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## **FSM Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1721)**

### **QUARTERLY UPDATE ON SUSPENSION OF TRADING**

This announcement is made by FSM Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 31 March 2021, 28 May 2021, 30 June 2021 and 31 August 2021 (collectively, the “**Announcements**”) in relation to, among others, (i) delay in publication of the 2020 Annual Results; (ii) postponement of board meeting for approval of the 2020 Annual Results; (iii) the suspension of trading in the shares of the Company on the Stock Exchange; (iv) the Resumption Guidance; (v) quarterly update on suspension of trading; (vi) further delay in publication of the 2020 Annual Results; and (vii) delay in publication of the 2021 Interim Results. Unless otherwise stated, the capitalised terms used herein shall have the same meaning as defined in the Announcements.

### **UPDATE ON PROGRESS OF RESUMPTION**

As disclosed in the announcement of the Company dated 28 May 2021, the Stock Exchange has set out the following Resumption Guidance for the Company:

- conduct an appropriate independent investigation into the Issue, assess the impact on the Company’s business operation and financial position, announce the findings and take appropriate remedial actions;

- publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- demonstrate its compliance with Rule 13.24 of the Listing Rules; and
- announce all material information for the Company's shareholders and investors to appraise the Company's position.

Pursuant to Rule 13.24A of the Listing Rules, the Board wishes to update the Shareholders and potential investors of the Company on the progress of the Company's fulfilment of the Resumption Guidance as at the date of this announcement which is summarised below.

### **Update on Independent Review**

As disclosed in the announcements of the Company dated 31 March 2021, 30 June 2021 and 31 August 2021, the Company has engaged an Independent Consultant to perform the Independent Review. As at the date of this announcement, the Independent Consultant has completed the Independent Review and the final report (the "**Final Report**") in respect of the Independent Review was issued to the audit committee of the Company. Pursuant to the Final Report, the Independent Consultant found no evidence which suggests that the Issue is related to fraud. Pursuant to the Resumption Guidance, the Company will publish further announcement(s) to inform the Shareholders and potential investors about the findings of the Independent Review, the impact of the Issue on the Company's business operation and financial position (if any), and appropriate remedial actions taken by the Company.

### **Outstanding financial results**

Based on the current progress of audit works, the Company expects that the 2020 Annual Results will be published by October 2021. It is also expected that the 2021 Interim Results will be published after the publication of the 2020 Annual Results. The Company will make further announcement(s) to update the Shareholders and potential investors on the date of publication of the 2020 Annual Results and 2021 Interim Results.

## **BUSINESS UPDATE**

The Directors wish to point out that, notwithstanding the suspension of trading, the Group is carrying on its business operations as usual to the extent possible under the adverse effect brought by the outbreak of COVID-19 in Singapore and Malaysia. The Board will continue to assess and monitor the impact of the outbreak of COVID-19 and the suspension of trading on the operation and financial performance of the Group. The Company will take appropriate measures as necessary and make further announcement(s) as and when appropriate.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Thursday, 1 April 2021 and will remain suspended until further notice.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**FSM Holdings Limited**  
**Li Thet**  
*Chairman*

Hong Kong, 30 September 2021

*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.*