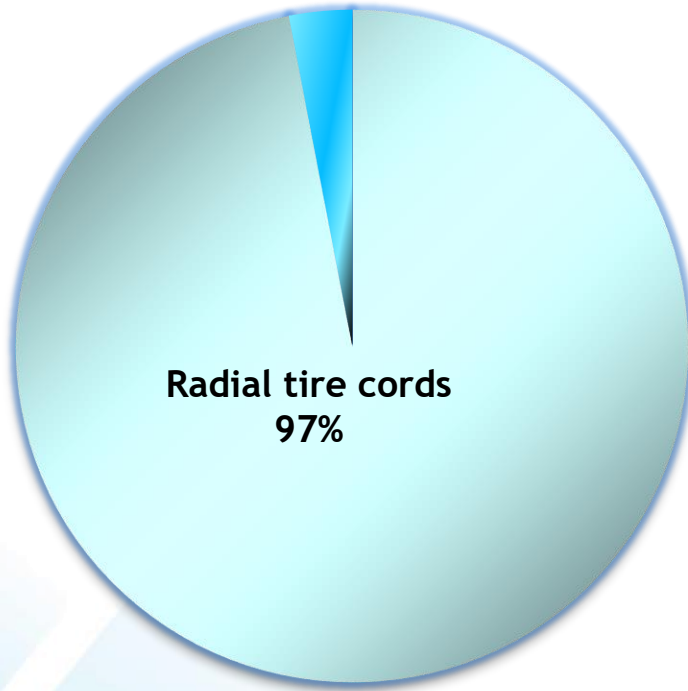


Financial Highlights

Export Sales by Product

FY2020

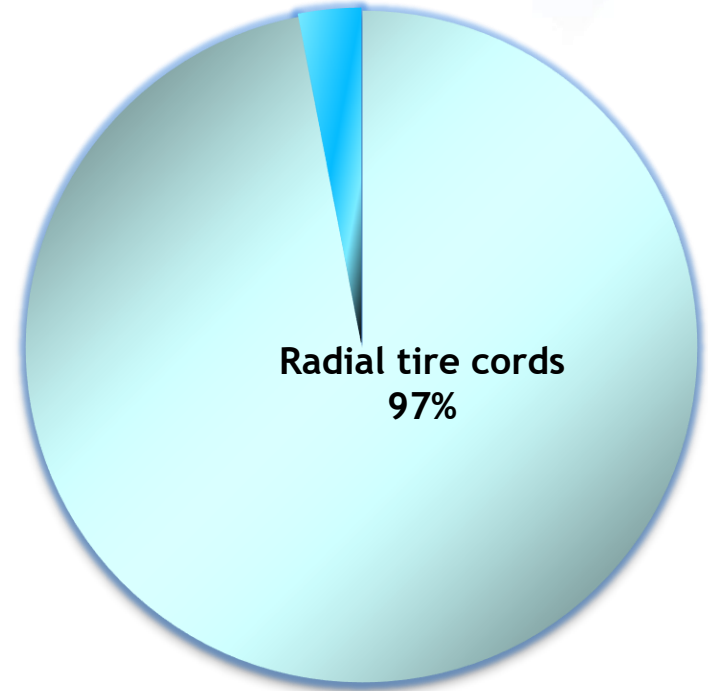
Bead Wire
3%



Radial tire cords
97%

FY2021

Bead Wire
3%



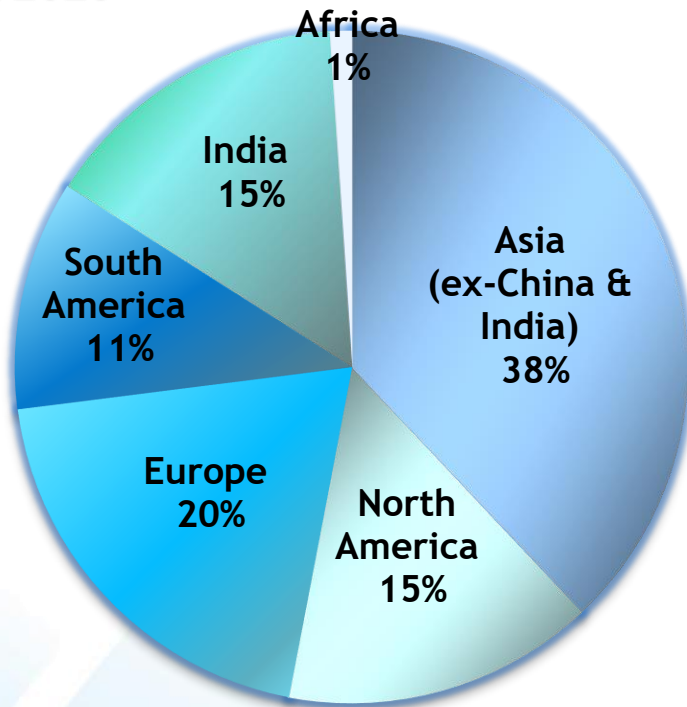
Radial tire cords
97%



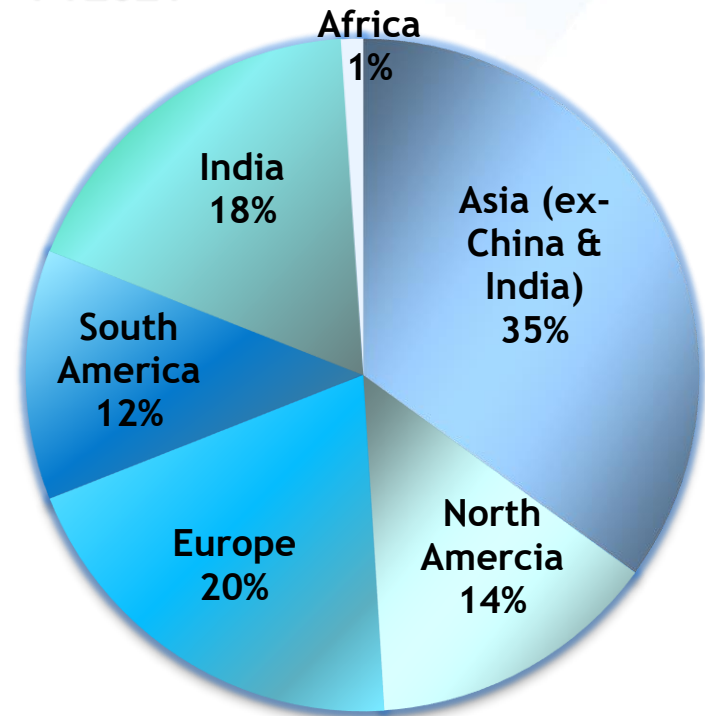
Financial Highlights

Export Sales by Location

FY2020



FY2021





Key Ratios

	As at 31 Dec 2020	As at 31 Dec 2021
Current Ratio (times)	1.1	1.1
Debtors' Turnover Days	103	95
Stock Turnover Days	46	58
Creditors' Turnover Days	91	141
Return on Capital Employed (Adjusted) *	4.0%	2.3%
Return on Equity (Adjusted) *	5.5%	3.8%
Gearing Ratio	22.9%	28.0%

*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 144.0k tonnes from 798.0k tonnes in 2020 to 942.0k tonnes in 2021
- ❖ Bead wire capacity increased by 54.0k tonnes from 112.5k in tonnes 2020 to 166.5k tonnes in 2021

❖ Jiangsu Factory

- ❖ Radial tire cord capacity increased to 738k tonnes in 2021

❖ Shandong Factory

- ❖ Radial tire cord capacity increased to 144k tonnes in 2021

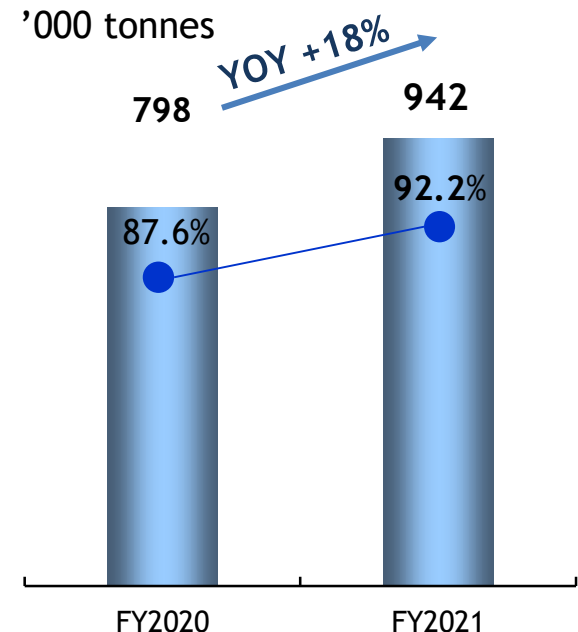
❖ Thailand Factory

- ❖ Radial tire cord capacity of 60k tonnes in 2021

❖ Utilisation rate

- ❖ Radial tire cord utilisation increased to 92.2% in 2021 (2020:87.6%)

Tire Cords Capacity & Utilisation Rate



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Highlights for 2021

Revenue

- Increased by 38.6% to RMB10.645 bn
- Due to the rise in sales volume and average selling prices of the Group's products

Sales Volume

- Increased by 22.1% to 1,077,600 tonnes
- Radial tire cords for trucks up by 15.5%
- Radial tire cords for passenger cars up by 28.3%

GP Margin

- Adjusted*: down by 1.5pp to 19.4%
- Due to the sharp rise in raw material prices

Profit Attributable to the Owners of the Company

- Increased 90.3% to RMB219 mn
- Adjusted*: down 30.1% to RMB219 mn

Basic Earnings per Share

- RMB13.46 cents (2020: RMB7.39 cents)
- Adjusted*: down 33.1% to RMB13.46 cents

Strong Cash Balance

- RMB712 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

- ❖ The Chinese government will focus on realizing stability, sustaining progressive growth and implementing a proactive fiscal policy and healthy monetary policy to expand domestic demand and promote economic growth
- ❖ It is expected that the car parc in China will maintain stable growth during the "14th Five-Year Plan" period, which will help stimulate the demand of the steel cord industry
- ❖ 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

- ❖ Xingda will realise its advantages as an industry leader and continue to broaden its international customers' base
- ❖ Monitor market trends and strengthen the flexible deployment of our factories and marketing strategies in various regions

- ❖ **Differentiation**

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

- ❖ **Raise efficiency**

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



Open Forum