NEWS RELEASE

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Fuxing China, a vertically integrated zipper manufacturer in the PRC, posts 43.3% growth in 3QFY07 net profit

- *3QFY07 gross profit expanded from 31.3% to 35.0% year-on-year as the Group increases its production of finished zippers*
- *Remains focused in moving downstream to produce finished and premium finished zippers to capture higher profit margins*

Financial Highlights (RMB'm)	3 months ended 30 Sep			9 months ended 30 Sep		
	2007	2006	Growth (%)	2007	2006	Growth (%)
Revenue	232.6	188.1	23.7	661.8	536.1	23.5
Gross Profit	81.4	58.9	38.3	234.7	192.3	22.1
Net Profit Attributable to Shareholders	48.1	33.6	43.3	166.9	113.5	47.1

SINGAPORE – 13 November 2007 – Newly listed **Fuxing China Group Limited** *("Fuxing China" or "the Group")*, one of the few vertically integrated zipper manufacturers in the PRC, today reported a strong set of results for the third quarter ended 30 September 2007.

Net profit surged 43.2% to RMB48.1 million, from RMB33.6 million in 3QFY06. This was achieved on the back of a 23.7% increase in revenue from RMB188.1 million previously to RMB232.6 million.

On a nine-month basis, net profit rose 47.1% to RMB166.9 million while revenue grew 23.5% to RMB661.8 million. The strong set of results was a clear reflection of the continued demand for Fuxing China's quality zipper chains and sliders.

As a result of Fuxing China's strong performance, earnings per share for the nine months ended 30 September 2007 grew 36.8% to RMB0.26 cents, up from RMB0.19 cents previously, based on the weighted average number of ordinary shares on issue. Net asset value per share rose from RMB0.57 as at 31 December 2006 to RMB1.14 as at 30 September 2007.

Segmental Review

Financial Highlights	**3 months ended 30 Sep**			**9 months ended 30 Sep**		
	2007	**2006**	**Growth (%)**	**2007**	**2006**	**Growth (%)**
Revenue (RMB'm)						
Zipper Chain	137.2	106.0	29.4	374.4	332.0	12.8
Zipper Slider	95.4	82.0	16.3	287.5	204.1	40.8
Total	232.6	188.1	23.7	661.8	536.1	23.5
Gross Profit Margin (%)						
Zipper Chain	39.4	31.9	-	38.9	38.8	-
Zipper Slider	28.8	30.5	-	31.0	31.1	-
Total GP Margin	35.0	31.3	-	35.5	35.9	-

Zipper Chain (inclusive of finished zippers)

In 3QFY07, boosted by the rise in demand as well as increase in average selling price ("ASP"), sales of zipper chain, inclusive of finished zippers, grew 29.4% to RMB137.2 million. ASP increased by 8.8% while sales volume grew 19.3% in 3QFY07.

Gross profit margin ("GP margin") for zipper chain also expanded from 31.9% previously to 39.4%. This is due largely to the Group's increasing focus in the production of finished zippers, which generally generate better margins.

Zipper Slider

In the same period under review, sales of Zipper Slider rose 16.3% to RMB95.4 million. Sales volume and ASP increased by 5% and 11.3% respectively.

The slower rate of revenue growth for our zipper sliders as compared to Zipper Chain was due to a calculated move made by the Management to trim down sales of sliders to OEM zipper manufacturers which would be competitors to the Group in the finished zipper market.

GP margin for Zipper Slider experienced a slight dip of 1.8 percentage points to 28.8% as the increase in raw material prices outpaced the increase in ASP.

Overall, Fuxing China's GP margin for 3QFY07 lifted from 31.3% previously to 35.0%. The marked improvement was due to the continued increase in sales volume and the Group's ability to pass on the bulk of the raw material price increase to its customers.

Commenting on the Group's latest set of results, Mr Hong Qing Liang (洪清凉), Chief Executive Officer of Fuxing China, said, "We are pleased with the continued growth momentum that the Group has set. Fuxing China is in the right business as the zipper industry is a direct proxy to the rising consumerism in the PRC. Most of the apparel, shoes and bags that we use daily require zippers and the demand for these products is expected to grow along with rising affluence. Against this backdrop, we have every good reason to remain optimistic about our growth."

One of Fuxing China's strengths lies in its vertically integrated manufacturing capabilities. Mr Hong added, "In the PRC, Fuxing China is one of the few zipper manufacturers in the PRC which are fully integrated. We have the capacity and capital to produce the full range of zipper products, from upstream products such as zipper chains and sliders to downstream products such as finished zippers and premium finished zippers which our future capacity expansion will be focused on."

"We believe our large scale and integrated operations not only allow us to enjoy economies of scale in terms of raw material procurement and production, but also strongly set us apart from the other 2,000 zipper product manufacturers in the PRC - most of whom are small to mid-sized outfits which do not have integrated facilities, and are thus dependent on other zipper component suppliers," Mr Hong added.

Growth Plans

Moving ahead, Fuxing China will continue to expand its capacity for the production of finished and premium finished zippers to capture higher profit margins.

In July 2007, using internal funds, the Group acquired and installed machinery at its existing plant for the production of premium finished zippers. It has started commercial production in October 2007 following the successful completion of trial production. This is expected to raise the Group's FY2006 zipper chain production capacity by 6.0% on an annualised basis.

In addition, with the proceeds raised from the recent IPO, the Group will act on the following growth plans, which are all geared towards expanding its zipper chain production capacity for finished zippers and premium finished zippers.

- **Construction of another factory building within its existing Jinjiang City premises to expand production capacity for premium finished zippers**

  Construction for the new building has commenced and the factory is expected to be fully operational by the second quarter of FY2008. This is expected to raise the Group's FY2006 zipper chain production capacity by 19.0% on an annualised basis.

- **Set up new production facilities in Qingdao and Shanghai**

  To cater to the market in the northern region of the PRC and reach out to a larger base of garment manufacturers, Fuxing China intends to set up additional production facilities for the production of finished zippers and premium finished zippers in Shanghai and Qingdao.

  The Group is in the midst of completing the acquisition of a ready facility in Qingdao. It expects to seal the deal in the fourth quarter of FY2007 and commence production thereafter.

  The Group has also identified a few possible locations to lease or acquire suitable factory premises in Shanghai.

  The new facilities in Qingdao and Shanghai is expected to collectively raise the Group's FY2006 zipper chain production capacity by 8.2% on an annualised basis.

In addition, Fuxing China would also establish new sales offices in Hong Kong, Xiamen and Shanghai to act as added contact points to reach out directly to end customers in the international markets

The Group is pleased to announce that it has leased office premises for their Hong Kong sales office, which commenced operations in October 2007.

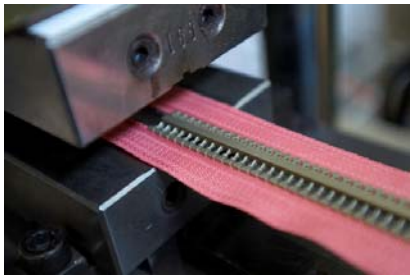
In Xiamen, it is in the midst of finalizing a leasing agreement for the sales office. Concurrently, it has also identified a suitable sales office for purchase and will be working towards completed the sales and purchase agreement.

Looking ahead, to ensure continued innovation in product quality and improved efficiency, Fuxing China remains steadfast in product and technical R&D to improve existing product line and improve production process using its extensive range of automated machinery. It will also continue to improve production technology to automate manufacturing processes in order to shorten production lead time and minimize risks of defects from human error.

SAC Capital Private Limited was the issue manager of the initial public offering of Fuxing China Group Limited. SAC Capital Private Limited assumes no responsibility for the contents of this announcement.

About Fuxing China

Based in Jinjiang City, Fujian Province, and listed on SGX-ST on 24 September 2007, Fuxing China is one of few vertically-integrated zipper producers in the PRC with the ability to manufacture the entire zipper product from mould-making for the production of zipper sliders to manufacturing of fabric tape for zipper chains.



Zipper chain



Zipper slider

The Group's zipper products are sold mainly to PRC manufacturers of apparel and footwear products, camping equipment, bags, upholstery furnishings, trading companies as well as other zipper manufacturers in the PRC which further process or assemble zipper products to customise to their customers' needs.

Fuxing China has a diversified customer base of over 900 customers which are located in the PRC. Fuxing China's end products are also used by renowned brands such as Anta, Septwolves, CBA Leisu, Fujian Peak and Northpole China, in their products such as apparels, shoes, bags and camping equipment.

Since its establishment in 1993, Fuxing China has built up a credible track record and market reputation, having garnered 10 awards in the past 10 years. More notably, its proprietary "3F" brand has been named the "Symbolic Brand of China" (中国标志性品牌) by First Chinese Well-Known Mark Conference in 2006 and "PRC Top 10 Famous Zipper Brands" (中国拉链十大知名品牌) by The Hardware Association of the PRC in 2005.

More recently in January 2007, Fuxing China's products were awarded the Intertek Eco-Certification, which allows the Group's products to be sold in the international markets. Today, through trading companies, the Group's zipper products are exported to Australia, the EU, Russia, Turkey, Korea, Thailand, Vietnam and Indonesia.

To ensure continued innovation in product quality and improved efficiency, Fuxing China places strong emphasis on product and technical R&D. As a testimony of its strength in R&D, Fuxing China's R&D facility was certified as a "Fujian Provincial Level Enterprise Technology Center" in December 2006. The Group has been granted 5 design patents for its zipper sliders, while 2 utility patents are pending registration. The Group also has established a research partnership with the Software Institute of Xiamen University with the aim of enhancing production efficiencies in the manufacturing of zipper products.