FUXING CHINA GROUP LIMITED

(Incorporated in the Bermuda with limited liability)

(Company Registration Number: 38973)

Condensed Interim Financial Statements
For the half year ended 30 June 2026

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		The Group	
		6 months ended 30 June 2026	6 months ended 30 June 2025
	Note	**(Unaudited) RMB'000**	(Unaudited) RMB'000
Revenue	*4*	**330,659**	335,088
Cost of sales		**(299,230)**	(310,614)
Gross profit		**31,429**	24,474
Other items of income			
Other income	*5*	**5,487**	5,274
Interest income	*6*	**170**	404
Other items of expenses			
Marketing and distribution costs		**(5,318)**	(6,225)
Administrative expenses		**(23,341)**	(26,084)
Other expenses	*7*	**(413)**	(2,492)
Finance costs	*6*	**(1,684)**	(3,437)
Profit /(Loss) before tax	*8*	**6,330**	(8,086)
Income tax expenses	*10*	**(963)**	(1,433)
Profit /(Loss) for the period		**5,367**	(9,519)
Other comprehensive income/(loss):			
Item that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		**(1,046)**	1,958
Total comprehensive (loss)/income for the period		**4,321**	(7,561)
Profit /(Loss) attributable to:			
Owners of the Company		**5,068**	(9,580)
Non-controlling interests		**299**	61
		5,367	(9,519)
Total comprehensive income/(loss) attributable to:			
Owners of the Company		**4,022**	(7,622)
Non-controlling interests		**299**	61
		4,321	(7,561)
		RMB	RMB
Earnings /(Loss) per share attributable to owners of the Company			
Basic and diluted	*11*	**0.25**	(0.56)

B. CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

		The Group		The Company	
		30 June 2026 (Unaudited)	31 December 2025 (Audited)	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
	Note	**RMB'000**	RMB'000	**RMB'000**	RMB'000
Non-current assets					
Property, plant and equipment	*14*	**214,698**	228,590	**-**	-
Investment properties		**39,000**	39,000	**-**	-
Land use rights		**15,559**	15,863	**-**	-
Intangible assets		**1,602**	1,903	**-**	-
Investment in subsidiaries		**-**	-	**344,853**	344,853
		270,859	285,356	**344,853**	344,853
Current assets					
Inventories	*15*	**86,105**	74,176	**-**	-
Trade and other receivables	*16*	**221,062**	228,833	**237,151**	243,656
Prepayments	*17*	**55,327**	49,463	**-**	-
Cash and short-term deposits		**199,258**	191,916	**392**	84
		561,752	544,388	**237,543**	243,740
Total assets		**832,611**	829,744	**582,396**	588,593
Equity and liabilities					
Equity attributable to owners of the Company					
Share capital	*18*	**2,202**	2,202	**2,202**	2,202
Treasury shares	*18*	**(6,408)**	(6,408)	**(6,408)**	(6,408)
Reserve fund		**67,593**	67,593	**-**	-
Capital reserve		**39,573**	39,573	**39,573**	39,573
Contributed surplus		**604,881**	604,881	**604,881**	604,881
Restructuring reserve		**(117,878)**	(117,878)	**-**	-
Foreign currency translation reserve		**(14,243)**	(13,197)	**-**	-
(Accumulated losses)/Retained earnings		**25,553**	20,485	**(64,649)**	(54,230)
Total equity attributable to owners of the Company		**601,273**	597,251	**575,599**	586,018
Non-controlling interests		**874**	735	**-**	-
Total equity		**602,147**	597,986	**575,599**	586,018
Current liabilities					
Trade and other payables	*19*	**117,254**	100,166	**6,797**	2,575
Loans and borrowings	*21*	**94,758**	113,623	**-**	-
Income tax payable		**4,325**	3,842	**-**	-
		216,337	217,631	**6,797**	2,575
Non-current liabilities					
Deferred tax liabilities		**14,127**	14,127	**-**	-
Total liabilities		**230,464**	231,758	**6,797**	2,575
Total equity and liabilities		**832,611**	829,744	**582,396**	588,593

C. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	<----Attributable to owners of the Company							---->		
Group	**Share capital**	**Treasury shares**	**Reserve fund**	**Contributed surplus**	**Capital reserve**	**Restructuring reserve[1]**	**Translation reserve**	**Accumulated losses**	**Non-controlling interests**	**Total equity**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
At 1 January 2025	1,874	(6,408)	67,552	598,946	39,573	(117,878)	(12,755)	276	509	571,689
Total comprehensive loss for the period	-	-	-	-	-	-	1,958	(9,580)	61	(7,561)
Dividend paid to non-controlling interests	-	-	-	-	-	-			(9)	(9)
At 30 June 2025	1,874	(6,408)	67,552	598,946	39,573	(117,878)	(10,797)	(9,304)	561	564,119
At 1 January 2026	2,202	(6,408)	67,593	604,881	39,573	(117,878)	(13,197)	20,485	735	597,986
Total comprehensive income for the period	-	-	-	-	-	-	(1,046)	5,068	299	4,321
Dividend paid to non-controlling interests	-	-	-	-	-	-			(160)	(160)
At 30 June 2026	2,202	(6,408)	67,593	604,881	39,573	(117,878)	(14,243)	25,553	874	602,147

Company	**Share capital**	**Treasury shares**	**Capital reserve**	**Contributed surplus**	**Accumulated losses**	**Total equity**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
At 1 January 2025	1,874	(6,408)	39,573	598,946	(52,553)	581,432
Total comprehensive loss for the period	-	-	-	-	(6,798)	(6,798)
At 30 June 2025	1,874	(6,408)	39,573	598,946	(59,351)	574,634
At 1 January 2026	2,202	(6,408)	39,573	604,881	(54,230)	586,018
Total comprehensive loss for the period	-	-	-	-	(10,419)	(10,419)
At 30 June 2026	2,202	(6,408)	39,573	604,881	(64,649)	575,599

Note:

1 **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".

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 30 June 2026 (Unaudited) RMB'000	6 months ended 30 June 2025 (Unaudited) RMB'000
OPERATING ACTIVITIES		
Profit/(Loss) before taxation	**6,330**	(8,086)
Adjustments for:		
Depreciation of property, plant and equipment	**19,048**	20,052
Loss on disposal of property, plant and equipment	**-**	330
Amortisation of land use rights	**304**	453
Amortisation of intangible assets	**300**	300
Net provision for loss allowance for trade receivables	**427**	996
Net reversal of loss allowance for prepayments	**(278)**	(477)
Net provision for/(reversal of) social security contribution	**312**	(249)
Interest expense	**1,684**	3,437
Interest income	**(170)**	(404)
Foreign currency differences	**(1,047)**	1,959
Total adjustments	**20,580**	26,397
Operating cash flows before changes in working capital	**26,910**	18,311
(Increase)/ Decrease in:		
Inventories	**(11,930)**	(7,651)
Trade and other receivables	**7,345**	36,285
Prepayments	**(5,585)**	1,770
Increase/ (Decrease) in:		
Trade payables	**9,360**	(10,344)
Other payables & accruals	**(8,003)**	(622)
Total changes in working capital	**(8,813)**	19,438
Cash flows generated from operations	**18,097**	37,749
Income tax paid	**(480)**	(1,384)
Net cash generated from operating activities	**17,617**	36,365
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(5,155)**	(11,860)
Proceeds from disposal of property, plant and equipment	**-**	181
Interest income received	**170**	404
Net cash used in investing activities	**(4,985)**	(11,275)
FINANCING ACTIVITIES		
Dividend paid to non-controlling interest	**(160)**	(9)
Advances from directors	**6,554**	1,368
Proceeds from short-term borrowings	**-**	16,500
Repayments for short-term borrowings	**(11,684)**	(73,937)
(Increase)/Decrease in fixed deposits pledged to banks	**(2,793)**	18,000
Net cash (used in) / generated from financing activities	**(8,083)**	(38,078)
NET (DECREASE) / INCREASE IN CASH & CASH EQUIVALENTS	**4,549**	(12,988)
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	**176,230**	132,948
CASH & CASH EQUIVALENTS AT END OF PERIOD (Note A)	**180,779**	119,960

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Note A:

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

	6 months ended 30 June 2026 Unaudited RMB'000	6 months ended 30 June 2025 Unaudited RMB'000
Fixed deposits	**18,479**	18,686
Cash and bank balances	**180,779**	119,960
	199,258	138,646
Less: Fixed deposits (pledged)	**(18,479)**	(18,686)
Cash and cash equivalents	**180,779**	119,960

Fixed deposits for the six months ended 30 June 2026 amounting to RMB18,479,000 (30 June 2025: RMB18,686,000) were pledged to banks for the Group's bills payable to banks, short-term bank loans and bank overdrafts.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

1. GENERAL INFORMATION

1.1 General information

Fuxing China Group Limited (the “Company”) was incorporated and domiciled as an exempt company with limited liability in Bermuda and is listed on the mainboard in Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are disclosed in Note 1.2 to the financial statements.

The registered office of the Company is at Richmond House, 12 Par-la-Ville Road, Hamilton HM 08, Bermuda and the principal place of business of the Group is located at Hangbian Industry Area, Longhu Town, Jinjiang City, Fujian Province, People’s Republic of China (the “PRC”).

1.2 Group structure

Details of the subsidiaries of the Company at the end of the reporting period are set out below:

Name	Country of incorporation	Principal activities	Effective equity held by the Company	
			30 June 2026 %	31 December 2025 %
Held by the Company				
Jade Star Group Holdings Limited (“Jade Star”)	British Virgin Islands	Investment holding	100	100
Fuxing China Group Limited (HK) ("FCG")	Hong Kong	Investment holding, to facilitate the application of the State-owned Land Use Right Certificate in respect of the Land Parcel	100	100
Held through Jade Star				
Jinjiang Fookhing Zipper Co., Ltd ("Fookhing Zipper")	People's Republic of China	Production and sale of finished zippers and zipper chains	100	100
Jinjiang Fuxing Dress Co., Ltd ("Fuxing Dress")	People's Republic of China	Production and sale of zipper sliders	100	100
Fookhing Group Trading Co., Ltd (“Fuxing HK”)	Hong Kong	Trading of raw materials for textile sector	100	100
Fulong Zipper and Weaving Co., Ltd ("Fulong")	People's Republic of China	Colour dyeing of fabric tapes for zippers	100	100
Jinjiang Fuxin Electroplating Co., Ltd ("Fuxin")	People's Republic of China	Provision of electroplating services for zipper sliders	100	100
Held through FCG				
Xiamen Fuxing Industrial Co., Ltd. (“Xiamen Fuxing")	People's Republic of China	Real estate development	100	100
Held through Xiamen Fuxing				
Xiamen Xinfuxing Property Management Co., Ltd (“Xiamen Property")	People's Republic of China	To handle property management and realtor services for the Group’s Xiamen headquarters	80	80

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and the Group’s performance since the last audited annual financial statements for the year ended 31 December 2025.

The condensed interim financial statements are presented in Renminbi (“RMB”) and all amounts have been rounded to the nearest thousand (“RMB’000”), unless otherwise stated.

The accounting policies and method of computations used in the condensed interim financial statements are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in note 2.2.

2.2 New and amended Standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.3 Use of judgment and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that there are no critical judgements that have a significant effect on the amounts recognised in the financial statements.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

3 SEASONAL OPERATIONS

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 SEGMENT INFORMATION AND REVENUE

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

(i) **<u>Zippers</u>**
The zippers segment represents manufactures and sells zipper sliders, zipper chain and finished zippers

(ii) **<u>Processing</u>**
The processing segment represents colour dyeing of fabric tapes for zippers, electroplating services for zipper sliders and manufacturing and sales of dyed yarn.

(iii) **<u>Trading</u>**
The trading segment represents trading of raw materials, including rubber thread, nylon fabric and nylon yarn.

(iv) **<u>Corporate</u>**
The corporate segment is involved in Group-level corporate services and treasury functions.

Except as indicated above, no operating segments has been aggregated to form the above reportable operating segments.

4. SEGMENT INFORMATION AND REVENUE (CONTINUED)

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets and liabilities are not disclosed as such separate financial information is not available but is evaluated regularly by the chief operating decision-maker in deciding how to allocate resources to the operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Geographical information

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	30 June 2026 RMB'000	30 June 2025 RMB'000	**30 June 2026 RMB'000**	31 December 2025 RMB'000
People's Republic of China	**231,856**	227,620	**270,857**	285,353
Hong Kong	**98,803**	107,468	**2**	3
Total	**330,659**	335,088	**270,859**	285,356

Non-current assets information presented above comprised of property, plant and equipment, investment properties, land use rights, intangible assets and prepayments as presented in the statement of financial position.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

4. SEGMENT INFORMATION AND REVENUE (CONTINUED)

Business segments

The following table presents revenue, results and other information regarding the Group's business segments for the half year ended 30 June 2026 and 30 June 2025.

Group **30 June 2026**	**Zipper** **RMB'000**	**Trading** **RMB'000**	**Processing** **RMB'000**	**Corporate** **RMB'000**	**Elimination** **RMB'000**	**Total** **RMB'000**
Revenue:						
Sales to external customers	207,975	98,803	23,881	-	-	330,659
Inter-segment sales	-	-	12,824	-	(12,824)	-
Total revenue	207,975	98,803	36,705	-	(12,824)	330,659
Results:						
Segment gross profit	25,789	2,551	3,089	-	-	31,429
Segment results	6,913	2,017	38	(1,124)	-	7,844
Interest income	135	-	1	34	-	170
Financial costs	(922)	(762)	-	-	-	(1,684)
Profit before income tax						6,330
Income tax expenses						(963)
Profit attributable to shareholders						5,367
Other segment information						
Depreciation and amortisation	14,264	1	5,201	186	-	19,652
Net provision for/(reversal of) loss allowance for trade receivables	1,404	-	(977)	-	-	427
Net reversal of loss allowance for prepayments	(70)	-	(208)	-	-	(278)
Total assets	**621,712**	**58,759**	**92,886**	**59,254**	-	**832,611**
Total assets include:						
Capital expenditure for property, plant and equipment	2,979	-	2,176	-	-	5,155
Total liabilities	**(153,343)**	**(29,402)**	**(36,403)**	**(11,316)**	-	**(230,464)**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

4. SEGMENT INFORMATION AND REVENUE (CONTINUED)

Business segments (Continued)

Group **30 June 2025**	**Zipper** **RMB'000**	**Trading** **RMB'000**	**Processing** **RMB'000**	**Corporate** **RMB'000**	**Elimination** **RMB'000**	**Total** **RMB'000**
Revenue:						
Sales to external customers	199,516	107,468	28,104	-	-	335,088
Inter-segment sales	-	-	25,329	-	(25,329)	-
Total revenue	199,516	107,468	53,433	-	(25,329)	335,088
Results:						
Segment gross profit	19,772	2,735	1,967	-	-	24,474
Segment results	860	2,460	(3,991)	(4,382)	-	(5,053)
Interest income	366	1	1	36	-	404
Financial costs	(2,298)	(1,125)	(14)	-	-	(3,437)
Loss before income tax						(8,086)
Income tax expenses						(1,433)
Loss attributable to shareholders						(9,519)
Other segment information						
Depreciation and amortisation	14,251	2	6,364	188	-	20,805
Net provision for/(reversal of) loss allowance for trade receivables	1,856	-	(860)	-	-	996
Net provision for/(reversal of) loss allowance for prepayments	(597)	-	120	-	-	(477)
Total assets	**576,250**	**65,594**	**124,909**	**57,860**	-	**824,613**
Total assets include:						
Capital expenditure for property, plant and equipment	5,163	-	6,697	-	-	11,860
Total liabilities	**(178,891)**	**(39,755)**	**(27,012)**	**(14,836)**	-	**(260,494)**

5. OTHER INCOME

	6 months ended 30 June 2026 RMB'000	6 months ended 30 June 2025 RMB'000
Government grants	**61**	313
Rental and management income	**4,572**	4,954
Others	**854**	7
	5,487	5,274

6. INTEREST INCOME AND FINANCIAL COSTS

	6 months ended 30 June 2026 RMB'000	6 months ended 30 June 2025 RMB'000
Interest income from:		
- Bank deposits	**179**	404
Interest expense on:		
- Bank loans	**1,684**	3,437

7. OTHER EXPENSES

	6 months ended 30 June 2026 RMB'000	6 months ended 30 June 2025 RMB'000
Loss on disposal of property, plant and equipment	**-**	330
Foreign exchange loss, net	**395**	2,162
Others	**18**	-
	413	2,492

8. PROFIT/(LOSS) BEFORE INCOME TAX

The following charges/(credits) were included in determination of profit/(loss) before income tax:

	6 months ended 30 June 2026 RMB'000	6 months ended 30 June 2025 RMB'000
Personnel expenses	**49,908**	46,236
Loss on disposal of property, plant and equipment	**-**	330
Net provision for loss allowance for trade receivables	**427**	996
Net reversal of loss allowance for prepayments	**(278)**	(477)

9. RELATED PARTY TRANSACTIONS

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

10. TAXATION

	6 months ended 30 June 2026 RMB'000	6 months ended 30 June 2025 RMB'000
Current income tax expenses	**963**	927
Deferred tax	**-**	506
Income tax expenses for the period	**963**	1,433

Note:

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

11. EARNINGS / (LOSS) PER SHARE

Basic earnings / (loss) per share is calculated by dividing the earnings / loss for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period amounting to 20,205,438 ordinary shares (2025: 17,205,438).

The following tables reflect the earnings / (loss) and share data used in the computation of basic and diluted earnings / (loss) per share for the periods ended:

	Group	
	30 June 2026 RMB'000	30 June 2025 RMB'000
Profit/(Loss) for the period attributable to owners of the Company	**5,068**	(9,580)
	No. of shares '000	No. of shares '000
Weighted average number of ordinary shares for basic and diluted earnings/ (loss) per share computation	**20,205**	17,205

Note: Basic earnings / (loss) per share is computed based on weighted average number of shares in issue in 20,205,438 ordinary shares (2025: 17,205,438).

11. EARNINGS / (LOSS) PER SHARE (CONTINUED)

	Group	
	30 June 2026	30 June 2025
Basic and diluted (loss)/earnings per share (RMB per share)	**0.25**	(0.56)

12. NET ASSET VALUE PER SHARE

	Group		Company	
	30 June 2026	31 December 2025	**30 June 2026**	31 December 2025
Net asset value per share based on issued share capital at the end of the period (in RMB)	29.8	33.9	28.5	33.2

Net asset value per share is computed based on weighted average number of ordinary shares (except treasury shares) in issue in 20,205,438 ordinary shares (2025: 17,616,397).

13. DIVDENDS

No interim dividend for the half year ended 30 June 2026 (30 June 2025: Nil) was recommended as the Company's policy is to review and declare dividends (if any) on annual basis.

14. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired plant and equipment amounting to RMB5.2 million (30 June 2025: RMB 11.9 million).

15. INVENTORIES

	Group	
	30 June 2026	31 December 2025
	RMB'000	RMB'000
Raw materials	**37,463**	26,168
Work-in-progress	**11,998**	11,509
Finished goods	**36,644**	36,499
	86,105	74,176

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	30 June 2026 RMB'000	31 December 2025 RMB'000	**30 June 2026 RMB'000**	31 December 2025 RMB'000
Trade receivables	**247,429**	253,017	**-**	-
Less: loss allowance	**(39,335)**	(38,908)	**-**	-
	208,094	214,109	**-**	-
Bills receivables	**1,204**	1,371	**-**	-
Other receivables	**11,764**	13,353	**2,170**	5
Amount due from subsidiaries (non-trade)	**-**	-	**234,981**	243,651
Total trade and other receivables	**221,062**	228,833	**237,151**	243,656

Loss allowance

	30 June 2026 RMB'000	31 December 2025 RMB'000
At 1 January	**38,908**	41,670
Net Charge/(Reversal) for the financial period/year	**427**	(2,762)
	39,335	38,908

17. PREPAYMENTS

	30 June 2026 RMB'000	31 December 2025 RMB'000
Advances to suppliers	**46,645**	41,802
Prepayment for property, plant and equipment	**5,221**	3,966
Prepaid operating expenses	**3,461**	3,695
	55,327	49,463

18. SHARE CAPITAL AND TREASURY SHARES

(a) Share capital

	Group and Company			
	2026		**2025**	
	No. of shares '000	**Value RMB'000**	**No. of shares '000**	**Value RMB'000**
At 30 June/31 December	20,205	2,202	20,205	2,202

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

18. SHARE CAPITAL AND TREASURY SHARES (CONTINUED)

(b) Treasury shares

	Group and Company			
	2026		**2025**	
	No. of shares ‘000	**Value RMB’000**	**No. of shares ‘000**	**Value RMB’000**
At 30 June/31 December	277	6,408	277	6,408

Treasury shares relate to ordinary shares of the Company that are held by the Company.

19. TRADE AND OTHER PAYABLES

	Group		**Company**	
	30 June 2026 RMB'000	31 December 2025 RMB'000	**30 June 2026 RMB'000**	31 December 2025 RMB'000
Trade payables	**36,188**	26,828	**-**	-
Contract liabilities – advances from customers	**40,287**	35,516	**-**	-
Accrued salary and bonuses	**18,036**	21,262	**34**	276
Other accruals	**11,703**	12,074	**685**	1,412
Amounts due to directors (non-trade)	**11,040**	4,486	**6,078**	887
Total trade and other payables	**117,254**	100,166	**6,797**	2,575

20. LOANS AND BORROWINGS

	Group	
	30 June 2026	31 December 2025
	RMB'000	RMB'000
Bills payables to banks		
Bill 1	**32,450**	37,680
Bill 2	**28,304**	31,939
	60,754	69,619
Short-term bank loans:		
Loan 1	**34,004**	34,004
Loan 2	**-**	10,000
	34,004	44,004
Total loans and borrowings	**94,758**	113,623

1 These bill payable to bank (Bill 1) and short-term bank loan (Loan 1) are secured by bank deposits of Jinjiang Fookhing Zipper Co., Ltd, and certain land use rights and buildings owned by Jinjiang Fookhing Zipper Co., Ltd, located at Yangxia Industrial Area, Shishi City, Fujian Province, the PRC and personal guarantee from related party – Mr. Hong Qing Liang (Executive Chairman), and Ms. Shi MeiMei (spouse of Executive Chairman), and corporate guarantee from a subsidiary - Jinjiang Fuxing Dress Co., Ltd and independent third party – Jinjiang Yuanda Garment Weaving Co., Ltd.

2 Bill payable to bank (Bill 2) is secured by a charge over a property located at Seapower Tower Concordia Plaza, No.1 Science Museum Road, Kowloon owned by Goldplan Corporation Limited, corporate guarantee from the Company, and personal guarantee from a related party – Mr. Hong Qing Liang (Executive Chairman).

Goldplan Corporation Limited is wholly owned by Mr. Hong Qing Liang (Executive Chairman).

3 This short-term bank loan (Loan 2) is secured by certain land use rights and buildings owned by Jinjiang Fookhing Zipper Co., Ltd, located at Hangbian Industrial Area, Longhu Town, Jinjiang City, Fujian Province, the PRC and personal guarantee from related party – Mr. Hong Qing Liang (Executive Chairman) and Ms. Shi MeiMei (spouse of Executive Chairman), and corporate guarantee from a subsidiary – Jinjiang Fuxing Dress Co., Ltd.

All loans and borrowings are denominated in the functional currencies of the respective entities as at 30 June 2026 and 31 December 2025. The short-term loans bear interest ranging from 4.30% to 5.27% (31 December 2025: 4.30% to 5.27%) and are repayable within 12 months.

21. CAPITAL COMMITMENTS

The Group had no material capital commitments for the half year ended 30 June 2026.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1. Review

The consolidated statement of the financial position of Fuxing China Group Limited and its subsidiaries as at 30 June 2026 and the related consolidated profit or loss and other comprehensive income consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-
(a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.
This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The latest audited financial statements of the Group for the financial year ended 31 December 2025 was not subject to any adverse opinion, qualified opinion, or disclaimer of opinion.

3. Review of performance of the Group

	Group		
	6 months Ended 30/6/2026 Unaudited	**6 months Ended 30/6/2025 Unaudited**	**Increase/ (Decrease)**
REVENUE	**RMB'000**	**RMB'000**	**%**
Zipper	207,975	199,516	4
Trading	98,803	107,468	(9)
Processing	36,705	53,433	(31)
Inter-segment sales	(12,824)	(25,329)	(49)
Total Group Revenue	**330,659**	**335,088**	(1)
COST OF SALES			
Zipper	182,186	179,743	1
Trading	96,252	104,734	(8)
Processing	33,616	51,466	(35)
Inter-segment sales	(12,824)	(25,329)	(49)
Total Group Cost of Sales	**299,230**	**310,614**	(4)
GROSS PROFIT			
Zipper	25,789	19,773	30
Trading	2,551	2,734	(7)
Processing	3,089	1,967	57
Total Gross Profit	**31,429**	**24,474**	28
GROSS PROFIT MARGIN			
	%	**%**	**% pts**
Zipper	12.4	9.9	2.5
Trading	2.6	2.5	0.1
Processing	8.4	3.7	4.7
Average Gross Profit Margin	**9.5**	**7.3**	2.2

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

Revenue

The Group's revenue is derived from three business segments: Zipper, Trading and Processing.

Revenue in 1H2026 remained relatively stable at RMB330.7 million (1H2025: RMB335.1 million), with the Zipper segment continuing to be the Group's largest revenue contributor, generating RMB208.0 million in revenue in 1H2026 (1H2025: RMB199.5 million).

The increase in revenue from the Zipper segment in 1H2026 was primarily driven by higher selling prices across the Group’s zipper product categories.

The Group’s Trading segment relates to the sourcing and buying of certain raw materials (such as rubber thread, nylon fabric and nylon yard) in accordance with customers’ requirements. The profit margin and all purchases were based on confirmed sales. As such, the sales volume and profit margin are dependent on customers’ demand. Revenue from the Trading segment dipped to RMB98.8 million in 1H2026 (1H2025: RMB107.5 million), primarily due to lower sales volumes resulting from softer market demand.

Revenue from the Processing segment dipped to RMB23.9 million in 1H2026 (1H2025: RMB28.1 million), primarily due to lower processing activities arising from the disposal of its subsidiary engaged in zipper processing activities in August 2025.

Gross Profit and Gross Profit Margin

The Group’s gross profit increased by RMB7.0 million (or 28%) to RMB31.4 million in 1H2026 (1H2025: RMB24.5 million), mainly due to the increase in gross profit from the Zipper segment and the Processing segment.

The Group’s overall gross profit margin increased by 2.2 percentage points to 9.5% in 1H2026 (1H2025: 7.3%), mainly due to the increase in gross profit margin from the Zipper segment as a result of higher selling prices across all zipper product categories.

Other income and expenses

Other income comprised government grants, rental and management fee income. Other expenses comprised mainly of net foreign exchange loss in 1H2026.

The foreign exchange loss in 1H2026 arose from the depreciation of RMB against USD and SGD in the Group’s foreign currencies denominated bank balances and from the translation of HK dollar denominated balances owing from subsidiaries in the Company's book due to depreciation of RMB against HK dollar.

Selling and distribution expenses

Selling and distribution expenses decreased by RMB0.9 million (or 15%) to RMB5.3 million in 1H2026 (1H2025: RMB6.2 million), mainly due to a decrease in business trips and entertainment as a result of reduced promotional activities, eg. roadshows, exhibitions, etc.

General and administrative expenses

General and administrative expenses decreased by RMB2.8 million (or 11%) to RMB23.3 million in 1H2026 (1H2025: RMB26.1 million), mainly due to lower net provision for loss allowance for trade receivables of RMB0.4 million in 1H2026 as compared to RMB1.0 million in 1H2025. In addition, depreciation of property, plant and equipment was lower, amounted to RMB19.0 million in 1H2026, as compared to RMB20.1 million in 1H2025.

Finance income and expenses

Finance expenses decreased by RMB1.8 million to RMB1.7 million in 1H2026 (1H2025: RMB3.5 million), which was mainly due to the decrease in the short-term bank loans in 1H2026 as compared to 1H2025.

Finance income decreased by RMB0.2 million (or 58%) to RMB0.2 million in 1H2026 (1H2025: RMB0.4 million), which was mainly due to reduced bank interest rate during the period.

FINANCIAL POSITIION

Non-current assets

As at 30 June 2026, non-current assets amounted to RMB270.9 million comprising of property, plant and equipment, investment properties, intangible assets and land use rights.

The Group's property, plant and equipment amounted to RMB214.7 million, a decrease of 6% (or RMB13.9 million) compared to RMB228.6 million as at 31 December 2025, that was mainly due to the depreciation expenses recognised during the period under review.

Intangible assets represented the acquisition of new operation system for factory usage during the period under review.

Current assets

As at 30 June 2026, current assets amounted to RMB561.8 million, an increase of 3% (or RMB17.4 million) as compared to RMB544.4 million as at 31 December 2025. This was largely due to the increase in inventories, prepayment, cash and bank balance.

Inventories increased by RMB11.9 million (or 16%) to RMB86.1 million due to a build-up of inventories as the Group maintained a 3-months raw materials production requirement for the purpose of productions compared to a 2-months raw materials production requirement as at 31 December 2025.

For advances to suppliers, the Group will secure supply agreements with its various suppliers. The prepayments to suppliers were to secure the supply of raw materials at competitive prices for the year, typically at about 2% to 3% discount of the total contracted value. The Group will make the advance payment upon the signing of the purchase agreements. After the receipt of the advance payments, the suppliers will take approximately 1 to 2 months to make full delivery of the raw materials to the Group's warehouse.

Cash and bank balances (less fixed deposits pledged) increased by RMB4.5 million to RMB180.8 million as at 30 June 2026, mainly due to the improvement of collection of trade receivables in 1H2026.

Current liabilities

As at 30 June 2026, total current liabilities were RMB216.3 million, a slight decrease of 1% (or RMB1.3 million) as compared to RMB217.6 million as at 31 December 2025. This was mainly attributable to the decrease in short-term bank loans.

The loans and borrowings decreased by RMB18.9 million (or 17%) to RMB94.8 million as at 30 June 2026 as compared to RMB113.6 million as at 31 December 2025. This was mainly due to the repayment of short-term bank loans and bills payable during 1H2026.

The amount due to a director was funds remitted from Mr Hong Qing Liang for the payment of the legal and professional fees and expenses incurred by the Company for the previously proposed Nasdaq listing. There is no fixed payment schedule for the advances from Mr. Hong Qing Liang who had also agreed that all the advances granted shall be interest free. The increase in advances was mainly due to payment of audit fee, listing compliance fees, legal and professional fees incurred during 1H2026.

Non-current liabilities

Non-current liabilities comprised of deferred tax liabilities. Deferred tax liabilities remained the same at RMB14.1 million as at 30 June 2026 and 31 December 2025.

CASH FLOW

Operating activities

Net cash flows generated from operating activities in 1H2026 amounted to RMB17.6 million compared to RMB36.4 million in 1H2025. This was mainly due to the increase in inventories and prepayment in 1H2026 as compared to 1H2025.

Investing activities

Net cash flows used in investing activities in 1H2026 amounted to RMB5.0 million compared to RMB11.3 million in 1H2025. This was mainly due to the decrease in acquisition of plant and equipment in 1H2026 as compared to 1H2025.

Financing activities

Net cash flows used in financing activities in 1H2026 amounted to RMB8.1 million compared to RMB38.1 million in 1H2025. This was mainly due to the lower repayment of bank loans in 1H2026.

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

The performance for 1H2026 is in line with the Company's profit guidance statement released to SGX-ST via SGXNET on 6 August 2026.

5. 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 operating period and the next 12 months

For the next 12 months, the Group expects its operating results will continue to be impacted by high production costs, low gross margin and its business outlook to be affected by uncertain customers' demand amidst challenging China's economic growth outlook.

In midst of the challenging business environment, Management has stepped up efforts to improve its operational performance. Management intends to target revenue growth and margin expansion through enhanced operational efficiency, utilising greater automation, and increased direct-to-brand sales. As such, Management is cautiously optimistic that the improvement in gross profit margin trajectory seen in 1H2026 will prevail on successful execution of its plans to uplift its margins across zipper products.

The Group will focus to execute the following plans and measures to improve its profitability:

- Enhancing quality and operational efficiency through further adoption of automation and digitalisation initiatives and strengthen margin resilience across its three business segments.
- Prudent capital management by maintaining disciplined cost control and optimising capital structure to maintain financial flexibility and reduce financing costs.

- Deepening customer relationships via increased direct-to-brand sales, new product innovation, improving product quality, and enhancing responsiveness to market demand to harness new opportunities.

The Group will continue to remain vigilant in managing its expenses and monitor its receivables and collections closely to minimise bad debts, accelerate cash collections and ensure the Group's working capital is sufficient and healthy to support its business operations and future growth initiatives.

6. Dividend information

(a) Current Financial Period Reported On

Any dividend recommended 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

7. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

8. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

9. Use of proceeds

On 12 November 2025, the Company undertook a placement exercise and allotted and issued 3,000,000 fully paid-up new ordinary shares in the capital at a placement price of S$0.415 each per share, amounting to an aggregate consideration of approximately RMB 6,263,000 after net off with direct expenses (the "**Net Proceeds**").

As at the date of this announcement, the Company had utilised the Net Proceeds as follows:

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

Intended use of Net Proceeds	**Amount allocated**	**Amount utilised**	**Amount unutilised**
	RMB'000	**RMB'000**	**RMB'000**
For investment in technological research and development and upgrades to its intelligent manufacturing equipment and assembly line	6,263	4,400	1,863

FUXING CHINA GROUP LIMITED
(Incorporated in Bermuda)

Confirmation By Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the half year ended 30 June 2026 to be false or misleading in any material aspect.

On behalf of the
Board of Directors of
Fuxing China Group Limited

....
Hong Qing Liang
Director

....
Hong Peng You
Director

Date: 14 August 2026