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Omnibridge Holdings Limited

橋英控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8462)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM of the Stock Exchange (“GEM”) has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, for which the directors (the “**Directors**”) of Omnibridge Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

This announcement is prepared in English and translated into Chinese. In the event of any inconsistencies between the Chinese and English version, the latter shall prevail.

ANNUAL RESULTS

The board (the “**Board**”) of Directors is pleased to announce the following audited consolidated results of the Group for the year ended 31 December 2020, together with the comparative figures for the preceding year ended 31 December 2019:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Notes	2020 S\$'000	2019 S\$'000
Revenue	4	51,676	36,745
Cost of services		<u>(45,816)</u>	<u>(31,029)</u>
Gross profit		5,860	5,716
Other income	4	905	170
Allowance for expected credit losses, net		(100)	(47)
Administrative expenses		<u>(6,250)</u>	<u>(6,948)</u>
PROFIT/(LOSS) FROM OPERATIONS		415	(1,109)
Finance costs		<u>(33)</u>	<u>(83)</u>
PROFIT/(LOSS) BEFORE TAX	5	382	(1,192)
Income tax expense	6	<u>(150)</u>	<u>(27)</u>
PROFIT/(LOSS) FOR THE YEAR		<u>232</u>	<u>(1,219)</u>
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation		<u>28</u>	<u>15</u>
Other comprehensive income for the year, net of tax		<u>28</u>	<u>15</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		<u><u>260</u></u>	<u><u>(1,204)</u></u>
PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		<u><u>232</u></u>	<u><u>(1,219)</u></u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		<u><u>260</u></u>	<u><u>(1,204)</u></u>
Earnings/(loss) per share			
– Basic and diluted (<i>Singapore cents</i>)	7	<u><u>0.04</u></u>	<u><u>(0.20)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	2020 S\$'000	2019 S\$'000
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment		455	191
Right-of-use assets		<u>1,497</u>	<u>460</u>
		<u>1,952</u>	<u>651</u>
CURRENT ASSETS			
Trade receivables	8	10,302	5,979
Prepayments, deposits and other receivables		497	862
Cash and cash equivalents		<u>19,283</u>	<u>12,714</u>
		<u>30,082</u>	<u>19,555</u>
CURRENT LIABILITIES			
Accrued labour costs		5,283	2,821
Other payables and accruals	9	9,190	971
Lease liabilities		554	689
Tax payables		<u>187</u>	<u>27</u>
		<u>15,214</u>	<u>4,508</u>
NET CURRENT ASSETS		<u>14,868</u>	<u>15,047</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>16,820</u>	<u>15,698</u>
NON-CURRENT LIABILITIES			
Lease liabilities		956	70
Deferred tax liabilities		<u>—</u>	<u>24</u>
		<u>956</u>	<u>94</u>
NET ASSETS		<u><u>15,864</u></u>	<u><u>15,604</u></u>
EQUITY			
Share capital	11	1,053	1,053
Reserves		<u>14,811</u>	<u>14,551</u>
TOTAL EQUITY		<u><u>15,864</u></u>	<u><u>15,604</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

1. GENERAL INFORMATION

Omnibridge Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 8 August 2016. Its parent company is Omnipartners Holdings Limited (“**Omnipartners**”), a company incorporated in the British Virgin Islands. Its ultimate controlling parties are Mr. Chew Chee Kian (“**Mr. Chew**”) and Ms. Yong Yuet Han (“**Ms. Yong**”), who are also the executive directors of the Company. The Company has been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) on 18 August 2016. Its shares (the “**Shares**”) were initially listed on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 17 July 2017.

The Company’s registered office address is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The head office in Hong Kong is at Suite 506, 5/F, Admiralty Centre Tower 2, 18 Harcourt Road, Admiralty, Hong Kong and principal place of business of the Group is at 298 Tiong Bahru Road, #12-03 Central Plaza, Singapore 168730.

References are made to (i) the announcement of the Company dated 29 January 2021; (ii) the circular of the Company dated 3 February 2021; and (iii) the poll results announcement of the Extraordinary General Meeting of the Company dated 25 February 2021, in relation to the Proposed Change of Company Name. The dual foreign name in Chinese of the Company has been changed from “橋英控股有限公司” to “中安控股集團有限公司” with effect from 1 March 2021 and the English name “Omnibridge Holdings Limited” remains unchanged. The Company will make further announcement on the Proposed Change of Company Name as soon as practicable after the Proposed Change of Company Name has become effective and will announce the change of the stock short name following the Proposed Change of Company Name.

The Company is an investment holding company and its subsidiaries (the “**Group**”) are principally engaged in the provision of human resources outsourcing services and human resources recruitment services. The consolidated financial statements are presented in thousand of units of Singapore Dollar (“**S\$000**”) unless otherwise stated.

2. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the *Amendments to References to the Conceptual Framework in IFRSs* and a number of amendments to IFRSs issued by the International Accounting Standards Board (“IASB”), for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the Group’s consolidated financial statements:

IAS 1 and IAS 8 (Amendments)	Definition of Material
IFRS 3 (Amendments)	Definition of a Business
IFRS 9, IAS 39 and IFRS 7 (Amendments)	Interest Rate Benchmark Reform

In addition, the Group has early applied the Amendment to IFRS 16 *Covid-19-Related Rent concessions*.

Except as described below, the application of the *Amendments to References to the Conceptual Framework in IFRSs* and the amendments to IFRSs in the current year had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

Impacts on early application of Amendment to IFRS 16 Covid-19-Related Rent Concessions

The Group has applied the amendment for the first time in the current year. The amendment introduces a new practical expedient for lessees to elect not to assess whether a Covid-19-related rent concession is a lease modification. The practical expedient only applies to rent concessions occurring as a direct consequence of the Covid-19 that meets all of the following conditions:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- there is no substantive change to other terms and conditions of the lease.

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying IFRS 16 “Leases” if the changes were not a lease modification. Forgiveness or waiver of lease payments are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in the profit or loss in the period in which the event occurs.

The application of the amendment had no impact to the opening retained profits at 1 January 2020. The Group recognised change in lease payments that resulted from rent concessions of S\$18,000 in the profit or loss for the current year.

New and amendments to IFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been not yet effective:

IFRS 17	Insurance Contracts and the related Amendments ¹
IFRS 3 (Amendments)	Reference to the Conceptual Framework ²
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments)	Interest Rate Benchmark Reform – Phase 2 ⁴
IFRS 10 and IAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
IAS 1 (Amendments)	Classification of Liabilities as Current or Non-current ¹
IAS 16 (Amendments)	Property, Plant and Equipment – Proceeds before Intended Use ²
IAS 37 (Amendments)	Onerous Contracts – Cost of Fulfilling a Contract ²
Amendments to IFRSs	Annual Improvements to IFRSs 2018 – 2020 ²

¹ Effective for annual periods beginning on or after 1 January 2023.

² Effective for annual periods beginning on or after 1 January 2022.

³ Effective for annual periods beginning on or after a date to be determined.

⁴ Effective for annual periods beginning on or after 1 January 2021.

The directors of the Company anticipate that the application of all the new and amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. SEGMENT INFORMATION

The Group mainly provides human resources outsourcing services and human resources recruitment services. Information reported to the Group's management for the purpose of resources allocation and performance assessment presents the operating results of the Group as a whole since the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

In addition, the Group's operation is principally situated in Singapore during the years ended 31 December 2019 and 2020 and most of the Group's assets and liabilities are located in Singapore. Accordingly, no geographical segment information is presented.

Information About Major Clients

For the years ended 31 December 2019 and 2020, revenue generated from two and one client(s) of the Group which has individually accounted for over 10% of the Group's total revenue respectively. Save as indicated below, no other single client contributed 10% or more to the Group's revenue for the years ended 31 December 2019 and 2020.

Revenue from major clients, which contribute to 10% or more of the Group's revenue is set out below:

	2020 S\$'000	2019 S\$'000
Client A (<i>Note 1 and Note 2</i>)	N/A	6,629
Client B (<i>Note 2</i>)	<u>8,879</u>	<u>6,020</u>

Notes:

1. The revenue contributed by client A was less than 10% of the Group's revenue during the year ended 31 December 2020.
2. Revenue from human resources outsourcing services.

4. REVENUE AND OTHER INCOME

An analysis of revenue and other income are as follows:

	2020 S\$'000	2019 S\$'000
Revenue from contract with customers:		
Human resources outsourcing services	51,073	35,340
Human resources recruitment services	589	1,377
Other human resources support services (<i>Note</i>)	<u>14</u>	<u>28</u>
	<u>51,676</u>	<u>36,745</u>

Note: Other human resources support services included referral services and parking services.

All revenue contracts are for period of one year or less. As permitted by practical expedient under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

	2020 S\$'000	2019 S\$'000
Other income		
Service income	58	21
Interest income	62	58
Sundry income	55	56
Government grants (<i>Note</i>)	712	35
Covid-19-related rent concessions	18	—
	<u>905</u>	<u>170</u>

Note: Government grants included Jobs Support Scheme (“JSS”), Enterprise Singapore Capability Development Grant and Employment Support Scheme.

During the current year, the Group’s recognised government grants comprises of Covid-19 related subsidies of approximately S\$598,000 (2019: S\$Nil) including JSS of approximately S\$541,000 (2019: S\$Nil) provided by the Singapore Government and Employment Support Scheme of approximately S\$57,000 (2019: S\$Nil) provided by the Hong Kong government. The remaining government grants of approximately S\$114,000 (2019: S\$35,000) related to Enterprise Singapore Capability Development Grant.

5. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	2020 <i>S\$'000</i>	2019 <i>S\$'000</i>
Cost of services		
Salaries and bonuses	39,413	26,597
Defined contribution retirement plan	5,376	3,442
Short-term benefits	1,027	990
	<u>45,816</u>	<u>31,029</u>
Directors' emoluments	1,056	942
Other staff costs (excluding directors' emoluments)		
Salaries and bonuses	2,579	2,898
Defined contribution retirement plan	311	376
Short-term benefits	154	193
	<u>3,044</u>	<u>3,467</u>
Total staff costs	<u>49,916</u>	<u>35,438</u>
Auditors' remuneration		
– Audit services:		
Annual audit services	142	200
– Non-audit services	–	3
Depreciation of plant and equipment	260	273
Depreciation of right-of-use assets	484	1,026
Covid-19-related rent concessions	(18)	–
Expenses relating to short-term lease	<u>37</u>	<u>–</u>

6. INCOME TAX EXPENSE

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

On 21 March 2018, the Hong Kong Legislative Council passed the Inland Revenue (Amendment) (No.7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%.

The Group considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. No Hong Kong Profits Tax has been provided since no assessable profit arose in Hong Kong for the years ended 31 December 2019 and 2020.

The Singapore statutory income tax rate was 17% during the years ended 31 December 2019 and 2020. Income tax expense for the Group relates wholly to the profits of the subsidiaries, which were taxed at a statutory tax rate of 17% in Singapore.

	2020 S\$'000	2019 <i>S\$'000</i>
Current tax – Singapore:		
Charge for the year	187	27
Over provision in prior year	(13)	–
Deferred tax – Current year	(24)	–
	<hr/>	<hr/>
Income tax expense	150	27
	<hr/> <hr/>	<hr/> <hr/>

The income tax expense can be reconciled to the profit/(loss) before tax per consolidated statement of profit or loss and other comprehensive income as follows:

	2020 S\$'000	2019 <i>S\$'000</i>
Profit/(loss) before tax	382	(1,192)
	<hr/>	<hr/>
Tax at the applicable income tax rate	71	(208)
Over provision in prior year	(13)	–
Income not subject to tax	(116)	(6)
Expenses not deductible for tax	107	81
Effect of partial tax exemption	(25)	(18)
Enhanced allowances and deductions	(42)	(50)
Tax losses not recognised	168	228
	<hr/>	<hr/>
Income tax expense	150	27
	<hr/> <hr/>	<hr/> <hr/>

In Singapore, the partial tax exemption scheme allows for (i) 75% tax exemption on the first S\$10,000 of normal chargeable income; and a further 50% tax exemption on the next S\$190,000 of normal chargeable income.

Tax rebate refers to the corporate income tax rebate which allows a 25% corporate income tax rebate capped at S\$15,000 per year for the year of assessment 2020; and there is no corporate income tax rebate proposed for the year of assessment 2021.

At the end of the reporting period, the Group has unused tax losses of approximately S\$5,134,000 (2019: S\$4,115,000) arising from Hong Kong available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

7. EARNINGS/(LOSS) PER SHARE

	2020 S\$'000	2019 S\$'000
Profit/(loss) for the year attributable to the owners of the Company	<u>232</u>	<u>(1,219)</u>
	'000	'000
Weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share (<i>Note</i>)	<u>600,000</u>	<u>600,000</u>

Note: The calculation of basic earnings/(loss) per share is based on the profit for the year attributable to owners of the Company of approximately S\$232,000 (2019: loss for the year attributable to owners of the Company of approximately S\$1,219,000) and the weighted average number of 600,000,000 (2019: 600,000,000) ordinary shares in issue during the year ended 31 December 2020.

The dilutive earnings/(loss) per share is the same as the basic earnings/(loss) per share as there was no potential dilutive ordinary shares in issue during both years.

8. TRADE RECEIVABLES

	2020 S\$'000	2019 S\$'000
Trade receivables	10,439	6,126
Less: Allowance for expected credit losses	<u>(137)</u>	<u>(147)</u>
	<u>10,302</u>	<u>5,979</u>

Trade receivables are non-interest-bearing and are generally allows a credit period of 30-60 days to its clients.

An aged analysis of the trade receivables, net of allowance for expected credit losses, as at 31 December 2019 and 2020, based on the invoice date, is as follows:

	2020 S\$'000	2019 S\$'000
Less than 30 days	7,353	3,522
31 to 60 days	2,653	2,102
61 to 90 days	193	250
More than 90 days	<u>103</u>	<u>105</u>
Total	<u>10,302</u>	<u>5,979</u>

9. OTHER PAYABLES AND ACCRUALS

	2020 S\$'000	2019 S\$'000
Other payables (<i>Note</i>)	8,019	56
GST payables	712	384
Other accrued expenses	459	531
	<u>9,190</u>	<u>971</u>

Note: As at 31 December 2020, other payable mainly included the JSS received from the Singapore Government of approximately S\$8,002,000 (2019: \$Nil) on behalf of its clients.

10. MATERIAL RELATED PARTIES TRANSACTIONS

The Group has the following transactions with related parties during the reporting period.

Name of related company	Nature	Relationship with the Group	Notes	2020 S\$'000	2019 S\$'000
Recurring:					
Agensi Pekerjaan BGC Group (Malaysia) SDN. BHD. ("BGC Malaysia")	Referral fee expenses	Common director	(i),(iv)	(5)	–
BGC Malaysia	Service income (<i>Note 4</i>)	Common director	(i),(iv)	11	21
BGC Outsourcing Sdn. Bhd. ("BGC Outsourcing Malaysia")	Service income (<i>Note 4</i>)	Common director	(ii),(iv)	11	–
BGC Outsourcing Malaysia	Service support fee	Common director	(ii),(iv)	(240)	–
CS Intelligence Pte. Ltd. ("CS Intelligence")	Service income (<i>Note 4</i>)	Common director	(iii),(iv)	36	–
Non-recurring:					
PayrollHero.com Pte. Ltd. ("PayrollHero")	Professional fee	Common director	(i)	–	(8)

Notes:

- (i) Mr. Chew is the director of BGC Malaysia, PayrollHero and the Company and BGC Malaysia is owned as to 49.5% by Mr. Chew.
- (ii) Mr. Chew is the director of BGC Outsourcing Malaysia and the Company and BGC Outsourcing Malaysia is owned as to 100% by Mr. Chew.
- (iii) Mr. Chew is the director of CS Intelligence and the Company and CS Intelligence is owned as to 100% by Mr. Chew.
- (iv) On 1 January 2020, the Company entered into a shared services agreement with BGC Malaysia, BGC Outsourcing Malaysia and CS Intelligence for the shared services. This transaction falls within the de minimis criteria of a connected transaction and is fully exempt from the reporting, announcement and shareholders' approval requirements under the GEM Listing Rules. In the opinion of the Directors, the transactions were conducted in the normal course of business and based on the terms mutually determined and agreed by the respective parties.

11. SHARE CAPITAL

Details of movements of share capital of the Company are as follows:

	Number of shares	Amount <i>HK\$'000</i>	<i>S\$'000</i>
Authorised:			
As at 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	<u>1,500,000,000</u>	<u>15,000</u>	<u>2,632</u>
Issued and fully paid:			
As at 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	<u>600,000,000</u>	<u>6,000</u>	<u>1,053</u>

12. DIVIDENDS

The directors of the Company do not propose any payment of final dividend for the years ended 31 December 2019 and 2020.

13. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Group had no significant event occurred.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

We are a Singapore-based human resources service provider and we are principally engaged in the provision of human resources outsourcing services and human resources recruitment services.

The growth in revenue is due to the Group proactively secured more jobs from existing/potential clients by offering competitive pricing in response to the intense market competition and with the continuous efforts on cost saving measures hence resulted in positive outcome in the year 2020.

The business environment in the current financial year remains challenging as the social distancing measures such as the restrictions and rules on border controls, quarantine requirements and public gathering as a result of the coronavirus (COVID-19) pandemic has not been lifted, which significantly decreased economic links between Singapore, Hong Kong and China together with the western countries, resulting in low arrivals of tourists and businessmen and weak local consumer sentiment. In addition to China-United States tension in trade and information and technology (“IT”) aspects, the global economic conditions remain volatile. The Directors will constantly review the market conditions and adjust the Group’s business diversification to counter the contingent risks.

The Group is actively exploring new business opportunities to ascertain markets with growth potential in order to expand our Group’s business in different geographical locations. We entered into a non-legally binding memorandum of understanding with China On Holdings Group (Shenzhen) Limited* (中安控股集團(深圳)有限公司) in relation to the potential business cooperation so as to broaden our income streams, and set up a wholly-owned subsidiary in Hong Kong known as Zhongcheng Technology Group Co., Limited with a view to create business opportunities leading to growth potential in human resources industries in People’s Republic of China and Hong Kong in the future.

We will continue to capture market opportunities so as to achieve a sustainable business growth and long-term benefits of the shareholders of the Company (the “Shareholders”).

FINANCIAL REVIEW

Revenue

The Group’s revenue increased by approximately S\$15.0 million, or approximately 40.9%, from approximately S\$36.7 million for the year ended 31 December 2019 to approximately S\$51.7 million for the year ended 31 December 2020. The Group’s revenue from human resources outsourcing services increased by approximately S\$15.8 million from approximately S\$35.3 million for the year ended 31 December 2019 to approximately S\$51.1 million for the year ended 31 December 2020 and human resources recruitment services decreased by approximately S\$0.8 million from approximately S\$1.4 million for the year ended 31 December 2019 to approximately S\$0.6 million for the year ended 31 December 2020.

* For identification purpose only

Human Resources Outsourcing Services

Revenue from human resources outsourcing services increased from approximately S\$35.3 million for the year ended 31 December 2019 to approximately S\$51.1 million for the year ended 31 December 2020, which represented an increase of approximately 44.8%. The increase in revenue from human resources outsourcing services was mainly attributable to the increase in demand for our human resources outsourcing services from clients in the public sector and received more job orders from different Singapore government agencies as we have been offering competitive pricing in response to the market condition.

Human Resources Recruitment Services

Revenue from human resources recruitment services decreased by approximately S\$0.8 million or approximately 57.1%, from approximately S\$1.4 million for the year ended 31 December 2019 to approximately S\$0.6 million for the year ended 31 December 2020, primarily affected by the pandemic and resulted in weak hiring and a decrease in demand for new openings from our clients in the private sector.

Other Human Resources Support Services

Revenue derived from other human resources support services decreased by approximately S\$14,000 or approximately 50.0% from approximately S\$28,000 for the year ended 31 December 2019 to approximately S\$14,000 for the year ended 31 December 2020, which was mainly attributable to the decrease in revenue derived from referral services and parking services.

Cost of Services

The Group's cost of services increased by approximately S\$14.8 million, or approximately 47.7%, from approximately S\$31.0 million for the year ended 31 December 2019 to approximately S\$45.8 million for the year ended 31 December 2020. The labour costs and other related costs were approximately S\$31.9 million and S\$46.7 million for the year ended 31 December 2019 and 2020 respectively and the aggregate government subsidies received were approximately S\$0.9 million and S\$0.9 million for the year ended 31 December 2019 and 2020 respectively. Therefore, the increase in cost of services was mainly due to the increase in labour costs paid by approximately S\$14.8 million, or approximately 47.7% which was generally in line with the increase in revenue. For details and reasons for the government subsidies received, please refer to the section headed "Summary – Government subsidies" and "Financial information – Principal components of consolidated statements of profit or loss and other comprehensive income – Cost of Services" in the Company's prospectus dated 28 June 2017 ("**Prospectus**"). The wage credit scheme mentioned therein has been extended to 2020.

Gross Profit and Gross Profit Margin

The Group's gross profit increased by approximately S\$0.2 million, or approximately 3.5%, from approximately S\$5.7 million for the year ended 31 December 2019 to approximately S\$5.9 million for the year ended 31 December 2020, which was mainly due to the combined effect of the increase in revenue and the decrease in gross profit margin. Our gross profit margin decreased from approximately 15.6% for the year ended 31 December 2019 to approximately 11.3% for the year ended 31 December 2020, which was primarily due to the reasons mentioned above.

Other Income

Other income increased by approximately S\$735,000, or approximately 432.4% from approximately S\$170,000 for the year ended 31 December 2019 to approximately S\$905,000 for the year ended 31 December 2020 mainly due to the increase in government grants of approximately S\$598,000 received from the Singapore government and the Hong Kong government in respect of COVID-19 related subsidies for the year ended 31 December 2020.

Administrative Expenses

The Group's administrative expenses decreased by approximately S\$0.6 million, or approximately 8.7%, from approximately S\$6.9 million for the year ended 31 December 2019 to approximately S\$6.3 million for the year ended 31 December 2020, which was mainly due to the decrease in internal staff costs and depreciation of right of use assets for the year ended 31 December 2020.

Depreciation

Depreciation expenses of plant and equipment remained relatively stable at approximately S\$0.3 million and S\$0.3 million for the years ended 31 December 2019 and 2020, respectively. Depreciation expenses of right-of-use assets decreased by approximately \$0.5 million from approximately S\$1.0 million for the year ended 31 December 2019 to approximately S\$0.5 million for the year ended 31 December 2020. The decrease in depreciation expenses was mainly due to the decrease in right of use assets from rental in office premises.

Profit/(Loss) for the Year

Profit for the year ended 31 December 2020 was approximately S\$232,000, representing an increase of approximately S\$1.4 million, or approximately 116.7% as compared to a loss of approximately S\$1.2 million for the year ended 31 December 2019. The increase was mainly attributable to the increase in gross profit mainly resulting from the increase in revenue from human resources outsourcing services due to the offering of competitive pricing in response to the market condition, as well as the increase in government grants received and the decrease in administrative expenses due to the decrease in internal staff costs and depreciation of right of use assets in 2020 as mentioned above.

FINANCIAL RESOURCES, LIQUIDITY AND GEARING

As at 31 December 2020:

- (a) the Group's total assets increased to approximately S\$32.0 million (2019: approximately S\$20.2 million) while the total equity increased to approximately S\$15.9 million (2019: approximately S\$15.6 million);
- (b) the Group's current assets increased to approximately S\$30.1 million (2019: approximately S\$19.6 million) while the current liabilities increased to approximately S\$15.2 million (2019: approximately S\$4.5 million);
- (c) the Group had approximately S\$19.3 million (2019: approximately S\$12.7 million) in cash and cash equivalents available and the current ratio of the Group was approximately 2.0 (2019: approximately 4.3);
- (d) the Group did not have any bank borrowing, amount due to a related company and a director (2019: Nil); and
- (e) the gearing ratio (being the total of bank borrowing, amount due to a related company and a director divided by total equity attributable to the owners of the Company) was not applicable to the Group (2019: N/A).

CAPITAL EXPENDITURE

Capital expenditure during the year ended 31 December 2020 was primarily related to expenditures on additions of plant and equipment, totalling S\$524,000 (2019: S\$151,000), to cope with our operation needs. As at 31 December 2019 and 2020, the Group did not have any outstanding capital commitments.

SIGNIFICANT INVESTMENTS

As at 31 December 2020, the Group did not hold any significant investments (2019: Nil).

CONTINGENT LIABILITIES

As at 31 December 2020, the Group did not have any significant contingent liabilities (2019: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2020, the Group had 55 full-time employees (the “**Employees**”) (31 December 2019: 60). Employees are remunerated according to their performance, qualification and work experience. On top of basic salaries, discretionary bonus may be granted to eligible staff by reference to the Group’s performance, individual staff’s performance and the market conditions. The total staff cost (including remuneration of Directors) amounted to approximately S\$35.4 million for the year ended 31 December 2019 and approximately S\$49.9 million for the year ended 31 December 2020. The dedication and hard work of the Group’s staff during the year ended 31 December 2020 are generally appreciated and recognised.

The Group maintains a share option scheme for the purpose of providing incentives and rewards to the participants for their contributions to the Group. As at the date of this announcement, no option has been granted under the share option scheme.

The Group also provided training and courses to its employees to encourage self-improvement and enhance their professional skills.

INDEBTEDNESS AND CHARGES ON GROUP ASSETS

As at 31 December 2020, the Group had charges on the fixed deposits of approximately S\$67,000 (2019: approximately S\$0.1 million).

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES

During the year ended 31 December 2020, there had been no other material acquisition or disposal of subsidiaries or associated companies of the Company.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 December 2020, the Group had been in compliance with all the laws and regulations that are applicable to the business operations of the Group.

FOREIGN EXCHANGE EXPOSURE

The Group transacts mainly in Singapore dollars, which is the functional currency of the majority of the Group's operating subsidiaries. The Group is not exposed to significant foreign exchange risk and has not employed any financial instrument for hedging; however, the Group has retained some proceeds from the Share Offer (as defined below) in Hong Kong dollars which contributed to an unrealised foreign exchange gain of approximately S\$28,000 (2019: unrealised foreign exchange gain of approximately S\$15,000) as Hong Kong dollars strengthened compared with Singapore dollars. The Group will review and monitor from time to time the risk relating to foreign exchange whenever applicable.

POSSIBLE RISK EXPOSURE

All the risks relating to the Group's business have been set out in the Prospectus under the section headed "Risk factors".

EVENTS AFTER THE BALANCE SHEET DATE

As from 31 December 2020 to the date of this announcement, no significant events have occurred.

DIVIDENDS

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2020 (2019: Nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the Prospectus and in this announcement, the Group did not have other plan for material investments or capital assets as of 31 December 2020.

USE OF PROCEEDS FROM THE SHARE OFFER

The Company was successfully listed on GEM on 17 July 2017 by way of share offer of 15,000,000 public offer Shares and 135,000,000 placing Shares at the price of HK\$0.45 per Share (the "**Share Offer**"). The net proceeds raised from the Share Offer were approximately HK\$43.4 million (approximately S\$7.7 million) after deducting listing-related expenses.

An analysis of the amount utilised up to 31 December 2020 is set out below:

	Planned use of Net Proceeds (as stated in the Prospectus) in respect of business objectives from the Listing Date (i.e. 17 July 2017) to 31 December 2020	Actual utilised amount up to 31 December 2020		Unutilised amount as at 31 December 2020 (Note 2)	Expected timeline for utilising the remaining Net Proceeds (Notes 1 and 2)
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>Notes</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Expanding our human resources outsourcing and recruitment services in Singapore	23.0	(9.9)	3	13.1	Expected to be fully utilised on or before 31 December 2021
Expanding our human resources recruitment services in Hong Kong	5.0	(4.4)	4	0.6	Expected to be fully utilised on or before 31 December 2021
Enhancing our brand awareness	5.8	(5.0)	5	0.8	Expected to be fully utilised on or before 31 December 2021
Enhancing our IT system to support our business operations	5.5	(3.5)	6	2.0	Expected to be fully utilised on or before 31 December 2021
Working capital and other general corporate purposes	4.1	(3.9)		0.2	Expected to be fully utilised on or before 31 December 2021
	<u>43.4</u>	<u>(26.7)</u>		<u>16.7</u>	

Notes:

- The expected timeline for utilising the remaining Net Proceeds is made based on the best estimation of the Company taking into account, among others, the prevailing and future market conditions and business developments and need, and therefore is subject to change.

2. The unutilised Net Proceeds from the Listing are expected to be used in accordance with the Company's plan as disclosed in the Prospectus except that the original timeline for utilising the remaining Net Proceeds as disclosed in the Prospectus has been delayed due to, among others, the business environment being affected by the China-United States trade tension since 2018 and the outbreak of COVID-19 together with the restrictions and rules on border controls, lockdowns and quarantine measures since January 2020.
3. Up to 31 December 2020, approximately HK\$9.9 million of the Net Proceeds was utilised for expanding our human resources outsourcing and recruitment services in the information and communication technology industry and the retail and food & beverage industry in Singapore. We have developed our IT team since 2018 and are expanding our IT team starting from July 2019 and will continue to expand such team, after having considered the demand for IT support arising from the work from home policy implemented in various industries due to the outbreak of COVID-19. The Group will delay the use of the Net Proceeds in the expansion of the retail and food & beverage industry in Singapore until the late 2021 until the COVID-19 is under control with the effective vaccines coverage so that the social distancing measures of the restrictions and rules on foreign entry are lifted off.
4. The Group will delay the use of the Net Proceeds due to business environment being affected by the China-United States trade tension and the outbreak of COVID-19 and the economic conditions was expected to be improved until late-2021 when the spread of the COVID-19 is under control with the effective vaccines coverage so that the social distancing measures together with the restrictions and rules on foreign entry are lifted off.
5. Up to 31 December 2020, we incurred marketing expenses on social media platform for the promotion of our outsourcing and recruitment services and hiring internal marketing staff. The Group will continue to solicit appropriate social media platforms and marketing agents and the amount will be incurred as and when necessary.
6. Up to 31 December 2020, approximately HK\$3.5 million for the Net Proceeds was utilised for enhancing our IT system and the addition in the computer hardware to support our business operations and work from home policies. The Group is assessing any further investment in upgrading our IT system and may allocate more resources to enhance our IT system when necessary.

The remaining Net Proceeds as at 31 December 2020 had been placed in interest-bearing deposits in banks in Singapore and Hong Kong.

CONTINUING CONNECTED TRANSACTIONS

Save as disclosed in note 10 to the audited consolidated financial statements for the year ended 31 December 2020 contained in this announcement, there had been no other material transaction for the year ended 31 December 2020, including those disclosed as related party transactions elsewhere in the consolidated financial statements, under the definition of connected transactions or continuing connected transactions pursuant to Chapter 20 of the GEM Listing Rules. The Company confirms that it has complied with the applicable disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

OTHER INFORMATION

DISCLOSURE OF INTERESTS

Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 31 December 2020, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”)), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein (the “Register”); or (c) pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long position in shares

Name of Directors	Capacity/Nature of interest	Percentage of	
		Number of Shares held (note 1)	issued share capital of the Company
Mr. Chew Chee Kian	Interest in a controlled corporation (Note 1)	306,000,000	51.00%
Ms. Yong Yuet Han	Interest of spouse (Note 1)	306,000,000	51.00%

Note:

- (1) These Shares are held by Omnipartners Holdings Limited, which is owned as to 80% by Mr. Chew Chee Kian and 20% by Ms. Yong Yuet Han. Accordingly, Mr. Chew Chee Kian is deemed to be interested in 306,000,000 Shares held by Omnipartners Holdings Limited by virtue of the SFO. Mr. Chew Chee Kian and Ms. Yong Yuet Han are spouses and both of them are executive Directors. Ms. Yong Yuet Han is deemed to be interested in the Shares held by Mr. Chew Chee Kian under the SFO. On 21 January 2021, Omnipartners Holdings Limited disposed 3.00% of the issued share capital of the Company to independent third parties.

Save as disclosed above, as at 31 December 2020, none of the Directors and the chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the Register, or were required, pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

Substantial Shareholders' and other Persons' Interests and Short Positions in Shares and Underlying Shares of the Company

So far as the Directors are aware as at 31 December 2020, the following persons/entities other than a Director or the chief executive of the Company had interests or short positions in the Shares and underlying Shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued voting shares of the Company or any other members of the Group:

Long position in the shares

Name	Capacity/Nature of interest	Number of Shares held	Percentage of issued share capital of the Company
Omnipartners Holdings Limited	Beneficial owner (<i>Note</i>)	306,000,000	51.00%

Note:

The entire issued share capital of Omnipartners Holdings Limited is owned as to 80% by Mr. Chew Chee Kian and 20% by Ms. Yong Yuet Han. On 21 January 2021, Omnipartners Holdings Limited disposed 3.00% of the issued share capital of the Company to independent third parties.

Save as disclosed above, as at 31 December 2020, the Directors were not aware of any persons who/entities which had any interest or short position in the securities in the Company that would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the Register required to be kept under section 336 of the SFO.

COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors or the controlling shareholders (as defined in the GEM Listing Rules) of the Company nor any of their respective associates (as defined in the GEM Listing Rules) that competed or might compete, either directly or indirectly, with the business of the Group and any other conflicts of interest which any such person had or might have with the Group during the year ended 31 December 2020.

As set out in the Prospectus, the Company has adopted, among others, the following measures to manage the conflict of interests arising from competing business and to safeguard the interests of the shareholders: (i) the Company will disclose decisions on matters reviewed by the independent non-executive Directors relating to compliance and enforcement of the deed of non-competition dated 21 June 2017 entered into by the controlling shareholders in favour of the Company competing interests (“**Deed of Non-competition**”) in our consolidated financial statements; and (ii) the controlling shareholders will make confirmation on compliance with their undertaking under the Deed of Non-competition in our consolidated financial statements.

The Board would like to clarify that there were no conflicts of interests between the controlling shareholders and the Group arising from competing business for the year ended 31 December 2020. As such, the controlling shareholders confirmed that they have complied with their undertaking under the Deed of Non-competition.

The independent non-executive Directors have reviewed and confirmed that the controlling shareholders have complied with the non-competition undertaking under the Deed of Non-competition.

CORPORATE GOVERNANCE CODE

Pursuant to code provision A.2.1 of the Corporate Governance Code (the “**CG Code**”) set out in Appendix 15 to the GEM Listing Rules, the roles of chairman and chief executive should be segregated and should not be performed by the same individual. However, we do not have a separate chairman and chief executive, and Mr. Chew Chee Kian currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive in the same individual has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman and chief executive of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

The Company adopted the CG Code as its own code of corporate governance. Save for the deviation from the code provision of A.2.1 of the CG Code, the Board is satisfied that the Company had complied with the code provisions of the CG Code during the year ended 31 December 2020.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the year ended 31 December 2020.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 December 2020, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Company established the audit committee (the “**Audit Committee**”) on 21 June 2017 with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee are mainly to make recommendation to the Board on the appointment and removal of external auditors; review of financial statements and provide material advice in respect of financial reporting; and oversee internal control procedures of the Company.

The Audit Committee currently consists of three independent non-executive Directors, namely Mr. Ong Kian Guan, Mr. Koh Shian Wei and Mr. Patrick John Wee Ewe Seng. Mr Ong Kian Guan is the chairman of the Audit Committee.

The Audit Committee has reviewed the consolidated financial statements of the Group for the year ended 31 December 2020 and this announcement and is of the view that such statements and announcement have been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosure has been made.

ANNUAL GENERAL MEETING

The annual general meeting (“**AGM**”) of the Company will be held on 17 May 2021. A notice convening the AGM will be published in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 12 May 2021 to Monday, 17 May 2021, both days inclusive, for the purpose of ascertaining Shareholders' entitlement to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrars in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 11 May 2021.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the GEM website at www.hkgem.com and the Company's website at www.omnibridge.com.hk. The annual report of the Company for the year ended 31 December 2020 will be despatched to the Shareholders and will be available on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Omnibridge Holdings Limited
Chew Chee Kian
*Chairman, Chief Executive Officer and
Executive Director*

Hong Kong, 24 March 2021

As at the date of this announcement, the executive Directors are Mr. Chew Chee Kian, Ms. Yong Yuet Han and Ms. Lo Wing Yan Emmy, the non-executive Director is Ms. Han Wenxian and the independent non-executive Directors are Mr. Koh Shian Wei, Mr. Patrick John Wee Ewe Seng, Mr. Liang Qianyuan and Mr. Ong Kian Guan.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the GEM website at www.hkgem.com for at least seven days from the date of its publications and on the Company's website at www.omnibridge.com.hk.