

FUXING CHINA GROUP LIMITED

(Incorporated in Bermuda)

(Co. Reg. No: 38973)

QUARTERLY FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2009.**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY, HALF-YEAR AND FULL YEAR RESULTS****1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Group Statement of Comprehensive Income for the First Quarter ended 31/03/2009. These figures have not been audited.

	Group		
	3 months Ended 31/3/2009 Unaudited	3 months Ended 31/3/2008 Unaudited	Increase/ (Decrease)
	RMB'000	RMB'000	%
Revenue	80,417	189,982	(57.67)
Cost of sales	(62,768)	(119,089)	(47.29)
Gross profit	17,649	70,893	(75.10)
Other income and expenses	359	93	286.02
Selling and distribution expenses	(702)	(925)	(24.11)
General and administrative expenses	(5,374)	(2,874)	86.99
Profit from operating activities	11,932	67,187	(82.24)
Interest income	190	132	43.94
Interest expenses	(2,518)	(1,573)	60.08
Foreign exchange gain	37	239	(84.52)
Profit before taxation	9,641	65,985	(85.39)
Tax expense	(4,052)	(16,465)	(75.39)
Net profit attributable to shareholders	5,589	49,520	(88.71)
Statement of Comprehensive Income			
Net profit attributable to shareholders	5,589	49,520	(88.71)
Other comprehensive income for the period			
Exchange differences on translating foreign operations	1	-	NM
Total comprehensive income for the period attributable to shareholders	5,590	49,520	(88.71)

Note: The Group's profit before taxation is determined after charging the following items:

Allowance of allowance for doubtful trade receivables
Amortisation of land use rights
Amortisation of intangible assets
Intangible assets written off
Depreciation of property, plant and equipment
Salaries and bonuses

NM: Not Meaningful

1,303	-	NM
131	88	48.86
2	-	NM
-	36	NM
4,634	4,089	13.33
5,222	5,949	(12.22)

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31/03/2009 Unaudited	31/12/2008 Audited	31/03/2009 Unaudited	31/12/2008 Audited
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS				
Non-current assets				
Property, plant and equipment	163,712	167,554	-	-
Land use rights	23,598	23,728	-	-
Intangible assets	20,506	20,508	-	-
Investment in subsidiaries	-	-	344,853	344,853
	207,816	211,790	344,853	344,853
Current assets				
Inventories	83,577	42,001	-	-
Trade receivables, net	221,077	285,560	-	-
Other receivables and prepayments	176,281	473,968	-	-
Amount due from subsidiaries (non-trade)	-	-	431,054	433,580
Fixed deposits	78,332	75,331	-	-
Cash and bank balances	574,567	286,007	-	-
	1,133,834	1,162,867	431,054	433,580
Total assets	1,341,650	1,374,657	775,907	778,433
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Company				
Share capital	738,707	738,707	738,707	738,707
Treasury shares	(1,442)	-	(1,442)	-
Restructuring reserve	(117,878)	(117,878)	-	-
Accumulated profits/ (losses)	363,149	357,560	(6,272)	(5,143)
Translation reserve	1	-	-	-
Reserve fund	37,825	37,825	-	-
Contributed surplus	39,573	39,573	39,573	39,573
Total equity	1,059,935	1,055,787	770,566	773,137
Non-current liabilities				
Deferred tax liabilities	22,325	21,488	-	-
Current liabilities				
Trade payables	9,095	33,542	-	-
Bills payable to banks	55,337	56,935	-	-
Other payables & accruals	54,229	61,632	4,981	4,936
Amount due to directors (non-trade)	5,393	6,010	-	-
Amount due to subsidiaries (non-trade)	-	-	360	360
Short-term bank loans	111,500	111,500	-	-
Bank overdrafts	20,380	20,435	-	-
Income tax payable	3,456	7,328	-	-
Total current liabilities	259,390	297,382	5,341	5,296
Total liabilities	281,715	318,870	5,341	5,296
Total equity and liabilities	1,341,650	1,374,657	775,907	778,433

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

	As at 31 March 2009		As at 31 December 2008	
	Secured	Unsecured	Secured	Unsecured
	RMB'000	RMB'000	RMB'000	RMB'000
Bills payable to banks ¹	55,337	-	56,935	-
Short-term bank loans ²	111,500	-	111,500	-
Bank overdrafts ³	20,380	-	20,435	-

Amount repayable after one year

	As at 31 March 2009		As at 31 December 2008	
	Secured	Unsecured	Secured	Unsecured
	RMB'000	RMB'000	RMB'000	RMB'000
Bills payable to banks	-	-	-	-
Short-term bank loans	-	-	-	-
Bank overdrafts	-	-	-	-

Notes :

¹ RMB 22.0 million is secured by bank deposits of Jinjiang Fuxing Dress Co., Ltd and personal guarantee by a director and his spouse; RMB 2.7 million is secured by bank deposits of Fuxing Textile (Shanghai) Co., Ltd; and RMB 30.6 million is secured by personal guarantee from an independent third party and corporate guarantee by Fuxing China Group Limited.

² RMB 5.0 million is secured by certain buildings and land owned by an independent third party and personal guarantee by a director and his spouse; RMB 1.0 million is secured by certain land and buildings of Jinjiang Fuxing Dress Co., Ltd and personal guarantee by a director and his spouse; RMB 90.0 million is pledged by certain buildings and land owned by Jinjiang Fuxing Dress Co., Ltd and corporate guarantee by Jinjiang Fuxing Dress Co., Ltd; and RMB 15.5 million is pledged by certain buildings owned by Fuxing Textile (Shanghai) Co., Ltd.

³ Bank overdrafts are secured by personal guarantee from an independent third party and corporate guarantee by Fuxing China Group Limited.

- 1(c) A cash flow statement for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	3 months Ended 31/3/2009 Unaudited RMB'000	3 months Ended 31/3/2008 Unaudited RMB'000
OPERATING ACTIVITIES		
Profit before taxation	9,641	65,985
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	4,634	4,089
Amortisation of land use rights	131	88
Amortisation of intangible assets	2	-
Intangible assets written off	-	(36)
Allowance for doubtful trade receivables	1,303	-
Interest expense	2,518	1,573
Interest income	(190)	(132)
Foreign currency gain	52	(232)
Total adjustments	8,450	5,350
Operating cash flows before changes in working capital	18,091	71,335
<u>(Increase) Decrease in:</u>		
Inventories	(41,576)	(16,438)
Trade receivables	63,180	(9,558)
Other receivables & prepayments	297,687	45,560
<u>Increase (Decrease) in:</u>		
Trade payables	(24,447)	4,458
Other payables & accruals	(7,403)	7,956
Due to directors	(617)	3,300
Total changes in working capital	286,824	35,278
Cash flows from operations	304,915	106,613
Interest expense paid	(2,518)	(1,573)
Interest income received	190	132
Income tax paid	(7,088)	(19,539)
Net cash generated from operating activities	295,499	85,633
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(792)	(997)
Acquisition of subsidiaries, net of cash acquired	-	146
Net cash (used in) investing activities	(792)	(851)
FINANCING ACTIVITIES		
Purchase of shares	(1,442)	-
Proceeds from short-term bank borrowings	-	34,000
Repayments of short-term bank borrowings	-	(18,100)
Proceeds from bills payable	21,626	12,000
Repayment of bills payable	(23,275)	(26,000)
(Increase)/decrease in fixed deposits pledged to banks	(2,991)	2,800
Net cash (used in) / generated from financing activities	(6,082)	4,700
NET INCREASE IN CASH & CASH EQUIVALENTS	288,625	89,482
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	318,772	449,603
CASH & CASH EQUIVALENTS AT END OF PERIOD	607,397	539,085

Notes to the combined statement of cash flows

Cash and cash equivalents included in the combined statement of cash flows comprise the following:

	3 months Ended 31/3/2009 Unaudited RMB'000	3 months Ended 31/3/2008 Unaudited RMB'000
Fixed deposits	78,332	210
Cash and bank balances	574,567	539,085
	652,899	539,295
Less: bank overdraft	(20,380)	-
fixed deposits (pledged)	(25,122)	(210)
<u>Cash and cash equivalents</u>	607,397	539,085

Fixed deposits amounting to RMB 790,000 (2008: RMB 210,000) and RMB 24,332,000 (2008: Nil) are pledged to banks for the Group's bills payable to banks and bank overdrafts respectively.

1(d)(i) A statement for the issuer and group showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital RMB'000	Treasury shares RMB'000	Reserve fund RMB'000	Contributed surplus RMB'000	Restructuring reserve* RMB'000	Translation reserve RMB'000	Accumulated profits / (losses) RMB'000	Total equity RMB'000
Group								
At 1 January 2008, as previously reported	738,707	-	-	39,573	-	-	197,023	975,303
Prior year adjustments	-	-	37,825	-	(117,878)	-	80,061	8
Opening balance as at 1 January 2008, as restated	738,707	-	37,825	39,573	(117,878)	-	277,084	975,311
Total comprehensive income for the period	-	-	-	-	-	-	49,520	49,520
Closing balance at 31 March 2008	738,707	-	37,825	39,573	(117,878)	-	326,604	1,024,831
At 1 January 2009	738,707	-	37,825	39,573	(117,878)	-	357,560	1,055,787
Total comprehensive income for the period	-	-	-	-	-	1	5,589	5,590
Repurchase of shares	-	(1,442)	-	-	-	-	-	(1,442)
Closing balance at 31 March 2009	738,707	(1,442)	37,825	39,573	(117,878)	1	363,149	1,059,935
Company								
At 1 January 2008	738,707	-	-	39,573	-	-	(7,746)	770,534
Total comprehensive loss for the period	-	-	-	-	-	-	(80)	(80)
At 31 March 2008	738,707	-	-	39,573	-	-	(7,826)	770,454
At 1 January 2009	738,707	-	-	39,573	-	-	(5,143)	773,137
Total comprehensive loss for the period	-	-	-	-	-	-	(1,129)	(1,129)
Repurchase of shares	-	(1,442)	-	-	-	-	-	(1,442)
At 31 March 2009	738,707	(1,442)	-	39,573	-	-	(6,272)	770,566

Note:

* **Restructuring reserve:**

This represents the difference between the nominal value of shares issued by the Company in exchange for the nominal value of shares and capital reserve of subsidiaries acquired which is accounted for under "merger accounting".

- 1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.**

State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Buy-back

In March 2009, the Company purchased 5,314,000 of its ordinary shares pursuant to the share buy-back mandate approved by shareholders on 31 October 2008. These shares were acquired by way of market acquisitions for a total consideration of S\$319,341 and are held as treasury shares by the Company. There were no shares acquired in FY2008.

- 1(d)(iii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	31 March 2009	31 December 2008
Total number of issued shares excluding treasury shares	794,686,000	800,000,000

There were a total of 5,314,000 treasury shares as 31 March 2009.

- 1(d)(iv) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

	Treasury shares
Total number of shares as at 1 January 2009	-
Purchases of shares during the period	5,314,000
Total number of shares as at 31 March 2009	5,314,000

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 March 2009.

2. **Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group and the Company have adopted the same accounting policies and methods of computation in the financial statements for the first quarter of 2009 with those of the audited financial statements as at 31 December 2008.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earnings per ordinary share of the group, after deducting any provision for preference dividends (in RMB):	Group	
	3 mionths ended 31/3/2009	3 months ended 31/3/2008
(a) Basic and	0.01	0.06
(b) On a fully diluted basis	0.01	0.06

Note: The computation is based on weighted average number of shares in issue in 2009: 798,952,011 ordinary shares (2008: 800,000,000).

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31/3/2009	31/12/2008	31/3/2009	31/12/2008
Net asset value per ordinary share based on issued share capital at the end of the period (in RMB): (Number of ordinary shares in issue as at 31/3/2009: 794,686,000 (31/12/2008: 800,000,000 shares))	1.33	1.32	0.97	0.97

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

	Group		
	3 months Ended 31/3/2009 Unaudited	3 months Ended 31/3/2008 Unaudited	Increase/ (Decrease)
REVENUE	RMB'000	RMB'000	%
Finished zipper	9,953	55,125	(81.94)
Zipper Chain	33,566	73,183	(54.13)
Zipper Slider	19,977	61,674	(67.61)
Knitting Wool	2,255	-	NM
Trading	14,666	-	NM
Total Group Revenue	80,417	189,982	(57.67)

COST OF SALES

Finished zipper	7,348	31,362	(76.57)
Zipper Chain	23,976	43,179	(44.47)
Zipper Slider	15,383	44,548	(65.47)
Knitting Wool	1,913	-	NM
Trading	14,148	-	NM
Total Group Cost of Sales	62,768	119,089	(47.29)

GROSS PROFIT

Finished zipper	2,605	23,763	(89.04)
Zipper Chain	9,590	30,004	(68.04)
Zipper Slider	4,594	17,126	(73.18)
Knitting Wool	342	-	NM
Trading	518	-	NM
Total Gross Profit	17,649	70,893	(75.10)

GROSS PROFIT MARGIN

	%	%	%
Finished zipper	26.17	43.11	(16.94)
Zipper Chain	28.57	41.00	(12.43)
Zipper Slider	23.00	27.77	(4.77)
Knitting Wool	15.17	-	NM
Trading	3.53	-	NM
Total Gross Profit Margin	21.95	37.32	(15.37)

NM: Not Meaningful

Revenue

The Group's revenue decreased by RMB 109.6 million (or 57.67%) from RMB 190.0 million in 1Q08 to RMB 80.4 million in 1Q09. The decrease in revenue was due mainly to the decrease in the sales of Finished Zippers (RMB 45.2 million), Zipper Chains (RMB 39.6 million) and Zipper Sliders (RMB 41.7 million). This was partially offset by the increase in revenue derived from the Knitting Wool (RMB 2.3 million) and Trading (RMB 14.7 million) segments.

The decrease in revenue from Finished Zippers, Zipper Chains and Zipper Sliders (collectively as "Zipper Segment") is attributed to the decrease in export business for both direct overseas customers and export oriented garment factories. The decrease in the average selling prices of the Group's Zipper Segment following the decrease in raw materials prices and more competitive prices were offered to customers to retain the Group's working relationship with them.

The Knitting Wool and Trading segments were introduced in the second half of FY2008 following the setting up of the Group's Shanghai factory and its Hong Kong office respectively.

Gross Profit and Gross Profit Margin

The Group's gross profit decreased by RMB 53.2 million or 75.10% from RMB 70.9 million in 1Q08 to RMB 17.7 million in 1Q09. The Group's overall gross profit margin declined by 15.37% from 37.32% in 1Q08 to 21.95% in 1Q09. This is largely attributed to lower revenue due to a decrease in average selling prices of Zipper Segment coupled with a lower decrease in overall raw material costs. The Group also experienced fewer orders due to a decline in customers' export businesses, which were affected by the global economic crisis.

Other income and other expenses

Other income comprise government subsidies while other expenses mainly consist of bank charges. The net increase was mainly due to the technology subsidies received from the government of the People's Republic of China ("PRC") amounting to RMB 0.4 million in 1Q09.

Selling and distribution expenses

There was a decrease of RMB 0.2 million or 24.11% for selling and distribution expenses from RMB 0.9 million in 1Q08 to RMB 0.7 million in 1Q09. The decrease was mainly due to a decrease in the salaries and commission paid in 1Q09.

General and administrative expenses

There was an increase in general and administrative expenses by RMB 2.5 million or 86.99% in 1Q09 compared to 1Q08. This was largely due to the RMB 1.3 million provision for doubtful debts and an overall rise in general and administrative expenses amounting to RMB 0.9 million due to the higher activity level of the Group's Qingdao and Shanghai factories in 1Q09.

Interest income and expenses

Interest expenses has increased by RMB 0.9 million or 60.08% from RMB 1.6 million in 1Q08 to RMB 2.5 million in 1Q09. This is attributed to the increase in short-term loans, bills payable to banks and bank overdrafts in 1Q09 which resulted from the expansion of the operations in Shanghai and Hong Kong. Interest income was higher in 1Q09 as a result of an increase in bank deposits and bank balances.

Foreign exchange gain

The decrease in foreign exchange gain was due to a decrease in bank balance in foreign currency account.

Tax expense

	Group		
	3 months Ended 31/3/2009 Unaudited	3 months Ended 31/3/2008 Unaudited	Increase/ (Decrease)
	RMB'000	RMB'000	%
Current tax ¹	(3,216)	(16,465)	(80.47)
Deferred tax ²	(836)	-	NM
Tax expense	(4,052)	(16,465)	(75.39)

NM: Not Meaningful

Note

¹ Current tax decreased by RMB 13.2 million or 80.47% because of lower profit before taxation achieved in 1Q09.

² On 22 February 2008, the State Administration of Taxation of China issued a circular Caishui 2008 No.001, which states that distribution of dividends from profits accumulated from 1 January 2008 onwards shall be subject to withholding tax on distribution to foreign investors. Accordingly, the Group has provided for deferred tax liabilities on the Group's profit-making PRC subsidiaries' net profit attained in 1Q09. As Jade Star (the PRC's subsidiaries' immediate holding Company) was incorporated in the British Virgin Islands, the applicable withholding tax rate is 10%.

FINANCIAL POSITION

Non-current assets

As at 31 March 2009, non-current assets amounted to RMB 207.8 million comprising property, plant and equipment, land use rights and intangible assets.

The Group's property, plant and equipment amounted to RMB 163.7 million, a 2.29% or RMB 3.8 million decrease compared to FY08. The decrease was mainly due to depreciation charges.

Current assets

Current assets decreased by RMB 29.0 million or 2.50% in 1Q09. This was largely due to a decrease in trade receivables, other receivables and prepayments which was offset by the increase in inventories and cash and bank balances. Trade receivables dropped by RMB 64.5 million due to a decrease in revenue in 1Q09.

The decrease in other receivables as well as increase in cash and bank balances were due mainly to monies received from a director. The amounts had been inadvertently transferred to the director as a result of misinterpretation over certain transactions which resulted in incorrect accounting entries passed and was rectified in 1Q09. Details of the misinterpretation had been disclosed in the Group's Full Year Announcement for the full year ended 31 December 2008 dated 26 February 2009 (Announcement No. : 00278).

The increase in inventories was mainly due to the increased purchase of raw materials as reserve when the price of raw materials decreased significantly during the period, eg, zinc, polyester draw textured yarn and oil.

Current liabilities

In 1Q09, current liabilities amounted to RMB 259.4 million representing a decrease of RMB 38.0 million or 12.78% from RMB 297.4 million in FY08. This is attributed to the decrease in trade payables, other payables and accruals. For purpose of maintaining a credit line with bank, the Group retained a portion of short term loans and bank overdrafts during the period.

Cash Flow

The Group's cash and cash equivalents increased due to the repayment of the amount due from a director and a decrease in trade receivables during the period.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The 1QFY2009 financial results for the period ended 31 March 2009 is in line with the profit guidance announcement released by the Company on 7 May 2009.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The demand for zipper and zipper products was expected to remain weak as a result of the current economic downturn. Keener competition in the industry for a smaller demand will further erode the average selling price of the Group's products. The Group will put in more effort to implement cost saving policies as well as to streamline its operations to achieve higher manufacturing efficiency. The Group will also capitalize on its financial strength, size and well established network to source for lower cost raw materials. Leveraging on the Group's good reputation in the industry and, a well vertically integrated manufacturing operation with the capability to produce wider range of products, the Group will remain competitive in the zipper industry and be well positioned to meet new challenges ahead.

As at the date of this announcement, the Group has seen some increase in orders for the coming quarter compared to the same period in 1Q09. However, Management would take a cautious view that the market demand for zipper products may remain weak for the rest of the year.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not Applicable

(d) Books closure date

Not Applicable

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the period ended 31 March 2009.

13. Status of applications for the Land Use Rights and building ownership certificates relating to Land I and Land II

For Land I,

The Group has obtained the land use right and building ownership certificate granted from Jinjiang State Owned Land Resource Bureau on 17 November 2008.

For Land II

The application for the land use right has been submitted to the Jinjiang City Government upon our payment for the 30% deposit in March 2007. The application is still pending approval by the Fujian Provincial Government before sending to Jinjiang State Owned Land Resource Bureau for final processing.

Notes:

Land I and II – as defined in the “Risk Factors” section of the Company's prospectus dated 13 September 2007

Land I: refers to the adjoining land to the Group's premises currently used for its factory, warehouse office and accommodation

Land II: refers to a new site to be used for the setting up of its head office in Jinjiang City

14. Use of IPO proceeds

As at 31 March 2009, an approximate sum of RMB 154.5 million had been used in accordance with the plan stated in the company's prospectus dated 13 September 2007. RMB 47.0 million was utilized to repay the bank borrowings, RMB 42.1 million had been used for establishing our line of premium finished zippers at our current premises, RMB 30.9 million was paid to increase the working capital for our Qingdao Plant and remaining RMB 34.5 million was paid to increase the working capital for our Shanghai Plant.

BY ORDER OF THE BOARD

Hong Qing Liang
Executive Director & CEO

14 May 2009

Note:

SAC Capital Private Limited was the issue manager for the initial public offer of Fuxing China Group Limited (the "Company"). This announcement has been prepared and released by the Company.

FUXING CHINA GROUP LIMITED
(Incorporated in Bermuda)

Confirmation By Directors Pursuant to Clause 705(4) of the Listing Manual of SGX-ST.

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of Fuxing China Group Limited which may render these interim financial statements for the 1st quarter ended 31 March 2009 to be false or misleading in any material aspect.

For and on behalf of the
Board of Directors of
Fuxing China Group Limited

.....
Hong Qing Liang
Director

.....
Hong Peng You
Director

Date: 14 May 2009