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FSM Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1721)

PROFIT WARNING

This announcement is made by FSM Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on preliminary assessment of the unaudited consolidated management accounts of the Group for the financial year ended 31 December 2023 (“**FY2023**”) and other information currently available to the Board, it is expected that the Group would record a loss attributable to the owners of the Company in the range of approximately S\$4.4 million to approximately S\$5.4 million for FY2023 as compared to a profit attributable to the owners of the Company of approximately S\$2.1 million for the financial year ended 31 December 2022. The expected loss for FY2023 is primarily attributable to (i) decrease in revenue and profit of our manufacturing business due to reduction in sales orders as a result of the decrease in market demand in the Singapore sheet metal fabrication industry; and (ii) increase in costs incurred in operating and developing mobile games from our online business.

As the Company is still in the process of finalising the Group’s annual results for FY2023, the information contained in this announcement is only a preliminary assessment performed by the management of the Company based on the latest information currently available to the Board. Such information has not been audited by the Company’s auditors nor reviewed by the audit committee of the Company. As such, the actual results of the Group for FY2023 may be different from the information contained in this announcement. The annual results announcement of the Group for FY2023 is expected to be published in late March 2024 in accordance with the Listing Rules.

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

By order of the Board
FSM Holdings Limited
Li Thet
Chairman

Hong Kong, 8 March 2024

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.