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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: 1899)

**CLARIFICATION ANNOUNCEMENT
AND
RESUMPTION OF TRADING**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Board noted that a Hong Kong newspaper article was published on 12 March 2013 containing certain information on the Group and would like to make clarifications in relation to the statements contained in such article.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 12 March 2013 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 14 March 2013.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors (“**Board**”) of Xingda International Holdings Limited (“**Company**”, together with its subsidiaries, “**Group**”) noted a Hong Kong newspaper article published on 12 March 2013 (“**Article**”) containing certain information on the Group and reporting that certain statements were made by Mr. Liu Jinlan, the chairman of the Board (“**Mr. Liu**”), during an interview by journalists in Beijing.

After making enquiries with Mr. Liu, the Board would like to clarify as follows:

- (a) save as otherwise set out in this announcement, the statements in the Article which were reported to have been made by Mr. Liu relating to the Company or the Group were made in respect of 江蘇興達鋼簾線股份有限公司 (Jiangsu Xingda Steel Tyre Cord Co., Ltd.*) (“**Jiangsu Xingda**”), a sino-foreign joint stock limited company indirectly owned as to 69.54% by the Company. Please refer to the profit warning announcement of the Company dated 13 March 2013 for financial information on the Company and the Group;
- (b) Mr. Liu mentioned in the interview that the net profit of Jiangsu Xingda had gradually rebounded and stabilized since October 2012 but did not make any comment that the drop in net profit of Jiangsu Xingda or the Company for 2012 would be substantially reduced;
- (c) Mr. Liu did not specifically mention in the interview that the annual net profit of Jiangsu Xingda or the Company for 2013 was expected to increase by 20% but he made a general comment that he was optimistic that the profit of Jiangsu Xingda for 2013 may improve, which comment was made based on his personal view and desire only;
- (d) Mr. Liu did not mention in the interview that in 2013 the overseas sales volume of Jiangsu Xingda or the Company is expected to account for around 40% of its total sales volume. The statement in the Article that Jiangsu Xingda’s overseas sales volume in 2013 would be expected to increase was Mr. Liu’s own personal view and desire only;
- (e) the amount of the overall sales income of Jiangsu Xingda has decreased (not increased as reported in the Article) in 2012 due to the decrease in average sale price of its products by approximately 9% (not 10% as stated in the Articles);
- (f) the statement in the Article that the profitability of Jiangsu Xingda has continued to improve in 2013 due to recovery of national and global markets was a general comment made by Mr. Liu based on his personal view only; and
- (g) the statement in the Article that the gearing ratio of Jiangsu Xingda will continue to decline was Mr. Liu’s personal view and desire only.

The statements in the Article which are specified above as having been made by Mr. Liu based on his personal view and/or desire are not intended to form part of the information to be published by the Company in relation to its business and does not reflect a formal forecast of the Group’s future operations or financial position, and therefore should not be relied upon by potential investors when making investment decisions.

The Company is still in the process of finalising the results for the year ended 31 December 2012. Shareholders of the Company and potential investors should refer to the profit warning announcement of the Company dated 13 March 2013 for financial information on the Group. The information contained herein is a preliminary estimate based on the latest unaudited management accounts of

Jiangsu Xingda which have not been audited or reviewed by the auditor of the Company. The audited financial results of the Group for the financial year ended 31 December 2012 will be announced on 26 March 2013. Further management discussion and analysis on the results of the Group will be set out therein.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company (“Shares”).

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) was suspended with effect from 9:00 a.m. on 12 March 2013 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 14 March 2013.

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

Shanghai, the PRC, 13 March 2013

As at the date of this announcement, the executive directors of the Company are Mr. Liu Jinlan, Mr. Liu Xiang, Mr. Tao Jinxiang and Mr. Zhang Yuxiao; the non-executive director of the Company is Ms. Wu Xiaohui; 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*