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FSM Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1721)

(1) CHANGE OF DIRECTORS (2) CHANGE OF COMPOSITION OF AUDIT COMMITTEE, REMUNERATION COMMITTEE AND NOMINATION COMMITTEE (3) CHANGE OF AUTHORISED REPRESENTATIVE; AND (4) CHANGE OF COMPANY SECRETARY

The Board would like to announce the followings:

- (1) Ms. Wong Yet Lian has resigned as an executive Director, a member of Remuneration Committee and the chief operating officer of the Company with effect from 8 April 2020;
- (2) Ms. Lim Siew Choo has resigned as an executive Director with effect from 8 April 2020;
- (3) Prof. Pong Kam Keung has resigned as an independent non-executive Director, the chairman of the Remuneration Committee, each of member of Audit Committee and Nomination Committee with effect from 8 April 2020;
- (4) Mr. Ng Hung Fai Myron has resigned as an independent non-executive Director, a member of each of the Audit Committee and Nomination Committee with effect from 8 April 2020;
- (5) Mr. Li Thet has been appointed as an executive Director, the Chairman of the Board, the chairman of Nomination Committee and a member of the Remuneration Committee with effect from 8 April 2020;

- (6) Mr. Wong Po Keung has been appointed as an independent non-executive Director, the chairman of the Remuneration Committee and a member of each of Audit Committee and Nomination Committee with effect from 8 April 2020;
- (7) Mr. Lau Chun Ho Edward has been appointed as an independent non-executive Director, a member of each of the Audit Committee, Nomination Committee and Remuneration Committee with effect from 8 April 2020;
- (8) Ms. Leung Hoi Yan has resigned as the company secretary, the Authorised Representative and the authorized representative of the Company for the acceptance of services of process and notices in Hong Kong under Part 16 of the Companies Ordinance with effect from 8 April 2020;
- (9) Mr. Zhu Ben Yu has appointed as the Company Secretary, the Authorised Representative and the authorized representative of the Company for the acceptance of services of process and notices in Hong Kong under Part 16 of the Companies Ordinance with effect from 8 April 2020; and
- (10) Mr. Toe Tiong Hock has resigned as the Chairman of the Board and chairman of the Nomination Committee with effective from 8 April 2020, but remains as an executive Director and the Chief Executive Officer of the Company.

CHANGE OF DIRECTORS AND CHANGE OF CHAIRMAN OF THE BOARD

Resignation of Directors and their respective positions held in the Company

The board (the “**Board**”) of directors (the “**Directors**”) of FSM Holdings Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) announces that with effect from 8 April 2020:

- (1) Ms. Wong Yet Lian (“**Ms. Wong**”) has resigned as an executive Director, a member of Remuneration Committee and the chief operating officer of the Company due to her intention to concentrate on daily operation of the Group. Ms. Wong will remain as directors of certain subsidiaries of the Company;

- (2) Ms. Lim Siew Choo (“**Ms. Lim**”) has resigned as an executive Director with effect from 8 April 2020 due to her intention to concentrate on the Group’s production operation in Malaysia of the Group and will remain as directors of certain subsidiaries of the Company;
- (3) Prof. Pong Kam Keung (“**Prof. Pong**”) has resigned as an independent non-executive Director, the chairman of the Remuneration Committee, member of each of the Audit Committee and Nomination Committee with effect from 8 April 2020 due to his own business commitments;
- (4) Mr. Ng Hung Fai Myron (“**Mr. Ng**”) has resigned as an independent non-executive Director, member of each of the Audit Committee and Nomination Committee with effect from 8 April 2020 due to his own business commitments;

Each of Ms. Wong, Ms. Lim, Prof. Pong and Mr. Ng has confirmed that she or he has no disagreement with the Board and there is no matter relating to her or his resignation that needs to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) and/or The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in relation to her or his resignation.

The Board would like to take this opportunity to express its gratitude to Ms. Wong, Ms. Lim, Prof. Pong and Mr. Ng for their valuable contributions to the Company during their tenure of directorship.

Appointment of Directors

The Board announces that with from effect 8 April 2020, (1) Mr. Li Thet (“**Mr. Li**”) has been appointed as an executive Director of the Company, Chairman of the Board, chairman of Nomination Committee and a member of Remuneration Committee, (2) Mr. Wong Po Keung (“**Mr. Wong**”) has been appointed as an independent non-executive Director of the Company, the chairman of the Remuneration Committee and a member of each of the Audit Committee and Nomination Committee, and (3) Mr. Lau Chun Ho Edward (“**Mr. Lau**”) has been appointed as an independent non-executive Director of the Company, a member of each of the Audit Committee, Nomination Committee and Remuneration Committee.

Set out below are the biographical information of Mr. Li, Mr. Wong and Mr. Lau.

Executive Director

Mr. Li Thet

Mr. Li Thet, aged 32, has 10 years of experience in management and technology solution development in information technology industry in the PRC and is familiar with digital management and application of information technology. Mr. Li founded a company which is principally engaged in the development and operations of mobile games in the PRC in 2011. He is currently the chairman and chief executive officer of such company. Mr. Li holds a bachelor degree in electronic commerce from Beijing Information Science and Technology University* (北京信息科技大學) in 2009.

Mr. Li has entered into a service agreement with the Company for a term of three years and is subject to retirement by rotation and re-election in accordance with the articles of association (the “**Articles**”) of the Company and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). Pursuant to the service agreement, the remuneration of Mr. Li is HK\$1,200,000 per annum with a discretionary bonus which will be determined in its absolute discretion based on the recommendation of the Remuneration Committee. The remuneration of Mr. Li was determined with reference to his duties and responsibilities and the prevailing market conditions.

Save as disclosed herein, as at the date of this announcement, Mr. Li (i) does not hold any position with the Company or other members of the Group; (ii) does not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company (as defined in the Listing Rules); and (iii) has not held any directorship in public companies in the last three years the securities of which are listed on any securities market in Hong Kong or overseas. Mr. Li beneficially owns 602,340,000 Shares, representing approximately 60.23% issued shares capital of the Company through a controlled corporation, which is wholly-owned by Mr. Li. As at the date of this announcement, save for his interests through the controlled corporation, Mr. Li does not have other interests in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within meaning of Part XV of Securities and Futures Ordinance (“**SFO**”)).

There are no matters relating to the appointment of Mr. Li which the Board considers necessary to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2) (v) of the Listing Rules.

The Board would like to take this opportunity to express its warmest welcome to Mr. Li in joining the Company.

Independent non-executive Directors

Mr. Wong Po Keung

Mr. Wong Po Keung, aged 49, has ample experience in auditing, accounting, financial management and company secretarial practices in respect of listed companies in Hong Kong. He has been appointed as executive director of China Environmental Resources Group Limited, a company listed on the Stock Exchange (stock code: 1130) and the Singapore Exchange Limited (Singapore Stock Code: RS1) since 30 September 2013 while he also works as its financial controller and a member of the investment committee. Mr. Wong holds a Master degree in Business Administration from the University of South Australia. He is a fellow member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

Mr. Wong has entered into a letter of appointment with the Company for a term of three years and is subject to retirement by rotation and re-election in accordance with the Articles and the Listing Rules. Pursuant to the letter of appointment, the remuneration of Mr. Wong as the independent non-executive Director is HK\$120,000 per annum, which shall be paid in twelve monthly instalments of HK\$10,000 each. The remuneration of Mr. Wong was determined with reference to his duties and responsibilities and the prevailing market conditions. Mr. Wong is not entitled to any bonus of the Company.

Save as disclosed above, as at the date of this announcement, Mr. Wong (i) does not hold any position with the Company or other members of the Group; (ii) does not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company (as defined in the Listing Rules); (iii) has not held any directorship in public companies in the last three years the securities of which are listed on any securities market in Hong Kong or overseas; and (iv) does not have any interests in the securities of the Company which are required to be disclosed pursuant to Part XV of the SFO. Mr. Wong further confirmed that he has satisfied the requirements to act as an independent non-executive director under Rule 3.13 of the Listing Rules.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters relating to the appointment of Mr. Wong which the Board considers necessary to be brought to the attention of the Shareholders and/or the Stock Exchange.

Mr. Lau Chun Ho Edward

Mr. Lau Chun Ho Edward, aged 48, is a practicing solicitor of Hong Kong and has over 20 years' practical legal experience in advising financial and corporate transactions. He is currently the senior partner of Edward Lau Phoebe Ng Solicitors LLP. Mr. Lau is admitted as a solicitor in both Hong Kong and England and Wales (non-practising).

Mr. Lau has entered into a letter of appointment with the Company for a term of three years and is subject to retirement by rotation and re-election in accordance with the Articles of the Company and the Listing Rules. Pursuant to the letter of appointment, the remuneration of Mr. Lau as an independent non-executive Director is HK\$240,000 per annum, which shall be paid in twelve monthly instalments of HK\$20,000 each. The remuneration of Mr. Lau was determined with reference to his duties and responsibilities and the prevailing market conditions. Mr. Lau is not entitled to any bonus of the Company.

Save as disclosed above, as at the date of this announcement, Mr. Lau (i) does not hold any position with the Company or other members of the Group; (ii) does not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company (as defined in the Listing Rules); (iii) has not held any directorship in public companies in the last three years the securities of which are listed on any securities market in Hong Kong or overseas; and (iv) does not have any interests in the securities of the Company which are required to be disclosed pursuant to Part XV of the SFO. Mr. Lau further confirmed that he has satisfied the requirements to act as an independent non-executive director under Rule 3.13 of the Listing Rules.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters relating to the appointment of Mr. Lau which the Board considers necessary to be brought to the attention of the Shareholders and/or the Stock Exchange.

The Board would like to take this opportunity to express its warmest welcome to Mr. Wong and Mr. Lau in joining the Company.

CHANGE OF COMPANY SECRETARY AND AUTHORISED REPRESENTATIVE

The Board announces that Ms. Leung Hoi Yan (“**Ms. Leung**”) has tendered her resignation as the company secretary, authorised representative of the Company (the “**Authorised Representative**”) under Rule 3.05 of the Listing Rules and the authorized representative of the Company for the acceptance of services of process and notices in Hong Kong under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the “**Companies Ordinance**”) with effect from 8 April 2020.

Ms. Leung confirmed that she has no disagreement with the Board and there is no circumstances relating to her resignation which needs to be brought to the attention of the Stock Exchange and the Shareholders.

The Board further announces that Mr. Zhu Ben Yu (“**Mr. Zhu**”) has been appointed as the Company Secretary of the Company, the Authorised Representative and the authorized representative of the Company for the acceptance of services of process and notices in Hong Kong under Part 16 of the Companies Ordinance with effect from 8 April 2020.

Set out below is the biographical information of Mr. Zhu.

Mr. Zhu, aged 47, obtained Bachelor's Degree of Business Administration and Executive Master of Business Administration from The Chinese University of Hong Kong. Mr. Zhu is a fellow member of the Association of Chartered Certified Accountants, a member of Hong Kong Institute of Certified Public Accountants and a Chartered Accountant of Chartered Accountants Australia and New Zealand. Mr. Zhu has over 20 years of experience in financial management, corporate finance and auditing. Mr. Zhu has extensive experience taking the roles as chief financial officers, financial controllers and company secretary of several companies listed on the main board of the Stock Exchange.

The Board would like to take this opportunity to express its gratitude to Ms. Leung for her valuable efforts and contribution to the Company during her tenure of service and welcome Mr. Zhu in joining the Company.

CHANGE OF CHAIRMAN AND AUTHORISED REPRESENTATIVE

The Board announces that with effect from 8 April 2020 and following the appointment of Mr. Li as the Chairman of the Board, Mr. Toe Tiong Hock (“**Mr. Toe**”) has resigned as the Chairman of the Board and the chairman of the Nomination Committee, but remains as an executive Director and the Chief Executive Officer of the Company. Mr. Toe has confirmed that he has no disagreement with the Board and there is no matter relating to his resignation that needs to be brought to the attention of the Shareholders and/or the Stock Exchange

Mr. Toe has also ceased to act as the Authorised Representative and Mr. Li has been appointed as the Authorised Representative with effect from 8 April 2020.

By Order of the Board
FSM Holdings Limited
Li Thet
Chairman

Hong Kong, 8 April 2020

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Li Thet and Mr. Toe Tiong Hock; and three independent non-executive Directors, namely Mr. Bau Siu Fung, Mr. Wong Po Keung and Mr. Lau Chun Ho Edward.

** For identification purposes only*