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HYGIEIA GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1650)

AUDITED ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

The board (the “**Board**”) of directors (the “**Directors**”) of Hygieia Group Limited (the “**Company**”), together with its subsidiaries (the “**Group**”), is pleased to announce the audited annual results and the audited annual consolidated financial information of the Group for the year ended 31 December 2020, together with the comparative figures for the year ended 31 December 2019.

FINANCIAL HIGHLIGHTS

- The revenue of the Group for the year ended 31 December 2020 amounted to approximately S\$72.6 million, representing a decrease of approximately of S\$3.8 million or 4.9% as compared with the revenue of approximately S\$76.4 million for the year ended 31 December 2019.
- The profit after tax of the Group for the year ended 31 December 2020 was approximately S\$8.8 million, which represented an increase of approximately S\$6.1 million or 230.9% as compared to the profit after tax of approximately S\$2.7 million for the year ended 31 December 2019.
- Basic and diluted earnings per share was S\$0.0050 for the year ended 31 December 2020 as compared to basic and diluted earnings per share of S\$0.0018 for the year ended 31 December 2019.
- The Board has proposed to pay a final dividend of S\$0.0015 per share for the year ended 31 December 2020.

AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2020

	<i>Note</i>	2020 S\$'000	2019 <i>S\$'000</i>
Revenue	3	72,611	76,374
Cost of sales	9	(50,456)	(62,385)
Gross profit		22,155	13,989
Other income	4	69	19
Other (losses)/gains, net	5	(180)	25
Administrative expenses	9	(10,940)	(6,089)
Listing expenses	9	(1,550)	(3,473)
Operating profit		9,554	4,471
Finance costs	7	(421)	(682)
Profit before income tax		9,133	3,789
Income tax expense	8	(351)	(1,135)
Profit for the year		8,782	2,654
Other comprehensive income: <i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		7	1
Other comprehensive income, net of income tax		7	1
Total comprehensive income		8,789	2,655
Profit for the year attributable to:			
Owners of the Company		8,798	2,638
Non-controlling interests		(16)	16
		8,782	2,654
Total comprehensive income for the year attributable to:			
Owners of the Company		8,802	2,639
Non-controlling interests		(13)	16
		8,789	2,655
			(Restated)
Earnings per share			
Basic and diluted (Singapore cents)	10	0.50	0.18

The accompanying notes form an integral part of these audited consolidated financial statements.

AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	<i>Note</i>	2020 <i>S\$'000</i>	2019 <i>S\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		3,106	3,636
Right-of-use assets		1,269	865
		<u>4,375</u>	<u>4,501</u>
Current assets			
Financial assets at fair value through profit or loss		2,542	–
Trade and other receivables, deposits and prepayments	<i>12</i>	23,151	19,255
Cash and cash equivalents		20,091	12,549
		<u>45,784</u>	<u>31,804</u>
Total assets		<u>50,159</u>	<u>36,305</u>
EQUITY			
Share capital		3,592	*
Reserves		28,959	11,484
		<u>32,551</u>	<u>11,484</u>
Non-controlling interests		33	46
		<u>32,584</u>	<u>11,530</u>
Total equity		<u>32,584</u>	<u>11,530</u>

	<i>Note</i>	2020 <i>S\$'000</i>	2019 <i>S\$'000</i>
LIABILITIES			
Non-current liabilities			
Borrowings		4,553	906
Lease liabilities		168	23
Deferred tax liabilities		—	274
		<u>4,721</u>	<u>1,203</u>
Current liabilities			
Trade and other payables	13	9,236	9,072
Borrowings		1,615	12,568
Lease liabilities		1,109	856
Income tax payable		894	1,076
		<u>12,854</u>	<u>23,572</u>
Total liabilities		<u><u>17,575</u></u>	<u><u>24,775</u></u>
Total equity and liabilities		<u><u>50,159</u></u>	<u><u>36,305</u></u>
Net current assets		<u><u>32,930</u></u>	<u><u>8,232</u></u>
Total assets less current liabilities		<u><u>37,305</u></u>	<u><u>12,733</u></u>

* Represents amount less than S\$1,000.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

1. GENERAL INFORMATION, REORGANISATION AND BASIS OF PRESENTATION OF AUDITED CONSOLIDATED FINANCIAL STATEMENTS

1.1 General information

Hygieia Group Limited (the “**Company**”) was incorporated on 28 February 2019 in the Cayman Islands as an exempted Company with limited liability under the Companies Law (as revised) of the Cayman Islands. The address of the Company’s registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Its parent is TEK Assets Management Limited (“**TEK Assets Management**”) which was incorporated in the British Virgin Islands (the “**BVI**”). Its ultimate controlling party is Mr. Toh Eng Kui (“**Mr. Toh**”), who is also the chairman and executive director of the Company.

The Company is an investment holding company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the provision of cleaning services. The principal place of business in Singapore of the Group is at 6 Tagore Drive, #B1-02, Tagore Building, Singapore 787623.

The Company’s shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 3 July 2020.

The consolidated financial statements are presented in Singapore dollars (“**S\$**”), which is also the functional currency of the Company and all values are rounded to the nearest thousands (S\$’000), except when otherwise stated.

1.2 Reorganisation

Prior to the incorporation of the Company and the completion of the reorganisation (the “**Reorganisation**”) as described below, Eng Leng Contractors Pte Ltd (“**Eng Leng**”), Titan Facilities Management Pte. Ltd. (“**Titan**”) and Eng Leng (Thailand) Co., Ltd. (“**Eng Leng Thailand**”) were controlled by Mr. Toh.

In preparing for the listing of the Company’s shares on the Stock Exchange, the companies now comprising the Group underwent the Reorganisation as set out below:

- On 27 February 2019, Eng Leng Limited (“**Eng Leng BVI**”) and Titan Facilities Management Limited (“**Titan BVI**”) were incorporated in the BVI.

Upon incorporation, Eng Leng BVI and Titan BVI each allotted and issued one nil-paid share to Mr. Toh respectively. As a result, Eng Leng BVI and Titan BVI each became wholly-owned by Mr. Toh.

- On 27 February 2019, TEK Assets Management was incorporated in the BVI. Upon incorporation, TEK Assets Management allotted and issued one nil-paid share to Mr. Toh. As a result, TEK Assets Management became wholly-owned by Mr. Toh.
- On 28 February 2019, the Company was incorporated in the Cayman Islands with 1 fully paid share held by the initial subscriber. On the same day, the said 1 fully paid share was transferred to TEK Assets Management for a consideration of nominal value. As a result, the Company became wholly-owned by TEK Asset Management.
- On 7 March 2019, EL Holding Co., Ltd. (“**EL Holding**”) was incorporated in Thailand by issuance of 4,899 ordinary shares (corresponding to 82.75% of voting rights) to Eng Leng, one ordinary share (corresponding to 0.017% of voting rights) to Mr. Hong Rui Sheng, 5,099 preference shares (corresponding to 17.227% of voting rights) to Mr. Palawut Phuawade, and one preference share (corresponding to 0.003% of voting rights) to Mr. Kunanon Tuntirarux, an employee of the Group. With respect to the voting rights of the ordinary and preference shares in EL Holding, every ordinary share held in EL Holding shall entitle its shareholder to one vote at a general meeting and every five preference shares held in EL Holding shall entitle its shareholder to one vote at a general meeting. On 11 March 2019, Mr. Kunanon Tuntirarux transferred one preference share to Mr. Palawut Phuawade.
- Eng Leng Thailand was incorporated in Thailand on 25 October 2016, which was owned by Eng Leng, Miss Kanya Moosophin, Mr. Palawut Phuawade, Mr. Hong Rui Sheng, Mr. Toh, and Mr. Chia Kok Seng as to 47%, 41%, 10%, 0.5%, 0.5% and 1% respectively. On 25 April 2019, Miss Kanya Moosophin and Mr. Palawut Phuawade transferred 41% and 10% of the issued share capital in Eng Leng Thailand, respectively, to EL Holding. Upon completion of such share transfers, Eng Leng Thailand became directly owned by Eng Leng, Mr. Hong Rui Sheng, Mr. Toh, Mr. Chia Kok Seng, and EL Holding as to 47%, 0.5%, 0.5%, 1%, and 51%, respectively.
- On 4 June 2019, Mr. Toh transferred the entire issued share capital of Eng Leng to Eng Leng BVI and as consideration of which, Eng Leng BVI credited the one nil-paid share in its share capital held by Mr. Toh as fully paid. Since then, Eng Leng became a wholly-owned subsidiary of Eng Leng BVI and indirectly wholly-owned by Mr. Toh.
- On 4 June 2019, Mr. Toh transferred the entire issued share capital of Titan to Titan BVI and as consideration of which, Titan BVI credited the one nil-paid share in its share capital held by Mr. Toh as fully paid. Since then, Titan became a wholly-owned subsidiary of Titan BVI and indirectly wholly-owned by Mr. Toh.
- On 10 June 2019, the Company acquired the entire issued share capital of Eng Leng BVI and Titan BVI from Mr. Toh. In consideration, the Company agreed to procure the one nil-paid share held by Mr. Toh in TEK Assets Management be credited as fully-paid. Thereafter, Eng Leng BVI and Titan BVI became directly wholly-owned by the Company and indirectly wholly-owned by Mr. Toh.

Upon completion of the Reorganisation, the Company has direct interests in Eng Leng BVI and Tital BVI and has indirect interests in Eng Leng, Titan, EL Holding and Eng Leng Thailand.

1.3 Basis of presentation

Pursuant to the Reorganisation, the Company became the holding company of the companies now comprising the Group. The Group comprising the Company and its subsidiaries resulting from the Reorganisation is regarded as a continuing entity.

Accordingly, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31 December 2019 had been prepared to present the results and cash flows of the companies now comprising the Group, as if the group structure upon the completion of the Reorganisation had been in existence throughout the year ended 31 December 2019.

2. APPLICATION OF NEW AND 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 IFRS Standards* and the following amendments to IFRSs issued by the International Accounting Standards Board (the “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 consolidated financial statements:

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

The application of the *Amendments to References to the Conceptual Framework in IFRS Standards* 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 years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to IFRSs in issued but not yet effective

The Group has not applied the following new and amendments to IFRSs, that have been issued but are not yet effective:

IFRS 17	Insurance Contracts and the related Amendments ⁵
Amendment to IFRS 16	Covid-19-Related Rent Concessions ¹
Amendment to IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 ³
Amendments to IFRS 3	Reference to the Conceptual Framework ⁴
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform — Phase 2 ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁶
Amendments to IAS 1	Classification of Liabilities as Current or Non-Current ⁵
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies ⁵
Amendments to IAS 8	Definition of Accounting Estimates ⁵
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ⁵
Amendments to IAS 16	Property, Plant and Equipment – Proceeds before Intended Use ⁴
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract ⁴
Amendments to IFRSs	Annual Improvements to IFRSs 2018–2020 ⁴

¹ Effective for annual periods beginning on or after 1 June 2020.

² Effective for annual periods beginning on or after 1 January 2021.

³ Effective for annual periods beginning on or after 1 April 2021

⁴ Effective for annual periods beginning on or after 1 January 2022.

⁵ Effective for annual periods beginning on or after 1 January 2023.

⁶ Effective for annual periods beginning on or after a date to be determined.

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

3. REVENUE AND SEGMENT INFORMATION

The Company's executive directors monitor the operating results of its operating segment for the purpose of making decisions about resource allocation and performance assessment.

The chief operating decision-maker has been identified as the executive directors of the Group. The executive directors consider the segment from a business perspective. The executive directors regard the Group's business as one single operating segment that qualifies as reportable segment under IFRS 8 *Operating Segments* and review the financial information accordingly for the purposes of allocating resources and assessing performance of the operating segment.

(a) Disaggregation of revenue from contracts with customers

	2020 <i>S\$'000</i>	2019 <i>S\$'000</i>
Provision of cleaning services	72,593	76,348
Sale of goods	<u>18</u>	<u>26</u>
	<u>72,611</u>	<u>76,374</u>
Timing of revenue recognition:		
Over time	72,593	76,348
Point in time	<u>18</u>	<u>26</u>
	<u>72,611</u>	<u>76,374</u>

The Group's revenue by geographical location is as follows:

	2020 <i>S\$'000</i>	2019 <i>S\$'000</i>
Singapore	71,144	75,525
Thailand	<u>1,467</u>	<u>849</u>
	<u>72,611</u>	<u>76,374</u>

Revenue from customers of the years ended 31 December 2020 and 31 December 2019 contributing over 10% of the Group's revenue is as follows:

	2020 S\$'000	2019 S\$'000
Customer A	<u>16,293</u>	<u>15,186</u>

(b) Non-current assets by geographical location

	2020 S\$'000	2019 S\$'000
Singapore	4,325	4,442
Thailand	<u>50</u>	<u>59</u>
	<u>4,375</u>	<u>4,501</u>

4. OTHER INCOME

	2020 S\$'000	2019 S\$'000
Rental income from office space	–	17
Interest income	67	2
Others	<u>2</u>	<u>*</u>
	<u>69</u>	<u>19</u>

* Represents amounts less than S\$1,000.

5. OTHER (LOSSES)/GAINS, NET

	2020 S\$'000	2019 S\$'000
Net exchange loss	(180)	(10)
Gain on disposal of property, plant and equipment	<u>*</u>	<u>35</u>
	<u>(180)</u>	<u>25</u>

* Represents amounts less than S\$1,000.

6. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	2020	2019
	<i>S\$'000</i>	<i>S\$'000</i>
Salaries and other allowances	37,473	45,252
Employer's contribution to defined contribution plan	3,605	3,437
Other employee benefits	819	439
	<u>41,897</u>	<u>49,128</u>

Included in employee benefit expenses are government grants on employment credit and the Jobs Support Scheme provided by Singapore government which has been netted off against the wages and salaries amounting to S\$12,204,000 for the year ended 31 December 2020 (2019: S\$2,132,000). The grant income related to Jobs Support Scheme is recognised on a systematic basis over the estimated period in which the Group recognises the related salary costs.

All of the government grants have been credited against employee benefit expenses included in "cost of sales".

Employee benefits expenses have been included in consolidated statement of profit or loss and other comprehensive income as follows:

	2020	2019
	<i>S\$'000</i>	<i>S\$'000</i>
Cost of sales	37,194	45,876
Administrative expenses	4,703	3,252
	<u>41,897</u>	<u>49,128</u>

7. FINANCE COSTS

	2020	2019
	<i>S\$'000</i>	<i>S\$'000</i>
Loan interest	332	558
Interest on lease liabilities	41	71
Interest on hire purchase arrangement	48	53
	<u>421</u>	<u>682</u>

8. INCOME TAX EXPENSE

	2020	2019
	<i>S\$'000</i>	<i>S\$'000</i>
Current tax:		
– Singapore corporate income tax (“CIT”)	633	1,134
Over provision in prior years	(8)	–
Deferred tax	(274)	1
	<u>351</u>	<u>1,135</u>

Singapore CIT is calculated at 17% of the estimated assessable profit for the year ended 31 December 2020 (2019: 17%).

Thailand income tax is calculated at the 20% of the estimated assessable profit for the year ended 31 December 2020 (2019: 20%).

No provision for Thailand income tax has been made as no assessable profit arises in, nor is derived from Thailand for both years.

9. EXPENSES BY NATURE

	2020	2019
	<i>S\$'000</i>	<i>S\$'000</i>
Auditor’s remuneration	270	35
Employee benefit expenses (including directors’ emoluments) (Note 6)	41,897	49,128
Purchase of supplies	2,106	2,604
Subcontractor charges	5,359	4,881
Foreign worker levies and fees	2,672	5,933
Allowance for expected credit loss (“ECL”) on trade receivables	445	–
Depreciation of property, plant and equipment	1,166	1,276
Depreciation of right-of-use assets	1,664	1,653
Legal and professional fees	2,196	130
Listing expenses	1,550	3,473
Repair and maintenance	685	671
Rental of equipment	46	26
Rental of workers’ accommodation under short-term leases	438	294
Others	2,452	1,843
	<u>62,946</u>	<u>71,947</u>

Total cost of sales and administrative expenses

10. EARNINGS PER SHARE

	2020	2019
Earnings for the purpose of basic and diluted earnings per share: Profit attributable to owners of the Company (S\$'000)	8,798	2,638
Number of shares for the purpose of basic and diluted earnings per share: Weighted average number of ordinary shares in issue ('000)	1,748,634	1,500,000
		(Restated)
Basic and diluted earnings per share (Singapore cents)	<u><u>0.50</u></u>	<u><u>0.18</u></u>

The weighted average number of ordinary shares in issue for the purpose of calculating basic earnings per share has been adjusted retrospectively for the effect of the capitalisation issue as if the capitalisation issue had been effective since 1 January 2019.

Diluted earnings per share for both years were the same as the basic earnings per share as there was no potential ordinary shares in issue for both years.

11. DIVIDENDS

No dividend has been paid or declared by the Company since its incorporation.

Dividend paid by the subsidiaries now comprising the Group to the then shareholder is as follows:

	2020	2019
	<i>S\$'000</i>	<i>S\$'000</i>
<i>Ordinary dividends</i> Dividends declared and paid during the year	<u><u>4,500</u></u>	<u><u>5,500</u></u>

Subsequent to the end of the reporting period, a final dividend of S\$0.0015 per ordinary share for the year ended 31 December 2020 has been proposed by the Board and is subject to shareholders' approval at the forthcoming annual general meeting of the Company.

12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2020 <i>S\$'000</i>	2019 <i>S\$'000</i>
Trade receivables	13,292	12,520
Unbilled revenue	<u>6,819</u>	<u>3,745</u>
	20,111	16,265
Allowance for ECL	<u>(445)</u>	<u>—</u>
	<u>19,666</u>	<u>16,265</u>
Deposits	1,652	1,810
Prepayments	572	179
Government grant receivables	1,061	—
Other receivables	200	77
Prepayments for listing expenses	<u>—</u>	<u>924</u>
	<u>3,485</u>	<u>2,990</u>
Total	<u><u>23,151</u></u>	<u><u>19,255</u></u>

(a) Trade receivables

The Group generally grants credit terms to its customers ranging from 0–90 days. The ageing analysis of the Group's trade receivables based on invoice dates (net of allowance for ECL) is as follows:

	2020 <i>S\$'000</i>	2019 <i>S\$'000</i>
0 to 30 days	5,071	7,101
31 to 60 days	2,961	3,198
61 to 90 days	1,780	1,574
91 to 120 days	1,155	511
Over 120 days	<u>1,880</u>	<u>136</u>
	<u><u>12,847</u></u>	<u><u>12,520</u></u>

The Group's customers comprise mainly (i) commercial, medical centres, residential premises in the private sector, and (ii) Singapore government agencies, schools and residential premises in the public sector. For the year ended 31 December 2020, the Group recognised allowance for ECL of S\$445,000 (2019: Nil).

Certain of the Group's trade receivables as at 31 December 2020 and 31 December 2019 were factored to banks on a recourse basis. As the Group had not transferred the significant risks and rewards relating to these receivables, it continued to recognise the full carrying amount of the trade receivables and has recognised the cash received on the transfer as secured accounts financing loans. These financial assets were carried at amortised cost in the Group's consolidated statements of financial position.

(b) Deposits and other receivables

Included in deposits is an amount of S\$1,321,000 (2019: S\$1,321,000) related to security deposit placed with insurance companies to support the issuance of performance bonds to satisfy any liquidated or other damages as may become due to customers of the Group. Other deposits mainly represent rental deposits for workers' accommodation, utilities and tendering.

Government grant receivables related to Jobs Support Scheme provided by the Singapore government announced in the Unity Budget and Resilience Budget on 18 February 2020 and 26 March 2020 respectively, which is expected to be received within the next financial year.

(c) Prepayments

Prepayments mainly represent upfront payments of procurement costs for supplies and other consumables for operations, insurance premium paid for cleaning contracts and prepaid asset management fee.

13. TRADE AND OTHER PAYABLES

	2020 <i>S\$'000</i>	2019 <i>S\$'000</i>
Trade payables	1,429	1,836
Other payables	1,246	1,424
Deferred government grant income	1,361	–
Amount due to a shareholder	83	79
Accrued expenses	465	127
Accrued subcontractor charges	25	44
Accrued employee benefit expenses	4,627	4,049
Accrued listing expenses	–	1,513
	<u>9,236</u>	<u>9,072</u>

The ageing analysis of the Group's trade payables based on invoice dates as at 31 December 2020 and 31 December 2019 is as follows:

	2020 <i>S\$'000</i>	2019 <i>S\$'000</i>
0 to 30 days	575	852
31 to 60 days	392	555
61 to 90 days	306	257
Over 90 days	156	172
	<u>1,429</u>	<u>1,836</u>

The amount due to a shareholder is interest-free, unsecured and repayable on demand.

MATERIAL DIFFERENCES BETWEEN UNAUDITED ANNUAL RESULTS AND AUDITED ANNUAL RESULTS

Since the financial information contained in the announcement of the unaudited annual results was neither audited nor agreed with the then auditor of the Company as at the date of its publication and subsequent adjustments have been made to such information, shareholders and potential investors of the Company are advised to pay attention to certain differences between the unaudited annual results and audited annual results. Set forth below are the principal details and reasons for the material differences in such financial information:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the year ended 31 December 2020		
		Audited annual results S\$ '000	Unaudited annual results S\$ '000	Difference S\$ '000
	<i>Note</i>			
Cost of sales	1	(50,456)	(49,695)	(761)
Gross profit		22,155	22,916	(761)
Administrative expenses	2	(10,940)	(10,498)	(442)
Operating profit		9,554	10,757	(1,203)
Profit before income tax		9,133	10,336	(1,203)
Income tax expense	3	(351)	(265)	(86)
Profit for the year		8,782	10,071	(1,289)
Other comprehensive income:				
Exchange differences arising on translation of foreign operations		7	8	(1)
Total comprehensive income for the year		8,789	10,079	(1,290)
Profit attributable to:				
Owners of the Company		8,798	10,091	(1,293)
Non-controlling interests		(16)	(20)	4
Total comprehensive income attributable to:				
Owners of the Company		8,802	10,096	(1,294)
Non-controlling interests		(13)	(17)	4
Earnings per share				
Basic and diluted (Singapore cents)	4	<u>0.50</u>	<u>0.006</u>	<u>0.494</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 31 December 2020		
		Audited annual results S\$'000	Unaudited annual results S\$'000	Difference S\$'000
	Note			
ASSETS				
Non-current assets				
Right-of-use assets	1	1,269	2,030	(761)
Deferred tax assets	3	–	151	(151)
Current assets				
Financial assets at fair value through profit or loss	5	2,542	1,434	1,108
Trade and other receivables, deposits and prepayments	2,5	23,151	24,702	(1,551)
EQUITY				
Reserves		28,959	30,253	(1,294)
Equity attributable to owners of the Company				
Non-controlling interests		33	29	4
LIABILITIES				
Current liabilities				
Trade and other payables	6	9,236	9,250	(14)
Income tax payable	3,6	894	945	(51)
		<u> </u>	<u> </u>	<u> </u>

Notes:

1. The differences were due to adjustment on depreciation of right-of-use assets.
2. The differences were mainly due to provision of expect credit loss on trade receivables.
3. The differences were mainly due to reversal of deferred tax asset recognised and adjustment on current income tax expense.
4. The differences were mainly due to revision of calculation of earnings per share.
5. The differences were mainly due to reclassification of other receivables to financial assets at fair value through profit or loss.
6. The differences were mainly due to reclassification of income tax payables.

EXTRACT OF INDEPENDENT AUDITOR’S REPORT

The following is an extract from the independent auditors’ report on the Group’s consolidated financial statements for the year ended 31 December 2020:

DISCLAIMER OF OPINION

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements and as to whether the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

Scope limitation – recognition of the financial assets at fair value through profit or loss

As disclosed in note 19 to the consolidated financial statements, during the year ended 31 December 2020, the Group recognised a financial asset at fair value through profit or loss of approximately S\$2,542,000 (equivalent to approximately HK\$14,908,000) (the “AFS”). The AFS represented investments held by Eng Leng Contractors Pte Ltd (“**Eng Leng**”), a wholly owned subsidiary of the Company, pursuant to a discretionary investment management agreement (“**IMA**”) entered into with Leo Asset Management Limited on 6 July 2020. The Group recognised investment management fee expense in relation to the IMA of approximately S\$39,000 (equivalent to approximately HK\$218,000) for the year ended 31 December 2020 and prepaid investment management fee in relation to the IMA of approximately S\$244,000 (equivalent to approximately HK\$1,357,000) included in “trade and other receivables, deposits and prepayments” as at 31 December 2020. No fair value gain or loss was recognised in consolidated profit or loss for the year ended 31 December 2020 in relation to the AFS held by the Group. Subsequent to the end of the reporting period, Eng Leng decided to early terminate the IMA with effect from 7 June 2021, and an amount of approximately S\$2,972,000 (equivalent to approximately HK\$16,513,000) was returned to Eng Leng as a result.

The auditors which were originally engaged by the Company to act as auditors of the consolidated financial statements of the Group for the financial year ended 31 December 2020 (the “**Predecessor Auditors**”) resigned as auditors with effect from 16 April 2021 as they could not reach consensus with the Company in respect of certain outstanding issues (the “**Audit Issues**”), details of which were set out in their letter to the Company dated 16 April 2021. On 10 May 2021, the board of directors of the Company (the “**Board**”) resolved to engage So, Lung & Associates (the “**Advisor**”) as independent professional advisor to the audit committee to conduct an investigation in respect of the Audit Issues. The Advisor completed its investigation and issued its investigation report dated 29 April 2022 (the “**Investigation Report**”).

The significant matters on which the Predecessor Auditors considered independent investigation was required in respect of the Audit Issues (the “**Highlighted Matters**”) included the commercial substance and business rationale of the IMA, including the discretion and prepayment arrangements. We were unable to obtain sufficient appropriate evidence regarding the validity, commercial substance and business rationale of the IMA and of the payment transaction that led to the recognition by the Group of the AFS as financial asset at fair value through profit or loss, investment management fee expense in relation to the IMA and prepaid investment management fee in the consolidated financial statements of the Group for the year ended 31 December 2020 referred to above, and whether the transactions and arrangements involved parties which were related to the Group or its related parties.

We were also unable to obtain sufficient appropriate audit evidence to satisfy ourselves regarding the fair values of the AFS at the time of subscription and at 31 December 2020 because there was inadequate documentary and other evidence made available to us to enable us to assess the appropriateness of these fair values provided to the Group by the investment manager, including lack of access to financial information and management personnel of the investee company to which the AFS relate because of the refusal of the investee company to provide the relevant information and access. Consequently, we were also unable to satisfy ourselves as to the fair value change to be recognised in consolidated profit or loss for the year ended 31 December 2020 in respect of the AFS.

There were no alternative audit procedures that we could perform to satisfy ourselves as to (i) whether the initial measurement amount, carrying amount as at 31 December 2020 and classification of the AFS, fair value change of the AFS to be recognised in consolidated profit or loss for the year ended 31 December 2020, investment management fee expense in relation to the IMA recognised in consolidated profit or loss for the year ended 31 December 2020 and prepaid investment management fee recognised as part of “trade and other receivables, deposits and prepayments” as at 31 December 2020 were free from material misstatements; and (ii) whether the disclosures of related party transactions and balances in the consolidated financial statements were complete and in accordance with the requirements of applicable International Financial Reporting Standards, including International Accounting Standard 24 “Related Party Disclosures”. Any adjustments that might have been found necessary may have a significant effect on the Group’s consolidated net assets at 31 December 2020 and the consolidated financial performance and consolidated cash flows of the Group for the year then ended, and the related elements and disclosures thereof in the consolidated financial statements.

Scope limitation – recognition of professional fees

Included in professional and consultancy services fee expense recognised in consolidated profit or loss for the year ended 31 December 2020 are professional and consultancy services fees of S\$1,759,000 (equivalent to HK\$9,775,000) paid by the Group to certain service providers during the year (the “**Professional Fees**”). The Highlighted Matters on which the Predecessor Auditors considered independent investigation was required in respect of the Audit Issues also included the commercial substance and business rationale of the Professional Fees. We were unable to obtain sufficient appropriate audit evidence regarding the validity, commercial substance, business rationale and classification of the payment transactions that led to the recognition by the Group of the professional and consultancy services fee expense in consolidated profit or loss for the year ended 31 December 2020. There were no alternative audit procedures that we could perform to satisfy ourselves as whether the Professional Fees recognised as professional and consultancy services fee expense in consolidated profit or loss for the year ended 31 December 2020 were free from material misstatement. Any adjustments that might have been found necessary may have a significant effect on the consolidated financial performance and consolidated cash flows of the Group for the year ended 31 December 2020, including the classification and related disclosure thereof in the consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS BUSINESS REVIEW

BUSINESS REVIEW

The Group is an established general cleaning service provider in the environmental services industry headquartered in Singapore with operations in both Singapore and Thailand. The Group primarily provides general cleaning works for a variety of public and private venues including medical centres, shopping malls, commercial and industrial buildings, schools, hotels, private condominiums as well as public access areas in town councils in Singapore. In Thailand, the Group provides general cleaning works for private customers at private residences, offices and industrial buildings.

The Group has more than 25 years of experience in the environmental services industry, and with their L6-graded FM02 workhead for “Housekeeping, Cleansing, Desilting and Conservancy” services currently held by Eng Leng, the Group is able to tender for public sector service contracts of an unlimited contract value. As at 25 April 2022, Eng Leng was one of 38 registered contractors holding an L6-graded FM02 workhead among 457 contractors registered with the FM02 workhead. The Group has a quality management system accredited by their ISO 9001:2015 certification for the provision of cleaning and housekeeping services, and the Group has been recognised by the NEA through a Clean Mark Silver award for delivering high cleaning standards.

As at 31 December 2020, the Group has 245 ongoing service contracts, excluding one-off contracts, with outstanding contract sums of approximately S\$62.8 million.

In 2020, the Company continued its strategy to become an integrated service provider in the environmental services industry and provided consistent and quality cleaning services to customers. Following their business strategies, the Company further entrenched and increased its market presence in the environmental services industry with a view towards positioning themselves as a regional integrated service provider.

During 2020, COVID-19 significantly disrupted many business operations around the world and adversely impacted the overall global economy. In relation to the operations of the Group, the Singapore Government announced measures to reduce the risk of local transmission of COVID-19, including travel restrictions, safety distancing measures and closure of physical workplace premises. During the Circuit Breaker Period, entities which carried out Essential Services were permitted to continue operations from their premises and were required to submit details of their plans to operate with enhanced safe distancing measures in place (“Continued Operation Plans”) to the Ministry of Trade and Industry to obtain the necessary permissions. The categories of Essential Services included, but were not limited to, water, waste and environment, which included, amongst others, environmental hygiene monitoring and public cleansing services. The Group submitted their Continued Operation Plans for both Eng Leng and Titan accordingly under the aforementioned category and specified the provision of cleaning operations as a cleaning services provider as an Essential Service. The Ministry of Trade and Industry approved the Continued Operation Plans for both Eng Leng and Titan, which allowed the Group to continue their operations during the Circuit Breaker Period. Given that both Eng Leng and Titan had been permitted to operate throughout the Circuit Breaker Period, the Group has continued with their cleaning operations since the implementation of Phase 1. As such, since 7 April 2020, the Group has continued with their cleaning operations as listed in their Continued Operation Plans under both their private and public service contracts, with safe distancing measures in place.

With effect from 19 June 2020, the Control Order Regulations were amended to implement a revised set of measures in order to facilitate the transition from Phase 1 to Phase 2, whereby most businesses and social activities were allowed to resume so long as certain social distancing measures were kept in place. The Singapore government had further announced the transition from Phase 2 to Phase 3 to support a further resumption of activities from 28 December 2020, subject to the adherence to certain safe management measures.

In light of the foregoing, despite the contraction of Singapore’s 2020 gross domestic product by 5.8% and the Control Order Regulations, the Group has been able to take advantage of the initiatives introduced by the Singapore Government to minimise the effects of COVID-19 on their businesses and financial position. As disclosed in the Prospectus, the outbreak of COVID-19 in Singapore was expected to have negative impacts on Singapore macro economy. As such, the Group experienced a decrease in overall revenue for the year ending 31 December 2020. The Group is also constantly evaluating their prospects in the environmental services industry to ensure sustainability and continuity in their business operations and will make use of their competitive strengths to strive for the continued success of the Group for the new year.

The shares of the Company were successfully listed on the Main Board of the Stock Exchange on 3 July 2020, marking an important milestone for the Group’s competitive edge and capital strength. It also represents investors’ recognition of the Group’s consistent and quality cleaning services provided to its customers, which will be the drivers of the Group’s future growth.

FUTURE PROSPECTS

The Group will continue its vision to become an integrated service provider in the environmental services industry, and to provide consistent and quality cleaning services to customers. The management and staff will remain vigilant and nimble, look ahead and make necessary adjustments to remain a market leader in the environmental services industry in Singapore. The Group will strive to further entrench and increase its market presence in the industry.

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2020, the Group's total revenue was approximately S\$72.6 million, representing a decrease of approximately 4.9% from approximately S\$76.4 million as compared with the year ended 2019. This decrease was primarily due to the reduced demand of cleaning services arising from the restrictions placed and reduced operations to control the outbreak of COVID-19 in Singapore during the Circuit Breaker Period.

Cost of Sales

For the year ended 31 December 2020, the cost of sales was approximately S\$50.5 million, representing a decrease of approximately 19.1% from approximately S\$62.4 million as compared with the year ended 31 December 2019. Please refer to the section "Gross Profit and Gross Profit Margin" for the explanation of the decrease.

Gross Profit and Gross Profit Margin

Gross profit increased from approximately S\$14.0 million for the year ended 31 December 2019 to approximately S\$22.2 million for the year ended 31 December 2020. The gross profit margin increased to 30.5% for the year ended 31 December 2020 from 18.3% for the year ended 31 December 2019, which was primarily due to the receipts of certain one-off government grants from the Singapore government in 2020 to assist Singapore businesses in coping against the economic uncertainty due to COVID-19. For the year ended 31 December 2020, the Group has recognised approximately S\$9.8 million of one-off government grants in total.

Other Expenses

Administrative and Listing Expenses

Administrative and Listing expenses increased from approximately S\$9.6 million for the year ended 31 December 2019 to approximately S\$12.5 million for the year ended 31 December 2020, primarily due to the increase in employee benefit expenses incurred and professional fees incurred after the Listing.

Finance Costs

Finance costs decreased from approximately S\$0.7 million for the year ended 31 December 2019 to S\$0.4 million for the year ended 31 December 2020, primarily due to the Group's reduced utilisation of short-term financing during the second half of FY2020.

Income Tax Expense

The income tax expense and effective tax rate for the year ended 31 December 2020 was approximately S\$0.4 million and 3.8% respectively, as compared with S\$1.1 million and 30.0% during the year ended 31 December 2019. Such decrease was mainly attributable to the receipts of certain one-off government grants that were not subject to corporate income tax and lower non-deductible expenses during the Reporting Period.

Profit after tax for the year ended 31 December 2020

As a result of the above factors, the net profit of the Group was approximately S\$8.8 million for the year ended 31 December 2020, an increase of approximately 230.9% as compared with S\$2.7 million for the year ended 31 December 2019.

Liquidity and Capital Resources

As at 31 December 2020, the current assets of the Group amounted to approximately S\$45.8 million, including cash and cash equivalents of approximately S\$20.1 million and trade and other receivables, deposits and prepayments of approximately S\$23.2 million. Current liabilities of the Group amounted to approximately S\$12.9 million, including trade and other payables of approximately S\$9.2 million and other current tax liabilities of approximately S\$0.9 million. As at 31 December 2020, the current ratio (the current assets to current liabilities ratio) of the Group was 3.6, as compared with 1.3 as at 31 December 2019.

Net debt to equity ratio is calculated by dividing net debt by total equity. Since the amount of cash and cash equivalents exceeded that of bank borrowings, the Group was at a net cash position as at 31 December 2020. Thus, the net debt to equity ratio was not applicable (31 December 2019: 8.0%).

Capital Expenditures

Save as disclosed in this announcement, there were no other significant capital expenditure incurred during the year ended 31 December 2020.

Contingent Liabilities

The Group had no material contingent liabilities as at 31 December 2020.

Pledge of Assets

The banking facilities of the Group are secured by the following:

- (i) First legal mortgage over the freehold properties of the Group;
- (ii) Assignment over debtors allowed under trade receivables financing;
- (iii) Debenture incorporating a fixed and floating charge over all assets; and
- (iv) Corporate guarantee provided by the Company.

Future Plan for Material Investments and Capital Assets

Save as disclosed in this announcement, the Group did not have plans for material investments and capital assets as at 31 December 2020.

Significant Investments, Acquisitions and Disposals

Save as disclosed in this announcement, there were no other significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the year, nor was there any plan authorised by the Board for other material investments or additions of capital assets during the year ended 31 December 2020.

Foreign Exchange Risk Management

The functional currency of the Group is SGD. The majority of the Group's revenue and expenditures are denominated in SGD. The Group currently does not have any foreign currency hedging policies. The management will continue to monitor the Group's foreign exchange risk exposure and consider adopting prudent measures as appropriate.

EVENTS AFTER THE REPORTING PERIOD

Up to the date of this announcement, there was no significant event relevant to the business or financial performance of the Group that has come to the attention of the Directors after the Reporting Period.

USE OF PROCEEDS FROM THE LISTING

The net proceeds raised by the Company from the Listing were approximately S\$11.8 million (after deduction of the underwriting commissions in respect of the Share Offer and other estimated expenses). The Company has, and will continue to utilise, the net proceeds from the Share Offer in accordance with the purposes set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

Set out below are the details of the allocation of the Net Proceeds, the utilised and unutilised amounts of the Net Proceeds as at 31 December 2020:

	Approximate percentage of total amounts	Actual Net Proceeds S\$'000	Utilised amounts as at 31 December 2020 S\$'000	Unutilised amounts as at 31 December 2020 S\$'000	Estimated completion of utilisation
Acquisition of landscaping company	15.0%	1,774	–	1,774	31 Dec 2023
Purchase of waste disposal equipment	21.3%	2,520	120	2,400	31 Dec 2023
Hiring of waste disposal staff	20.7%	2,446	79	2,367	31 Dec 2023
Cash flow mismatch	20.6%	2,436	2,436	–	N/A
Hiring of sales and marketing staff	1.4%	166	9	157	31 Dec 2023
Hiring of safety officers	2.5%	296	–	296	31 Dec 2023
Purchase of software and systems	2.4%	284	40	244	31 Dec 2022
Leasing of automated machinery and equipment	6.1%	721	–	721	31 Dec 2023
General working capital	10.0%	1,182	1,182	–	N/A
Total	100%	11,825	3,866	7,959	

Note: As at 31 December 2020, the Group had not yet utilised the proceeds for leasing of automated machinery and equipment, purchase of waste disposal equipment and hiring of waste disposal staff as planned. The slight delay in utilisation of the proceeds were due to the Group being in the process of identifying suitable project sites for implementation of the automated equipment and recruiting suitable candidates who fit its business needs to join the Group.

EMPLOYEE REMUNERATION AND RELATIONS

As at 31 December 2020, the Group had approximately 2,553 employees (2,837 as at 31 December 2019). The Company's employees (including foreign workers) are remunerated according to their work skills, job scope, responsibilities and performance. Employees are also entitled to a discretionary bonus depending on their respective performances. The duration for which foreign workers are typically employed depends on the period specified in their work permits, and their employment with the Company is subject to renewal based on their performance. The Company also provides housing and medical insurance coverage for their foreign workers as required by the Singapore Ministry of Manpower.

Pursuant to the terms and conditions of the Group's cleaning business license, the Group has in place a progressive wage plan for employees who are Singapore citizens and permanent residents of Singapore that specifies the basic wage payable to each class of cleaners that conforms to the wage levels specified by the Commissioner for Labour. The Group also participates in the mandatory provident fund for local and permanent resident employees in accordance with the Central Provident Fund Act (Chapter 36) of Singapore as amended, supplemented and/or otherwise modified from time to time, and has paid the relevant contributions accordingly.

The Group believes that they maintain a good working relationship with their employees, and the Group has not experienced any material labour disputes during the Reporting Period.

CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organisation which is open and accountable to the Shareholders. The Company has adopted the CG Code as its own code of corporate governance practices.

In the opinion of the Directors, the Company has complied with the relevant code provisions contained in the CG Code during the Reporting Period. The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has also adopted the Model Code as its code of conduct regarding securities transactions by the Directors in January 2021.

Having made specific enquiry with all Directors of the Company, all Directors confirmed that they have complied with the required standard set out in the Model Code regarding directors' securities transactions for the year ended 31 December 2020.

AUDIT COMMITTEE

The Company established the Audit Committee with written terms of reference in compliance with the Listing Rules. The Audit Committee comprises three members, namely, Mr. Wong Yuk, Mr. Koh How Thim and Mr. Tan Wu Hao, all of whom are independent non-executive Directors. Mr. Wong Yuk is the chairman of the Audit Committee.

The Audit Committee, has reviewed the Company's consolidated annual results for the year ended 31 December 2020 and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The Audit Committee has also discussed the auditing, internal control and financial reporting matters.

The annual results for the year ended 31 December 2020 have been prepared in accordance with IFRSs.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

The figures in respect of the Group's consolidated statement of financial position as at 31 December 2020, consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2020 and the related notes thereto as set out in this announcement have been agreed by the Company's auditor to the amounts set out in the Group's consolidated financial statements for the year. The work performed by the Company's auditor, HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by HLB Hodgson Impey Cheng Limited on this announcement.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2020.

PUBLIC FLOAT

As at the date of this announcement, based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules.

COMPLIANCE ADVISER'S INTERESTS

As informed by the Company's compliance adviser, Fortune Financial Capital Limited (the "**Compliance Adviser**"), as at 31 December 2020, except for the compliance adviser agreement entered into between the Company and the Compliance Adviser dated 14 May 2019, the Compliance Adviser nor its directors, employees or close associates had any interests in relation to the Group, which is required to be notified to the Group pursuant to the Listing Rules.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This audited annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.hygieiagroup.com/>). As more time is required to prepare the annual report of the Company for the years ended 31 December 2020 (the "**Annual Report**"), the Company will publish the Annual Report and despatch it to the Shareholders in due course.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2021 pending the publication of the announcement in relation to the audited annual results for the year ended 31 December 2020 by the Company and will remain suspended until the Company fulfils the resumption guidance issued by the Stock Exchange on 22 April 2021. The Company will publish further announcement(s) to inform the shareholders of the Company of its progress in complying with the resumption guidance, any significant developments in respect of the publication of the audited annual results for the year ended 31 December 2021 (the "**2021 Audited Annual Results**") and the expected dates for the publication of the 2021 Audited Annual Results as and when appropriate, as well as quarterly updates on its development pursuant to Rule 13.24A of the Listing Rules.

DEFINITIONS

“Audit Committee”	the audit committee of the Board
“Board”	the board of directors of the Company from time to time
“CG Code”	the Corporate Governance Code as set out in Appendix 14 to the Listing Rules
“Circuit Breaker Period”	the period during which the Circuit Breaker Measures (as defined in the Prospectus), through the Control Order Regulations, were in force from 7 April 2020 and extended to 1 June 2020 (inclusive)
“Clean Mark”	the Clean Mark Accreditation Scheme, a scheme developed by, amongst others, NEA that recognises businesses that deliver high cleaning standards through the training of workers, use of equipment to improve work processes and fair employment practices
“Company”	Hygieia Group Limited, a company incorporated in the Cayman Islands as an exempted company with limited liability on 28 February 2019
“COVID-19”	coronavirus disease 2019, an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS coronavirus 2 or SARS-CoV-2) and is the cause of the 2019 – 2020 coronavirus outbreak in various countries around the world, including Singapore
“Director”	the director(s) of the Company
“Eng Leng”	Eng Leng Contractors Pte Ltd, a private company limited by shares that was incorporated in Singapore on 27 June 1991 and is a wholly-owned subsidiary of the Company
“Essential Services”	providing essential services and in selected economic sectors which are critical for the Group’s local and global supply chains as prescribed by the Ministry of Trade and Industry

“FM02”	one of the maintenance workheads classified under the CRS (as defined in the Prospectus), where the title of the FM02 workhead is “Housekeeping, Cleansing, Desilting & Conservancy Services” and it refers to the provision of cleaning and housekeeping services for offices, buildings, compounds, industrial and commercial complexes, desilting and cleansing of drains and grass cutting
“Group”	the Company and its subsidiaries
“HK\$” or “Hong Kong Dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IFRS”	International Financial Reporting Standards
“ISO 9001:2015”	a quality management system standard that is based on a number of quality management principles including a strong customer focus, the motivation and implication of top management, the process approach and continual improvement
“L6”	the highest financial grade for the FM02 workhead under the CRS (as defined in the Prospectus) in Singapore
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange on 3 July 2020
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules
“NEA”	the National Environment Agency, a statutory body under the Singapore Ministry of the Environment and Water Resources which is responsible for improving and sustaining a clean and green environment in Singapore
“Prospectus”	the prospectus of the Company dated 12 June 2020

“Reporting Period”	the year ended 31 December 2020
“Share Offer”	the Public Offer (as defined in the Prospectus) and the Placing (as defined in the Prospectus)
“Shareholders”	holder(s) of Shares
“Shares”	ordinary shares(s) with a nominal value HK\$0.01 each in the issued share capital of the Company
“Singapore”	the Republic of Singapore
“Singapore Government”	the government of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“S\$” or “SGD”	Singapore dollars, the lawful currency of Singapore
“Thailand”	the Kingdom of Thailand
“%”	per cent

By order of the Board
Hygieia Group Limited
Toh Eng Kui
Chairman

Singapore, 29 April 2022

As at the date of this announcement, the executive Directors are Mr. Toh Eng Kui, Mr. Hong Rui Sheng and Mr. Peh Poon Chew; and the independent non-executive Directors are Mr. Koh How Thim, Mr. Tan Wu Hao and Mr. Wong Yuk.