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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: 1899)

**ANNOUNCEMENT IN RELATION TO JIANGSU XINGDA
HAVING RECEIVED ACCREDITATION
AS A HIGH-TECH ENTERPRISE IN THE PRC**

The Board is pleased to announce that Jiangsu Xingda, a 69.54% indirectly owned subsidiary of the Company, has been accredited as a High-tech Enterprise (高新技術企業) jointly by the Jiangsu Science and Technology Department* (江蘇省科學技術廳), Jiangsu Finance Department* (江蘇省財政廳), State Taxation Bureau of Jiangsu Province* (江蘇省國家稅務局) and Local Taxation Bureau of Jiangsu Province* (江蘇省地方稅務局). The High-tech Enterprise Certificate (高新技術企業證書) was issued to Jiangsu Xingda by the above-mentioned authorities on 11 September 2009.

According to the Enterprise Income Tax Law (企業所得稅法) of the PRC which has come into effect on 1 January 2008, the income tax rate for an enterprise incorporated in the PRC has been unified to 25%. Pursuant to the Foreign-Invested Enterprise and Foreign Enterprise Income Tax Law (外商投資企業和外國企業所得稅法) of the PRC, Jiangsu Xingda was entitled to the exemptions from PRC foreign enterprise income tax for two years starting from its first profit-making year, followed by a 50% tax relief for the subsequent three years. Accordingly, Jiangsu Xingda was exempted from PRC foreign enterprise income tax for the years ended 31 December 2005 and 31 December 2006 respectively and enjoyed a reduced income tax rate of 12.5% for the years ended 31 December 2007, 31 December 2008 and 31 December 2009 respectively. As a result of the accreditation of Jiangsu Xingda as a High-tech Enterprise in September 2009, Jiangsu Xingda is entitled to a preferential income tax rate of 15% for three years starting retrospectively from 1 January 2009 to 31

December 2011. In light of the foregoing, the income tax rate for Jiangsu Xingda for the year ended 31 December 2009 remained at 12.5% while the income tax rate for Jiangsu Xingda for the period from 1 January 2010 to 31 December 2011 will be 15%.

DEFINITIONS

“Board”	the board of directors of the Company;
“Company”	Xingda International Holdings Limited 興達國際控股有限公司, a company incorporated under the laws of the Cayman Islands with limited liability, whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited;
“Jiangsu Xingda”	江蘇興達鋼簾線股份有限公司 (Jiangsu Xingda Steel Tyre Cord Co., Ltd.*), established as a joint stock limited company in the PRC on 27 March 1998 and converted into a sino-foreign joint stock limited company on 10 December 2004, a 69.54% indirectly owned subsidiary of the Company;
“PRC”	the People’s Republic of China;
“%”	per cent.

By Order of the Board of
Xingda International Holdings Limited
Liu Jinlan
Chairman of the Board

Shanghai, the PRC, 20 January 2010

As at the date of this announcement, the executive directors of the Company are Mr. Liu Jinlan, Mr. Liu Xiang, Mr. Tao Jinxiang, Mr. Wu Xinghua, Mr. Cao Junyong and Mr. Zhang Yuxiao; the non-executive directors of the Company are Mr. Lu Guangming George, Ms. Wu Xiaohui and Mr. Zhou Mingchen; and the independent non-executive directors of the Company are Mr. Koo Fook Sun, Louis, Mr. William John Sharp and Ms. Xu Chunhua.

* *denotes an English translation of a Chinese name*