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YUXING INFOTECH HOLDINGS LIMITED

裕興科技控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8005)

ANNOUNCEMENT IN RELATION TO CERTAIN LEGAL PROCEEDINGS AND RESUMPTION OF TRADING

This announcement is made pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Exchange”).

Reference is made to the announcements of Yuxing InfoTech Holdings Limited (the “Company”) dated 18th December 2008, 13th January 2009, 11th August 2009 and 9th March 2010, respectively in relation to certain legal proceedings initiated by Guangdong Jianlibao Group Company Limited (“JLB Group”) as plaintiff against, among others, certain wholly-owned subsidiaries of the Company. On 11th January 2011, the Company received five civil judgments all dated 30th December 2010 from the Intermediate People’s Court of Foshan City of Guangdong Province, the People’s Republic of China (the “Intermediate Court of Foshan”) with decisions set out below:

1. Civil judgment (2009) Fo Zhong Fa Min Er Chu Zi No.6 ((2009) 佛中法民二初字第6號)

JLB Group was awarded damages of RMB10,000,000 together with interests and costs to be borne by defendants including Mr. Zhang Hai (“Mr. Zhang”), former chairman and chief executive officer of JLB Group, Beijing Yuxing Software Co., Limited and Beijing Golden Yuxing Electronics and Technology Company Ltd (“Golden Yuxing”), both are wholly-owned subsidiaries of the Company, on a joint basis.

2. Civil judgment (2009) Fo Zhong Fa Min Er Chu Zi No.7 ((2009) 佛中法民二初字第7號)

JLB Group was awarded damages of RMB7,355,506.85 together with interests and costs to be borne by defendants including Mr. Zhang, Foshan Zhixing Technology Co., Limited, a wholly-owned subsidiary of the Company, and Golden Yuxing on a joint basis.

3. Civil judgment (2009) Fo Zhong Fa Min Er Chu Zi No.8 ((2009) 佛中法民二初字第8號)

JLB Group was awarded damages of RMB30,000,000 together with interests and costs to be borne by the defendants including Mr. Zhang and Sheng Bang Qiang Dian Electronics (Shenzhen) Co., Ltd., a wholly-owned subsidiary of the Company, and Golden Yuxing on a joint basis.

4. Civil judgment (2009) Fo Zhong Fa Min Er Chu Zi No.9 ((2009) 佛中法民二初字第9號)

JLB Group was awarded damages of RMB34,161,912.33 together with interests and costs to be borne by defendants including Mr. Zhang and Golden Yuxing on a joint basis.

5. Civil judgment (2009) Fo Zhong Fa Min Er Chu Zi No.10 ((2009) 佛中法民二初字第10號)

JLB Group was awarded damages of RMB14,636,329.75 together with interests and costs to be borne by defendants including Mr. Zhang, Zhongshan Chuangjia Electronics Technology and Development Co. Ltd. (中山市創嘉電子科技發展有限公司), an independent third party of the Company, and Golden Yuxing on a joint basis.

The board of directors (the “Board”) has been advised by its PRC lawyers that under PRC laws, as the Company will within the time permitted file for an appeal against the said judgements, such judgements have no legal effect and which will be replaced by the final judgement from the appeal. In the circumstance, none of the wholly-owned subsidiaries of the Company which are named as defendants in the judgements stated above will be required to execute the judgements and pay the damages together with interests and costs awarded by the Intermediate Court of Foshan. The Company will monitor the legal proceedings closely and will make further announcement(s) to update its shareholders of the status regarding the above proceedings.

Trading in the shares of the Company on the Exchange was suspended at the request of the Company with effect from 2:30 p.m. on Wednesday, 12th January 2011 pending the release of this announcement. The Company has applied for a resumption of trading in the shares of the Company with effect from 9:30 a.m. on Friday, 14th January 2011.

By Order of the Board
Yuxing InfoTech Holdings Limited
Chen Fu Rong
Deputy Chairman

Hong Kong, 13th January 2011

As at the date hereof, the executive directors of the Company are Mr. Zhu Wei Sha, Mr. Chen Fu Rong, Mr. Shi Guang Rong and Mr. Wang An Zhong; the independent non-executive directors of the Company are Mr. Wu Jia Jun, Mr. Zhong Peng Rong and Ms. Shen Yan.

This announcement, for which the directors of the Company (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Growth Enterprise Market of the Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of The Growth Enterprise Market website at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.yuxing.com.cn.

** for identification purposes only*