

# Tire investment pipeline continues to flow

**Manufacturers remain in expansion mode despite challenging global trading environment**

Turning into the New Year the appetite for investment in new tire production facilities seemed relatively undented by the prevailing pressures and uncertainties impacting markets worldwide.

The positive capex trend extended even into the hard-pressed European market with Kumho Tire announcing plans to build a tire factory in Opole, in southwestern Poland, as its first European production base.

The plant in Opole, close to the Polish–Czechia border, will help the Korean tire maker expand its global production base and strengthen its presence in the European market, said Kumho in a 1 Dec statement.

Set for operation in August 2028, the KRW860 billion (€502 million) factory will have a capacity to produce 6 million passenger car tires per annum in the first phase.

Kumho went on to add that Europe was “a key market” for the

company, accounting for 27% of its total sales last year.

Meanwhile, Kumho has signed an investment agreement to build a new tire manufacturing facility in the Bitgreen industrial complex, in Hampyeong county in southwest Korea.

In a 9 Dec announcement, the Korean tire maker said the new

facility is being built in the aftermath of a major fire at Kumho's Gwangju plant in May last year.

The KRW661 billion (€390 million) project will add a capacity to produce 5.3 million units of tiers and 7 million units of “refined rubber” in its first phase, said Kumho.

Scheduled for commercial production in 2028, the facility will feature a “future-oriented production system,” including smart manufacturing and eco-friendly processes.

Early 2026 saw an announcement of plans by Wei Hai, China-based Triangle Tyre Co. to build a Yuan3.2 billion (€395 million) tire plant in Cambodia as part of its globalisation strategy.

Located in Svay Rieng province, the plant will have annual capacity to produce 6 million passenger car tires and 1 million commercial vehicle tires, said Triangle's 15 Jan announcement.

The products will primarily target “stable-growth international markets” such as North America, Europe, the Middle East and Africa, and southeast Asia, it added.

Triangle said the move marked a ‘new phase’ in its globalisation strategy and will “significantly



## Recently reported capacity additions & expansions

Company	Project	Location	Capex	Details
Triangle Tyre	New tire plant	Svay Rieng, Cambodia	Yuan3.2bn (€395m)	Capacity to produce 6m passenger car tires/yr, 1m commercial vehicle tires/yr
Haian Group	OTR tire plant	Russia	RMB4.32bn (€530m)	105k units/yr unit to be built by 2029
Guizhou Tire	Build 2nd overseas tire plant	Morocco	€255m	6m units/yr PCR plant to be build in two years
Algeria's AAPI agency	New tire plant	Tamacine, Algeria	€180m	5m units/yr car and truck tire plant
Kumho Tire	New tire plant	Hampyeong, South Korea	€390m	5.3m units/yr plant to start up in 2028
Sailun	Phase II expansion	Kampot, Cambodia	€130m	Chemicals- and rubber-making tire 'cluster'
Kumho	Build new tire plant	Opole, Poland	€502m	To start up in Q3/28
Prometeon / CNRC	Planned tire expansion	Amreya, Egypt	€345m	Source: Egypt ministry of investment and foreign trade
Yokohama Rubber Co.	Opens new car tire plant	Hangzhou, China	€460m	Official launch, phase I of 9m tires/yr unit
Huangpu Tire	Aircraft, speciality tire project	Shaerqin, Inner Mongolia	€150m	30k aviation tires/yr, 80k speciality tires/yr



enhance" its global competitiveness.

Prometeon Tyre Group is planning a major expansion of its Egyptian operations, with a proposed \$400-million (€345 million) investment to raise output and upgrade its existing plant in Amreya, Alexandria.

In a 25 Nov social media post, Egypt's ministry of investment and foreign trade said the proposal was discussed at a meeting in Cairo between investment minister Hassan Al-Khatib and senior executives from China National Tire & Rubber Co. (CNRC) and its subsidiary Prometeon.

According to the post, Prometeon currently produces around 5.2 million commercial tires a year in Egypt.

The new investment, it said, will support the production of "1 million additional tires" and improve the efficiency of the existing factory through technology upgrades.

Chinese tire maker Haian Group has announced plans for a major engineering tire project in Russia, to strengthen its position in the giant off-the-road (OTR) tire segment including the mining industry.

In a 26 Dec filing, Haian said

it had signed an investment intention agreement covering a proposed giant OTR tire plant in Russia, with total investment capped at RMB 4.32 billion (€530 million).

In its first phase, the project will have a designed annual capacity of 10,500 giant all-steel engineering radial tires, with a construction period of three years.

The project will be implemented through Pioneer Co., the project company that will be capitalised and used as the investment vehicle.

The agreement was signed by Haian Group, its wholly owned subsidiary Haian Russia, and two Russian partners, according to the filing.

Shenzhen, China-based Guizhou Tire is to build its second overseas factory in Morocco: investing \$299 million (€255 million) in a proposed plant designed to produce 6 million units of passenger car tires per year.

To be based in Tangier Tech City, the Advace Tyre (Morocco) 'intelligent facility' is expected to be completed in two years, Guizhou said in a 6 Jan stock exchange filing.

Elsewhere, authorities in the

state of Touggourt in northern Algeria laid the foundation stone for a €180-million project on 29 Dec 2025, the Algerian Agency for Investment Promotion (AAPI) reported.

The plant will be built on a 20-hectare site in Tamacine and is designed to produce 5 million tires per year, including 2 million heavy-duty tires and 3 million passenger car tires.

Algeria has seen a surge in tire manufacturing investment over the recent years.

Currently, local consumer group Saterex operates two tire manufacturing facilities in Setif, around 300km east of Algiers, producing passenger car and commercial vehicle tires.

In addition, another tire plant is under construction in the El Hadj district, in partnership with China's Doublestar.

According to AAPI, once fully operational, the three projects are expected to have a combined annual capacity of 19 million tires.

Another Chinese producer Sailun Group is planning a \$152 million (€130 million) Phase II expansion of its Kampot Economic Zone project in Cambodia, aiming to build a large-scale industrial cluster for chemical new materials and

rubber-related manufacturing.

In a 4 Dec feasibility report, the Qingdao-based group said the development will cover around 455 hectares under a long-term lease and focus on attracting producers of new rubber materials, composite rubber, silica, carbon black, rubber additives, scrap-rubber recycling, synthetic rubber and steel cord.

To be funded entirely by Sailun, the project is expected to complete leasing procedures by end of 2026. Plot leasing to tenants are scheduled to run from 2027 to 2036.

Sailun launched phase I of the tire industry cluster project in November 2024, with a 12-month completion time.

The group has also operated a manufacturing plant in Cambodia's Svay Rieng province since 2021 and is currently expanding the facility to bring the plant's annual capacity to 21 million passenger car tires and 3.3 million TBR tires.

Sailun said the industry cluster is being built as part of a broader internationalisation strategy to "actively respond to market challenges brought by global economic and trade volatility."

The globalisation plan, it said, includes existing units in Vietnam, Indonesia, Mexico and the first phase of its Cambodian complex, as well as new projects in Egypt and Shenyang, China, that are currently under construction.

Once these facilities come online, Sailun said it expects an overall annual capacity of 31.55 million all-steel truck & bus tires, 109 million semi-steel passenger car tires and 518,400 tonnes of OTR tires.

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