FUXING CHINA GROUP LIMITED
(Incorporated in Bermuda)
(Company Registration No.: 38973)

UPDATE ON PROPOSED LISTING ON THE NASDAQ STOCK MARKET – RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

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1. INTRODUCTION

The Board of Directors (the "**Board**") of Fuxing China Group Limited (the "**Company**") refers to the Company's announcements dated 31 December 2021, 30 June 2022, 8 July 2022, 5 June 2023, 14 March 2024, 4 April 2024, 22 August 2024, 26 September 2024 and 5 November 2024 (collectively, the "**Announcements**") regarding, among others, the proposed listing on the NASDAQ (the "**Proposed NASDAQ Listing**").

Unless otherwise defined, all defined terms used herein shall have the same meaning ascribed thereto in the Announcements.

The Company had made an application to the SGX-ST on 30 September 2024 for, among others, the Proposed Capital Reorganisation, the Proposed NASDAQ Listing, the Proposed Underlying Shares Issue (as defined below) and the Representative's Warrants (as defined below) and the Proposed Representative's Shares Issue (as defined below) (collectively, the "**Proposed Transactions**"), as well as for the listing of, and permission to deal in, (i) the 17,205,438 ordinary shares ("**Shares**") with a par value of S$0.02 each arising from the Proposed Capital Reorganisation; (ii) up to 25,875,000 Shares to be issued pursuant to the Proposed Underlying Shares Issue; and (iii) up to 1,552,500 Shares to be issued pursuant to the exercise of the Representative's Warrants by the underwriters, Craft Capital Management LLC (the "**Representative**"), in relation to the Proposed Representative's Warrants and Representative's Shares Issue, on the Main Board of the SGX-ST.

2. GRANT OF IN-PRINCIPLE APPROVAL

The Board is pleased to announce that the Company has, on 25 November 2024, received from the SGX-ST clearance for the circular to be despatched to Shareholders (the "**Circular**") as well as the in-principle approval for the listing of and quotation of (i) 17,205,438 Shares with a par value of S$0.02 each arising from the Proposed Capital Reorganisation; (ii) up to 25,875,000 Shares to be issued pursuant to the Proposed Underlying Shares Issue; and (iii) up to 1,552,500 Shares to be issued pursuant to the exercise of the Representative's Warrants by the Representative, on the Main Board of the SGX-ST (the "**In-Principle Approval**"). Please refer to paragraph 4 of this announcement for further information on SGX-ST's In-Principle Approval.

3. THE PROPOSED UNDERLYING SHARES ISSUE AND ADS OFFERING

Pursuant to the relevant NASDAQ rules and regulations, the Company is required to raise a minimum of US$5 million, have at least 1,000,000 unrestricted publicly held ADSs, and subject to

the minimum offering price of not less than US$4.00 per ADS (the "**Minimum Offering Price**") in order to be listed on the NASDAQ.

Accordingly, the proposed ADS offering will comprise 1,500,000 Offering ADSs with each Offering ADS representing 15 new Shares (the "**ADS to Share Ratio**") at the Minimum Offering Price per Offering ADS (the "**ADS Offering**"). The Company will also be granting the underwriters of the ADS Offering an option to purchase at the actual offering price such amount of additional ADSs equivalent to 15% of the actual number of Offering ADS (being 225,000 ADSs, based on the 1,500,000 Offering ADSs described in the preceding paragraph) solely for the purpose of covering over-allotments (the "**Over-allotment Option**"), if any, made in connection with the ADS Offering. As such, the total number of Offering ADSs will amount to 1,725,000 and based on the ADS to Share Ratio, the corresponding number of new Shares to be issued will amount to 25,875,000 (the "**Proposed Underlying Share Issue**").

The Company has also agreed to issue warrants (the "**Representative's Warrants**") to the Representative to purchase ADSs equal to 6% of the total number of ADSs sold in the ADS Offering, including new ADSs issued upon exercise of the Over-allotment Option, as part of the compensation payable to the Representative. As such, based on the ADS to Share Ratio, the corresponding number of new Shares to be issued will amount to 1,552,500 (the "**Proposed Representative's Shares Issue**"). The Representative's Warrants shall have an exercise price equal to the actual offering price of the ADSs sold in in the ADS Offering.

The Board will determine the exact ADS Offering structure and details of the ADS Offering closer to the launch of the ADS Offering, having regard to, among others, the demand for the Offering ADSs, the then prevailing trading price of the Shares on the SGX-ST and overall market sentiment. The final offering price will be ascertained when the Underwriting Agreement is signed on the business day immediately before the launch of the ADS Offering.

The Company will announce the final ADS Offering structure and details of the ADS Offering and the completion of the ADS Offering, as soon as possible after the information is available.

The Minimum Offering Price used in this announcement in relation to the ADS Offering is strictly intended as an illustration and should not be taken to be in any way a statement or indication of the expected, forecasted or actual offering price. Accordingly, there is no assurance that the actual offering price will not vary from the illustrations shown in this announcement.

4. SGX-ST'S IN-PRINCIPLE APPROVAL

The In-Principle Approval for the listing of and quotation of (i) 17,205,438 Shares with a par value of S$0.02 each arising from the Proposed Capital Reorganisation; (ii) up to 25,875,000 Shares to be issued pursuant to the Proposed Underlying Shares Issue; and (iii) up to 1,552,500 Shares to be issued pursuant to the exercise of the Representative's Warrants by the Representative, on the Main Board of the SGX-ST, is subject to the following:

(a) compliance with the Exchange's listing requirements;

(b) Shareholders' approval being obtained for the Proposed Capital Reorganisation, the Proposed Underlying Shares Issue and the Proposed Representative's Warrants and Representative's Shares Issue;

(c) a written undertaking from the Company that it will comply with Listing Rules 704(30) and 1207(20) in relation to the use of the proceeds from the Proposed Underlying Shares Issue and the Proposed Representative's Warrants and Representative's Shares Issue, and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for general working capital in the Company's announcements on use of proceeds and in the annual report;

(d) a written undertaking from the Company that it will comply with Listing Rule 803;

(e) a written undertaking from the underwriters that they will ensure that the Company complies with Listing Rule 803;

(f) a written confirmation from the Company that the terms of the Representative's Warrants comply with Listing Rule 829;

(g) a written undertaking from the Company that it will comply with Listing Rule 831;

(h) announcement of the conditions under which the exercise price of the Representative's Warrants may be adjusted;

(i) a written confirmation from the Company that the ADSs to be issued pursuant to the ADS Offering, and the Representative's Warrants and ADSs to be issued pursuant to the Proposed Representative's Warrants and Representative's Shares Issue will not be issued to persons prohibited under Listing Rule 812(1); and

(j) a written confirmation from the underwriters that the ADSs to be issued pursuant to the ADS Offering, and the Representative's Warrants and ADSs to be issued pursuant to the Proposed Representative's Warrants and Representative's Shares Issue will not be placed out to persons prohibited under Listing Rule 812(1).

Shareholders should take note that the In-Principle Approval is not to be taken as an indication of the merits of the Proposed Capital Reorganisation, the Proposed NASDAQ Listing, the Proposed Underlying Shares Issue, the Proposed Representative's Warrants and Representative's Shares Issue, the Company and/or its subsidiaries.

5. SHAREHOLDERS' APPROVAL AND CAUTIONARY STATEMENT

The Board wishes to highlight to the Shareholders that the Proposed Transactions are subject to, amongst others, the approvals of the relevant authorities and of the Shareholders at a special general meeting and there is no assurance that the approval of the relevant authorities will be granted and/or the approval of the Shareholders will be obtained.

Further, the Board may, notwithstanding that all requisite regulatory approvals and Shareholders' approval have been obtained, decide not to proceed with the Proposed Transactions, if after

assessing various factors including the prevailing general economic and capital market conditions, the Board deems that it is not in the best interests of the Group to proceed with the same.

As such, there is no certainty or assurance that the Proposed Transactions will materialise. Shareholders and other investors are reminded to exercise caution while dealing in the Shares. In the event that Shareholders and other investors are in doubt when dealing in the Shares, they should consult their stockbrokers, bank managers, solicitors, accounts or other professional advisers.

6. CIRCULAR TO SHAREHOLDERS

The Company will convene a special general meeting (the "**SGM**") to obtain the Shareholders' approval for the Proposed Transactions. The Circular will contain pertinent information on the Proposed Transactions as well as the notice of the SGM.

7. FURTHER INFORMATION

The Company will also make further announcements as and when there are material updates in relation to the Proposed Transactions.

FOR AND ON BEHALF OF THE BOARD

Hong Qing Liang
Executive Chairman
25 November 2024