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NEWS RELEASE

Fuxing China posts strong 2Q2010 Profits of RMB 15m on Revenue of RMB 204m

- *1H2010 net profit boosted to nearly **RMB 26 million** on revenue of **RMB 312m***
- *Expects demand to stay strong from both PRC and overseas customers*
- *Gearing up production of new product – Super Durable Zipper – with higher margin*
- *Strong cash position of RMB 722.9m to support expansion and investment in businesses within the supply chain of zippers*

Financial Highlights *

RMB' million	Quarter Ended		Change	Half Year Ended		Change
	30 Jun 10	30 Jun 09		30 Jun 10	30 Jun 09	
Revenue	**204.3**	120.9	69%	**312.4**	201.3	55%
Gross Profit	**36.6**	18.4	99%	**60.0**	36.1	66%
Gross Profit Margin (GPM)	**17.9%**	15.2%	+2.7 pts	**19.2%**	17.9%	+1.3pts
Profit from operating activities	**25.6**	9.8	159%	**43.6**	21.8	99%
Profit before taxation	**24.9**	9.1	172%	**42.6**	18.9	127%
Net profit attributable to Equity holders	**14.9**	4.9	205%	**25.8**	10.5	147%
Earnings per share** (RMB)	**0.02**	0.01	100%	**0.03**	0.01	200%
NTA per share (RMB) as of end 2Q2010***	**1.31**					

* extracted from 2Q2010 Results Announcement, rounded to millions here, other figures including "change" per 2Q2010 Results

** Diluted EPS based on weighted average number of shares in issue in 2010: 870,005,918 ordinary shares

*** Based on issued share capital as at 30/06/2010 of 826,480,000 shares, equivalent to Singapore 27 cts using exchange rate of 4.8351

SINGAPORE – 10 August 2010 – Fuxing China Group Limited ("Fuxing China" or the "Group"), one of the leading vertically-integrated zipper manufacturers and 2nd largest in the PRC, is continuing to enjoy strong local and export sales. The Group has delivered another set of good results for the three months ended 30 June 2010 ("2Q2010"), a trend which is expected

to continue for the rest of the current financial year. The Group is also gearing up its production for a new product – ***Super Durable Zipper*** – which could generate a higher profit margin.

Due to the strong demand for its zipper products, the Group's 2Q2010 net profit surged 205% to RMB 14.9 million on a near 70% increase in revenue to RMB 204.3 million. The strong 2Q2010 performance boosted the Group's 1H2010 net profit by 148% to RMB 25.8 million and its revenue by 55% to RMB 312.4 million.

During the 2Q2010, sale of the Group's Zipper segment products comprising finished zippers, zipper chains and zipper sliders amounted to RMB 127.1 million compared to RMB 70.7 million in prior period. This represented an increase of 80%, as both local and export sales grew healthily as a result of the recovering economies in the PRC and overseas markets. Trading operations contributed to the Group's revenue of RMB 77.0 million compared to RMB 45.8 million in the prior period. Revenue from its Knitting Wool segment fell to RMB 0.3 million or 94% following the discontinuation of this operation during the current quarter.

The Group's **gross profit** increased by 99% to RMB 36.6 million in 2Q2010 due to its better pricing which has also generated a higher gross margin. Overall, Group's gross margin increased by 2.7 pts to 17.9% due largely to the continued increase in gross profit margin of the zipper business which reached **27.8%** in 2Q2010.

Mr Hong Qingliang (洪清凉), Executive Chairman/CEO of Fuxing China commented, ***"Demand has been strong in this quarter, and the order book for the Group is now into October. Although the Group has increased wage rates for its workers, labor supply is still tight. The Group's factories are recruiting workers to meet the increased demand."***

Segmental Review

	3 months Ended			6 months ended		
	30 Jun 2010	**30 Jun 2009**	**Growth**	**30 Jun 2010**	**30 Jun 2009**	**Growth**
Revenue	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Finished zipper	19,050	18,681	2	31,019	28,634	8
Zipper Chain	66,461	30,535	118	119,289	64,102	86
Zipper Slider	41,545	21,483	93	65,286	41,460	57
Knitting Wool	275	4,433	(94)	1,202	6,688	(82)

Trading	77,007	45,787	68	95,601	60,452	58
Total Group Revenue	204,338	120,919	69	312,397	201,336	55

Gross Profit/(Loss)

Finished zipper	5,629	4,589	23	9,033	7,194	26
Zipper Chain	19,245	8,468	127	33,960	18,059	88
Zipper Slider	10,437	4,376	139	15,246	8,970	70
Knitting Wool	(39)	(415)	(91)	131	(73)	NM
Trading	1,295	1,403	(8)	1,591	1,920	(17)
Total Gross Profit	36,567	18,421	99	59,961	36,070	66

Gross Profit/(Loss) Margin

	%	**%**	**pts**	**%**	**%**	**pts**
Finished zipper	29.5	24.6	4.9	29.1	25.1	4.0
Zipper Chain	29.0	27.7	1.3	28.5	28.2	0.3
Zipper Slider	25.1	20.4	4.7	23.4	21.6	1.8
Knitting Wool	(14.2)	(9.4)	(4.8)	10.9	(1.1)	12.0
Trading	1.7	3.1	(1.4)	1.7	3.2	(1.5)
Average Gross Margin	17.9	15.2	2.7	19.2	17.9	1.3

Outlook

"***The Group will continue to work towards improving its operational efficiencies by introducing more process automation to tackle the tight labour supply***," said Chairman Hong.

Chairman Hong announced that the Group has successfully registered a new patent – **Super Durable Zipper** – which the Group has commenced marketing to its customers. "***This product has the potential of replacing metal zippers, as it has a lower production cost and a longer product life. The Group intends to scale up its production with 100 sets of machinery by year-end.***"

The Group will continue to enhance its brand name in the PRC, and one strategy is to attract the best people in the zipper industry to "***work for Fuxing because Fuxing pays the best salaries in the zipper industry***." Chairman Hong also revealed that the Group is actively exploring its plans of "***investing in businesses within the supply chain of zipper products***."

With its strong financial strength, and cash and bank deposits of RMB 722.9 million, the Group is indeed in a strong position to execute its strategic plans.

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About Fuxing China Group Limited

Based in Jinjiang City, Fujian Province, Fuxing China is one of the few vertically-integrated zipper manufacturers and 2nd largest 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.

The Group's zipper products are sold mainly to manufacturers of apparel and footwear products, camping equipment, bags and luggages, upholstery and furnishings, trading companies as well as other zipper manufacturers in the PRC and overseas markets.

Fuxing China was awarded the ***PRC Top 10 Famous Zipper Brands*** and the ***Symbolic Brand of China*** award for its "3F" brand. The Group was listed on SGX-ST in September 2007.

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