OMNIBRIDGE HOLDINGS LIMITED
橋英控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8462

Annual Report 2017

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED

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This report, for which the directors of Omnibridge Holdings Limited (the "**Company**" and the "**Directors**", respectively) 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 (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 report 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 report misleading.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. Chew Chee Kian
Ms. Yong Yuet Han
Ms. Lo Wing Yan Emmy

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Chew Chee Kian

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Fan Chun Wah Andrew, *J.P.*
Mr. Koh Shian Wei
Ms. Lam Shun Ka
(formerly known as Lam Yuk Shan)

COMPANY SECRETARY

Ms. Lo Wing Yan Emmy, *CPA*

COMPLIANCE OFFICER

Mr. Chew Chee Kian

AUTHORISED REPRESENTATIVES

Mr. Chew Chee Kian
Ms. Lo Wing Yan Emmy

AUDIT COMMITTEE

Mr. Fan Chun Wah Andrew, *J.P.*
(Chairman)
Mr. Koh Shian Wei
Ms. Lam Shun Ka

REMUNERATION COMMITTEE

Mr. Koh Shian Wei *(Chairman)*
Mr. Fan Chun Wah Andrew, *J.P.*
Ms. Lam Shun Ka

NOMINATION COMMITTEE

Ms. Lam Shun Ka *(Chairlady)*
Mr. Fan Chun Wah Andrew, *J.P.*
Mr. Koh Shian Wei

INDEPENDENT AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Hong Kong

LEGAL ADVISOR

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The Landmark
15 Queen's Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL BANKER

DBS Bank Limited

COMPANY'S WEBSITE

www.omnibridge.com.hk

STOCK CODE

8462

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board of directors (the "**Directors**" and the "**Board**", respectively) of Omnibridge Holdings Limited (the "**Company**"), I am pleased to present the consolidated financial results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2017 (the "**Year**") to the shareholders of the Company (the "**Shareholders**").

REVIEW

For the year ended 31 December 2017, revenue of the Group decreased to approximately S$40.0 million as compared to approximately S$43.7 million for the year ended 31 December 2016, representing a decrease of approximately 8.5%. Decrease in revenue was primarily attributable to decrease in human resources outsourcing services in public sector and the decrease in human resources recruitment services. In line with the decrease in revenue, the Group's gross profit decreased by approximately S$2.3 million from approximately S$9.7 million for the year ended 31 December 2016 to approximately S$7.4 million for the year ended 31 December 2017. Gross profit margin decreased from approximately 22.2% for the year ended 31 December 2016 to approximately 18.4% for the year ended 31 December 2017.

The Group recorded a loss for the year of approximately S$1.3 million for the year ended 31 December 2017 compared to a profit for the year of approximately S$1.4 million for the year ended 31 December 2016. If the one-off listing expenses incurred in the year ended 31 December 2017 of approximately S$1.7 million were excluded, the Group would have recorded a profit for the year ended 31 December 2017 of approximately S$0.4 million, representing a decrease of approximately S$1.0 million. This was mainly due to the combined effect of lower revenue and gross profit exacerbated by higher administrative expenses with listing status and lesser government subsidies received.

APPRECIATION

On behalf of the Board and management, I would like to express my sincere gratitude to all our clients, investors, suppliers, business partners and Shareholders for their continued valuable support and trust. I would also like to take this opportunity to thank all of our staff for their tireless efforts, diligence and contribution during the Year.

Chew Chee Kian
Chairman

Hong Kong, 16 March 2018

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

We are a Singapore-based human resources service provider for around 11 years and we started providing human resources services in Hong Kong in 2009. We are principally engaged in the provision of human resources outsourcing services and human resources recruitment services. For human resources outsourcing services, we source and employ suitable candidates that match the job descriptions specified by our clients and then second them to our clients. For human resources recruitment services, we identify, screen, assess and procure qualified candidates to be employed by our clients generally for positions at all levels, including administrative, executive, managerial and professional, to suit our clients' business needs.

The Group's competitive strengths include (i) solid track record of providing human resources services to public sector in Singapore; (ii) vast pool of candidates registered within our database; (iii) long-term and stable relationship with our major clients; and (iv) stable and experienced management team.

Looking forward, we will continue to seize opportunities to strengthen our position in the human resources services industry in Singapore by (i) strengthening our market position in the private sector in Singapore through expanding our human resources outsourcing and recruitment services in Singapore; (ii) enhancing our market penetration in Hong Kong through expanding our human resources recruitment services in Hong Kong; (iii) enhancing our brand awareness; and (iv) enhancing our IT system to support our business operations.

Though we expect that the coming years should continue to be challenging for the human resources services sector, in view of the intense price competition for our services, the Group remains distinctive and alert about the changes of the human resources services industry in Singapore and in Hong Kong, and with the Group's experienced management team and reputation in the market, the Group will continue sustain our market position and strengthen our competitive edge.

We will move with times towards our core business and shall continue to capture market opportunities so as to achieve a sustainable business growth and long-term benefits of our shareholders.

FINANCIAL REVIEW

REVENUE

The Group's revenue decreased slightly by approximately S$3.7 million, or 8.5%, from approximately S$43.7 million for the year ended 31 December 2016 to approximately S$40.0 million for the year ended 31 December 2017. The Group's revenue from human resources outsourcing services decreased by approximately S$2.9 million from approximately S$40.8 million for the year ended 31 December 2016 to approximately S$37.9 million for the year ended 31 December 2017 and human resources recruitment services decreased by approximately S$0.8 million from approximately S$2.8 million for the year ended 31 December 2016 to approximately S$2.0 million for the year ended 31 December 2017.

HUMAN RESOURCES OUTSOURCING SERVICES

The revenue from human resources outsourcing services decreased from approximately S$40.8 million for the year ended 31 December 2016 to approximately S$37.9 million for the year ended 31 December 2017, which represented a drop of approximately 7.1%. The drop in the revenue from human resources outsourcing services was mainly attributable to decrease in demand for our human resources outsourcing services from clients in the public sector as we received less job orders from different Singapore Government agencies due to intense price competition.

HUMAN RESOURCES RECRUITMENT SERVICES

The revenue from human resources recruitment services decreased by approximately S$0.8 million or 28.6%, from approximately S$2.8 million for the year ended 31 December 2016 to approximately S$2.0 million for the year ended 31 December 2017, primarily attributable to the decrease in demand on new recruits from our clients in private sector resulting from the intense price competition.

OTHER HUMAN RESOURCES SUPPORT SERVICES

The revenue derived from other human resources support services decreased by approximately S$31,000 or 25.2% from approximately S$123,000 for the year ended 31 December 2016 to approximately S$92,000 for the year ended 31 December 2017, 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 decreased by approximately S$1.4 million, or 4.1%, from approximately S$34.0 million for the year ended 31 December 2016 to approximately S$32.6 million for the year ended 31 December 2017. The labour costs and other related costs were approximately S$36.5 million and S$33.9 million for the year ended 31 December 2016 and 2017 respectively and the aggregate government subsidies received were approximately S$2.5 million and S$1.3 million for the year ended 31 December 2016 and 2017 respectively. Therefore, the cost of services decreased slightly mainly due to the decrease in labour costs paid by approximately S$1.4 million, or 4.8% which decrease in line with the decrease in revenue offset by the decrease in government subsidies received by approximately S$1.2 million, or 48.0%. For details and reasons for such decrease in 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**").

GROSS PROFIT AND GROSS PROFIT MARGIN

The Group's gross profit decreased by approximately S$2.3 million, or 23.7%, from approximately S$9.7 million for the year ended 31 December 2016 to approximately S$7.4 million for the year ended 31 December 2017, which was mainly due to the decrease in revenue and the decrease in government subsidies received. Our gross profit margin decreased from approximately 22.2% for the year ended 31 December 2016 to approximately 18.4% for the year ended 31 December 2017, which was primarily due to the reasons mentioned above.

OTHER INCOME

Other income decreased by approximately S$852,000, or 89.8% from approximately S$949,000 for the year ended 31 December 2016 to approximately S$97,000 for the year ended 31 December 2017 due to the reversal of provision for doubtful debt of approximately S$842,000 which represented the amount due from related companies for which provision had previously been made but subsequently recovered by us in the year ended 31 December 2016.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses decreased slightly by approximately S$0.2 million, or 2.7%, from approximately S$7.4 million for the year ended 31 December 2016 to approximately S$7.2 million for the year ended 31 December 2017.

DEPRECIATION OF PLANT AND EQUIPMENT

Depreciation expenses remained relatively stable at approximately S$0.3 million and S$0.2 million for the year ended 31 December 2016 and 2017, respectively.

LISTING EXPENSES

During the years ended 31 December 2017 and 31 December 2016, the Group recognised non-recurring listing expenses of approximately S$1.7 million and S$1.5 million, respectively as expenses in connection with the listing.

INCOME TAX EXPENSES

Income tax expenses decreased by approximately S$0.6 million, or 150.0% from approximately S$0.4 million for the year ended 31 December 2016 to income tax credit of approximately S$0.2 million for the year ended 31 December 2017. The decrease was due to overprovision in previous year and in line with the decrease in profit before tax.

MANAGEMENT DISCUSSION AND ANALYSIS

(LOSS)/PROFIT FOR THE YEAR

The loss for the year ended 31 December 2017 was approximately S$1.3 million, representing a decrease of approximately S$2.7 million, or 192.9% as compared with profit of approximately S$1.4 million for the year ended 31 December 2016. The decrease was mainly attributable to the decrease in gross profit mainly resulting from the decrease in revenue from human resources outsourcing and recruitment service due to intense price competition and the decrease in government subsidies received together with the listing expenses incurred in the listing process as mentioned above.

FINANCIAL RESOURCES, LIQUIDITY AND GEARING

As at 31 December 2017,

(a) the Group's total assets increased to approximately S$23.6 million (2016: approximately S$16.2 million) while the total equity increased to approximately S$19.7 million (2016: approximately S$10.8 million);

(b) the Group's current assets increased to approximately S$23.3 million (2016: approximately S$15.9 million) while the current liabilities decreased to approximately S$3.9 million (2016: approximately S$5.4 million);

(c) the Group had approximately S$15.5 million (2016: S$5.8 million) in cash and cash equivalents available and the current ratio of the Group was approximately 6.0 (2016: approximately 3.0);

(d) the Group did not have any bank borrowing, amount due to a related company and a director (2016: 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 (2016: N/A).

CAPITAL EXPENDITURE

The capital expenditure during the year ended 31 December 2017 was primarily related to expenditures on additions of leasehold improvement, amounting to approximately S$156,000, and computers and equipment, amounting to approximately S$75,000, total S$231,000, to cope with our operation needs, respectively (2016: approximately S$295,000). As at 31 December 2017 and 2016, the Group did not have any outstanding capital commitments.

SIGNIFICANT INVESTMENTS

As at 31 December 2017, the Group did not hold any significant investments (2016: nil).

CONTINGENT LIABILITIES

As at 31 December 2017, the Group did not have any significant contingent liabilities (2016: nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2017, the Group had 66 full-time employees (the "**Employees**") (31 December 2016: 90). 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$39.4 million for the year ended 31 December 2016 and approximately S$37.5 million for the year ended 31 December 2017. The dedication and hard work of the Group's staff during the year ended 31 December 2017 are generally appreciated and recognised.

INDEBTEDNESS AND CHARGES ON GROUP ASSETS

As at 31 December 2017, the Group had charges on the fixed deposits of approximately S$0.1 million (2016: nil).

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES

To rationalise the structure of the Group for the Listing, the Company underwent a reorganisation ("**Reorganisation**") of the business comprising the Group, pursuant to which the Company became the holding company of the subsidiaries of the Company now comprising the Group. Details of the Reorganisation have been set out in the Prospectus under the section headed "Reorganisation".

Save for the Reorganisation, during the year ended 31 December 2017, there was 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 2017, the Group was in compliance with all the laws and regulations that are applicable to the business operations of the Group, details of which have been set out in the Prospectus under the section headed "Regulatory Overview", except those non-compliance matters as set out in the Prospectus under the section headed "Summary — Non-compliance incidents".

FOREIGN EXCHANGE EXPOSURE

The Group transacts mainly in Singapore dollars, which is the functional currency of the majority of the Group's operating subsidiaries. However, the Group retain some proceeds from the Share Offer (as defined below) in Hong Kong dollars which contributed to an unrealised foreign exchange loss of approximately S$214,000 as Hong Kong dollars weakened against Singapore dollars.

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 2017 to the date of this report, no significant events have occurred.

DIVIDENDS

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2017 (2016: nil).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

As a responsible corporation, we acknowledge the importance of sustainability as one of the key drivers to long-term value creation for our stakeholders. We play our part to contribute to the communities where our people and customers work and live.

The Group is committed to ensure the long-term growth of its business in a way that is beneficial to all stakeholders as a whole. It strives to integrate sustainability into all aspects of its business strategies and daily operation, which shall take into account of environment, social and economic considerations in its operation and business planning. The Group follows the Appendix 20 — Environmental, Social and Governance Reporting Guide ("**ESG Guide**") of the GEM Listing Rules and its principles of Materiality, Quantitative, Balance and Consistency and also makes reference to the G4 Sustainability Reporting Guidelines issued by the Global Reporting Initiative to define the report content.

Pursuant to Clause 12 of the ESG Guide, the main contents of this Report and/or its summary include but not are limited to the Group's environmental and social policies and performance, compliance with the relevant laws and regulations, and key relationships with its employees, customers and suppliers and others that have a significant impact on the Group which are herein reviewed.

REPORTING PERIOD AND SCOPE

Reporting Period:	1 January 2017 to 31 December 2017
Reporting Scope:	According to market research, the Group was one of the largest operators in providing human resources outsourcing and recruitment services to Singapore Government Agencies and NPOs in terms of revenue generated from the public sector. This report covers the Group's principal business of providing human resources services including human resources outsourcing services and human resources recruitment services operating mainly in Singapore and Hong Kong.

ESG VISION

The Group aims to further strengthen its position in the human resources industry in Singapore, while being committed to adopting environmentally friendly acts and measures, providing a safe, harmonious and equitable working environment to our employees, offering high quality services to our clients, and creating sustainable value to our stakeholders and communities.

The Board of the Group is responsible for approving strategic direction and policies including environmental, social and corporate governance ("ESG") issues and has delegated the CEO and two Executive Directors (collectively the "**Management Team**") to implement the approved strategies and policies, manage all material management affairs and execute of all commercial decisions in respect of operational, financial and ESG issues. In respect of ESG management and reporting, the Management Team has arranged and instructed various departmental managers with the following responsibilities:

- Implement the approved ESG policies, rules and regulations;
- Review and monitor the ESG related issues on a regular basis;
- Collect and compile data and statistics on ESG related issues; and
- Analyse and report on the legal and moral compliance of the ESG related issues.

Upon receiving regular updates and reports on ESG activities and related issues from the departmental managers, the Management Team will make decisions on material changes, improvements and/or solutions. If ESG related weaknesses and problems are identified and special skills are required to resolve them, the Management Team will consult and jointly work with independent professionals and consultants.

The Group fully understands that ESG policies and practices may change over time to reflect the changes in business operations, structures, technology, laws and regulations, and environments. The Group will continue to provide adequate resources to monitor the ESG issues, policies and practices especially through the establishment of the "Key Performance Indicators" ("**KPIs**") as recommended in the ESG Guide on an ongoing basis, and exercise due responsibility to maintain high ethical standards on conducting business and complying strictly with all relevant laws, rules and regulations to achieve sustainable development of the environment and society and bring benefits to our employees and other stakeholders.

The ESG issues during the Reporting Period reported herein after covered our Group both in Singapore and Hong Kong. Their main environmental and social areas, aspects and related KPIs which in our opinion have impacts on the sustainable development of the environment and society and the interests of the shareholders, are summarised below:

(A) ENVIRONMENTAL AREAS AND ASPECTS

1.1 ENVIRONMENTAL AREAS

Owing to our business nature, we operate under a normal office environment and no pollutant is produced, emitted or discharged during the provision of our human resources services. However, as a responsible corporation, supporting the "Green Environment", the Group has implemented policies and taken measures to ensure our operation to be energy, water, and resources saving, minimising pollution. To achieve these goals, the Group endeavors to conduct its operation and activities in an environmentally responsible manner under the following principles:

- Compliance with all applicable environmental legislation, standards, rules and regulations;
- Management control and incorporation of environmental considerations throughout our business practices to ensure our activities to be environmentally friendly;
- Implementation of various measures to prevent pollution and reducing resources consumption; and
- Raising environmental awareness among our employees to protect the environment by implementing green practices.

1.2 ENVIRONMENTAL ASPECTS:

A1. EMISSIONS AND WASTES

The Group mainly operates under a normal office environment during the provision of our human resources services and does not operate nor own any transportation fleet, hence, the only air emissions during the normal course of business are greenhouse gases, primarily carbon dioxide, generated indirectly from electricity consumption. No hazardous air emissions such as NOx, SOx or toxic gases were generated. To further reduce indirect greenhouse gas emissions, the Group encourages the employees to minimise their flight travels by using teleconferencing, and to arrange carpooling to and from work. The Group only consumes water for employees' daily general hygiene needs, which has been sourced and discharged without problems through the office waterway system to the city's centralised network, and no hazardous water is generated. The Group's human resources services does not generate any hazardous wastes itself, however, a small amount of hazardous wastes produced from the office activities such as toner cartridges, ink boxes and batteries. These wastes have been collected properly and transferred to a qualified organisation for environmentally friendly disposal.

For the Reporting Period, the Group did not breach any laws, rules or regulations and did not receive any notice of fine or warning from any governmental agencies in relation to our emissions and wastes discharge or environmental issues in Singapore and Hong Kong, which might have an adverse impact on the environment as well as on the Group. To facilitate a continuous management on minimising greenhouse gases emissions, the Group has established and chosen the "CO_2 Emission Record" as a KPIs to monitor electricity consumption and indirect greenhouse gases generation.

For the Reporting Period, a total of 42,144.92 CBM of greenhouse gases, mainly CO_2 were indirectly generated and emitted from our offices from the use of electricity.

A2. USE OF RESOURCES

Electricity is the main source of energy used by our offices in their daily operations. Other resources such as fresh water, supplying from the city water system, for employees' daily general hygiene usage, and printing paper, ink and packaging materials for office routine works are consumed, but their quantities are not significant.

The Group is committed to operate green offices, to achieve low-carbon emissions and to promote efficient use of natural resources by implementing green practices, policies and regulations and raising the environmental awareness of its employees and engaging them in energy saving and emission reduction activities, efficient usage of water, recycling and reducing usage of printing paper and other packaging materials. The Group has implemented various measures to achieve our commitments, which can be summarised below:

Electricity Consumption Optimisation:

- Turn off electrical appliances, lights, air-conditioners in a timely manner and when not in use;
- Install and use energy-saving electrical appliances; and
- Support the "Energy Charter on Indoor Temperature" by maintaining a higher/lower temperature for summer and winter.

Paper and Packaging Materials Consumption Reduction:

- Apply computer technology in communications and storage of documents;
- Avoid unnecessary printing and print on both sides;
- Reuse paper-made products such as envelopes and folders;
- Use recycled paper; and
- Reduce the use of packaging materials whenever possible

Water Saving:

- Post up water conservation signs to alert employees and avoid excessive usage of fresh water.

The Group has assigned responsible officers in each office to conduct regular checks to ensure the promulgated measures have been effectively implemented and have established and chosen the "Electricity and Paper Consumption Record" as the KPIs for the management to monitor accordingly.

For the Reporting Period, our offices consumed 53,348 kWh of electricity and 535,681 units of printing paper (note: it was based on our copiers reading, which also included reused printing papers). These two figures will be our base targets for future improvements.

A3. THE ENVIRONMENT AND NATURAL RESOURCES

Although the Group's business and operations have an insignificant impact on the environment and natural resource usage, the Group still tries to be environmentally responsible by reducing and saving natural resource consumption, and constantly reviews ways and means to accomplish further resource savings and environmental protection. It is not just for costs saving, it is also for preserving natural resources and the environment for tomorrow. The Group has always monitored the usage of electricity, water and printing paper, invested in modern technology and equipment with energy saving and resources conservation, educated and motivated employees to enhance skills and mental preparation in reducing natural resources consumption, to stop wasting and to preserve the environment.

Throughout the Reporting Period, no irregularities on natural resource consumption was reported and alerted to the management.

(B) SOCIAL AREAS AND ASPECTS

2.1 SOCIAL AREAS OVERVIEW

By being a socially responsible corporation, the Group commits to providing a safe, healthy and equitable working environment, and endeavors to build a harmonious relationship with our employees, customers, suppliers and local communities. We care about the welfare and development of the employees, attend to the services and product quality to our customers, and bear in mind our commitments and contributions to our community growth and development.

2.2 EMPLOYMENT AND LABOR PRACTICES ASPECTS:

B1. EMPLOYMENT

The Group fully acknowledges that human capital is one of the key pillars of its success, its employees are its most valuable asset and currently the primary source of profit. The Group's overall performance and future require a comprehensive, efficient and humanistic approach to managing its human capital, such that it can continue to grow and to prosper.

As the Group only maintains offices, and mainly provides human resources outsourcing services as well as human resources recruitment services in Singapore and Hong Kong, its employment policies, rules and regulations and contractual arrangements are subject to and in compliance with respective local relevant laws, rules and regulations relating to employment, especially the Employment Act ("**EA**") and Central Provident Fund Act ("**CPFA**") of Singapore and the Employment Ordinance ("**EO**") (Cap 57 of the Laws of Hong Kong) and the Mandatory Provident Fund Schemes Ordinance ("**MPFSO**") (Chapter 485 of the Laws of Hong Kong) of Hong Kong. The EA and CPFA, and EO and MPFSO set out the basic terms and conditions at work for employees in Singapore and Hong Kong such as payment of salary, paid public holidays, sick leave and maternity leave, rest days, hours of work and other conditions of service including but not limited to compensation and dismissal, social insurance, recruitment and promotion, performance assessment, other benefits and welfare, equal opportunities, diversity, anti-discrimination, etc.

For recruitment and promotion of employees of the offices in Singapore and Hong Kong, the Group categorises the employees as "internal employees", adopts a hybrid of external recruitment, internal nomination and job rotation to recruit outstanding personnel and provides more opportunities for employees. For human resources outsourcing services, the Group sources and employs suitable candidates that match job descriptions specified by our clients and then seconds them to our clients. For human resources recruitment services, the Group identifies, screens and procures qualified candidates to be employed by our clients generally for positions at all levels, including administrative, executive, managerial, and professional to suit our clients' business needs. The sources for the latter two types of potential candidates are normally through advertising on recruitment websites and social media networks, making cold and warm calls, and referrals, as well as through the network of consultants. As a principle, all job vacancies and positions are open to all with equal opportunities, no discrimination on sex, race, religion, gender, age or disability basis, and selected based on skill and competency.

All employment for internal employees and employees seconded to clients under human resources outsourcing services are required by relevant local laws and regulations to enter into proper and standardised employment contracts in writing between the respective employee and the Group. The Group categorises these 2 types of employees as our "permanent employees". The administrative officers in the Singapore and Hong Kong offices are delegated with the responsibility to ensure that statutory obligations of the Group are fulfilled and complied with in a timely manner. In accordance with the requirements of the EA and CPSA of Singapore and EO and MPFSO of Hong Kong, and other application laws (e.g. Skills Development Levy Act) where appropriate, the Group provides and maintains statutory benefits to all qualified employees, including but not limited to central provident fund, mandatory provident fund, social security insurance, medical insurance, work injury insurance and compensation and statutory holidays.

Employees' remuneration are determined with reference to the prevailing market level in line with their competency, qualifications and experience. Discretionary bonuses of such amounts and at such intervals for internal employees will be rewarded at the discretion of the top management with consideration on performance. Salaries will be paid in cash directly to employees' bank accounts within 7 days after the last day of the month.

The Group recognises the competitiveness and tangible value of diversity, which is an important driver for growth. Hence, continuous efforts have been made to promote workplace diversity. Under the Group's employment practices and procedures, recruitment, promotion, dismissal, and anti-discrimination have been an integral part of its approach to build a fair and equitable work environment for all, regardless of age, gender, family and marital status, sexual orientation, ethnicity, and religion or other characteristics. Moreover, the Group promotes team spirit and mutual respect in all our offices, and encourages employees to communicate open-heartedly, listens to and collects ideas from employees and proactively responds, since the Group believes collaboration, communication and understanding will create a harmonious, pleasant and safe working environment, drive innovation and create win-win relationships.

The Group honored all obligations to our employees including the payment of salaries and wages, holidays and leave, compensation, insurance and health benefits without disputes, violations or litigation related to employment and labor during the Reporting Period.

As a useful tool, an "Employee Data Record" has been established, chosen and constantly updated as a KPIs with a breakdown on total number of employees, gender ratio, age and nationality distribution, and employment type to allow the Group's Management Team to regularly review the Group's employment status.

The permanent employees' employment situation during the Reporting Period can be summarised in below:

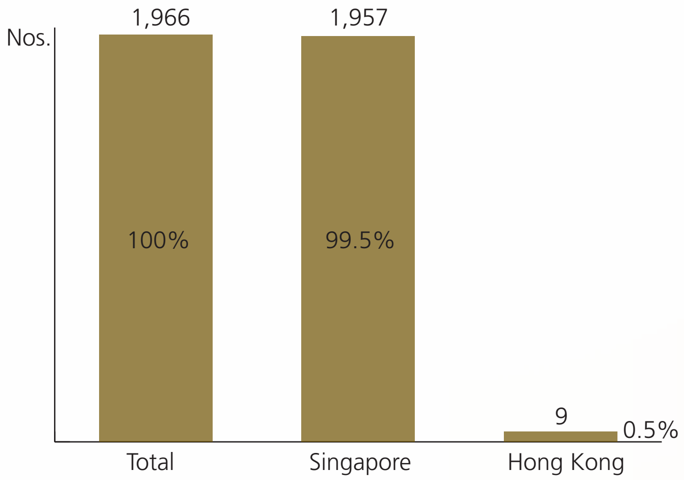

Figure 1: Total permanent employees by region

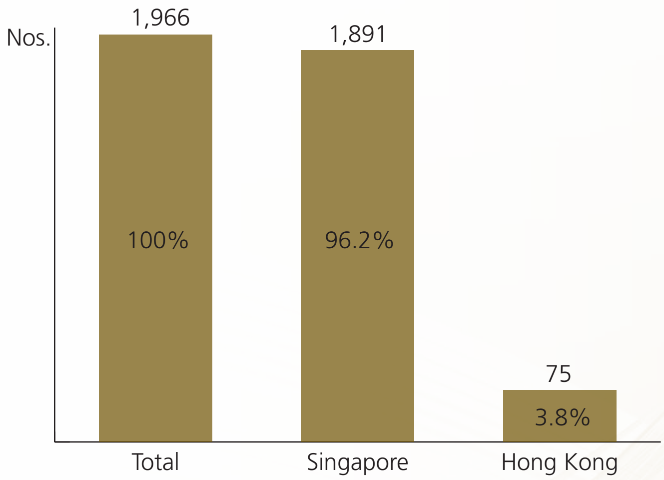

Figure 2: Internal & Outsourcing

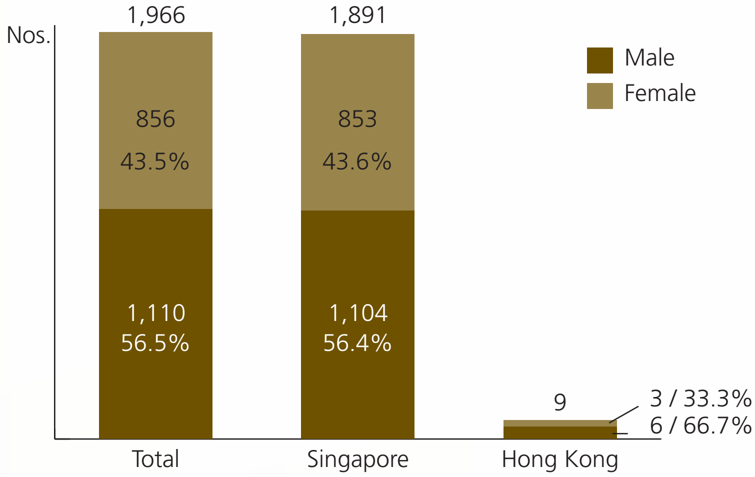

Figure 3: Gender

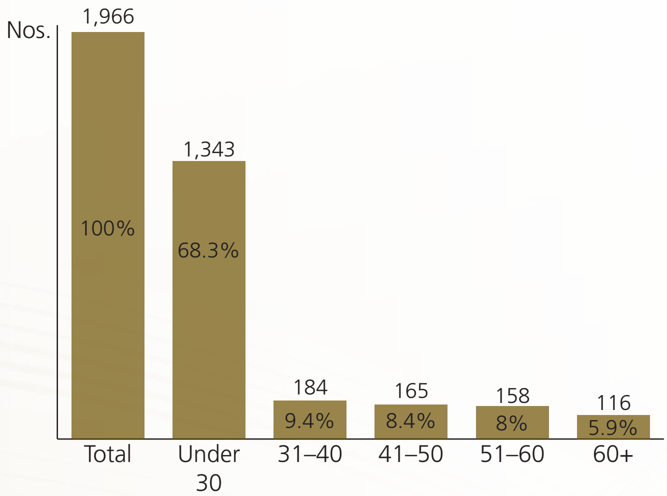

Figure 4: Age Distribution

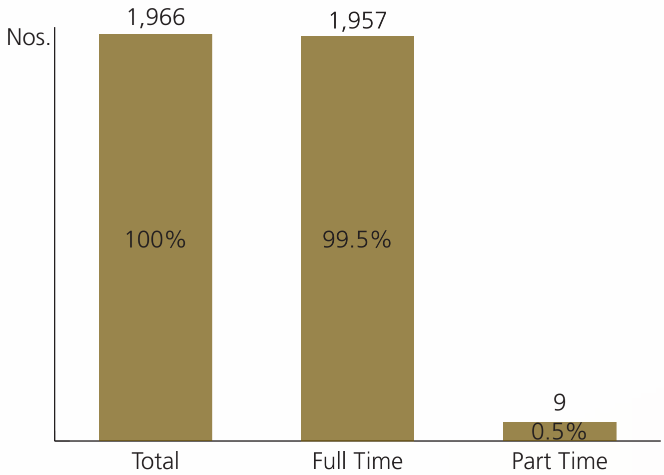

Figure 5: Full Time and Part Time

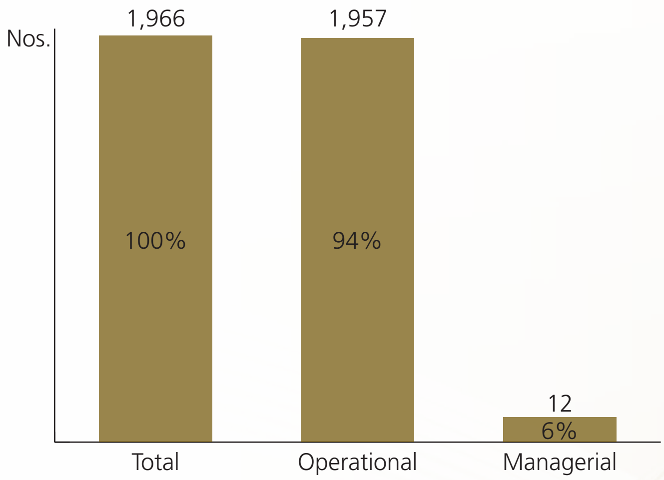

Figure 6: Managerial and Operational

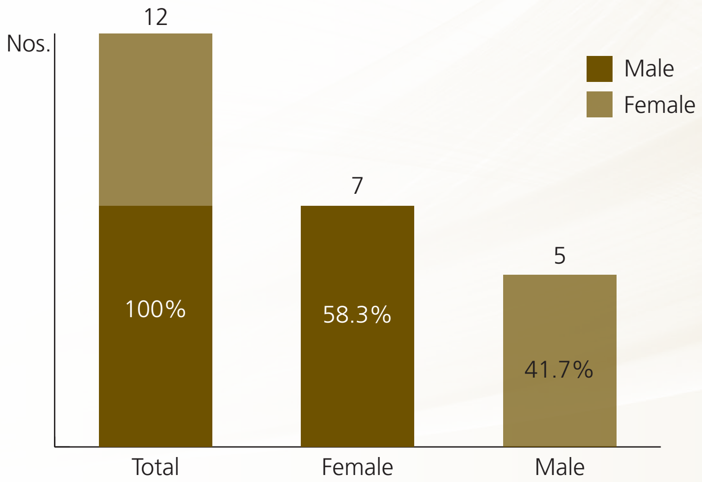

Figure 7: Females and Males in Managerial Positions

B2. HEALTH AND SAFETY

The Group is committed to provide a healthy and safe working environment in its offices to employees. It has established work safety rules and policies, which are in all material aspects in compliance with all the relevant laws, rules and regulations relating to safety and health requirements of Singapore and Hong Kong including the Work Safety and Health Act ("**WSHA**") and Work Injury Compensation Act ("**WICA**") (Cap 354) of Singapore, and Occupational Safety And Health Ordinance ("**OSHO**") (Cap 509) and Employees Compensation Ordinance ("**ECO**") (Chapter 282 of the Laws of Hong Kong) of Hong Kong, for our employees to strictly follow. The Group has assigned officers to always monitor and to alert employees to take reasonable measures and precautions to ensure that the workplace is safe. The Group has also provided regular trainings to employees to perform their jobs with safe and healthy acts and processes.

In accordance and in compliance with the statutory requirements of Singapore, the Group has maintained group hospitalisation, surgical and dental policies for all the internal employees and outsourced employees employed by the Group in Singapore as stipulated by the Ministry of Manpower of Singapore. While in Hong Kong, the Group maintains employee compensation insurance that includes work injury for our employees in Hong Kong under regulatory requirements. These policies and insurance compensation cover all qualified employees to protect their safety and health against occupational hazards, accidents and sickness. The Group has also equipped the offices with all the required safety equipment and facilities, and has passed all the governmental safety inspections. In case of accidents, regardless of minor or serious, employees are required to notify their superiors immediately without delay, who will take appropriate measures to ensure safety is not being compromised. In-house rules require all injuries or accidents to be promptly and properly dealt with and reported in accordance with the local or national laws as appropriate. Measures are in place to require corresponding remedial or compensatory actions arising from safety and health issues or work injuries are taken where necessary in accordance with the in-house and national rules, and insurance arranged.

During the Reported Period, the Group did not experience any fatal casualties, disputes and/or claims and/or litigations for compensation or work related injuries and fatalities, or non-compliance in relation to providing a safe and healthy working environment and only recorded 5 cases of accidental and minor injuries during the course of operations all of them had well been taken care under insurances provided. An "Accidents and Disputes Record" has been established and chosen as a KPIs to continuously alert the management on safety and health issues.

B3. DEVELOPMENT AND TRAINING

The Group values its employees as human capital and commits to invest resources to educate, maintain and upgrade their standards so that they can make a greater contribution to the Group's success. The Group supports continuous learning and recognises the importance of continuing training to the development of the employees. The Group encourages its employees to proactively identify their training needs and seek development to fulfil their personal and career aspirations. The Group provides educational sponsorship to motivate its employees to pursue further study through reading materials and/or participate in suitable courses/workshops/seminars. On the training side, apart from orientation programmes for new internal employees to familiarise them with the Group's general working environment and work culture, on-the-job training programmes and guidance from supervisors are also provided to enhance their technical or product knowledge. As per clients' request, the Group provides training programmes to its outsourced employees to ensure they can render quality services to its clients' standards. For senior managers, opportunities to attend external training programs/workshops/seminars are provided to strengthen the consciousness of enterprise management.

A detailed record of the development and training programmes with a breakdown of the types, number of attendants and hours attended has been established, chosen and maintained as a KPIs to allow the Management Team to assess the qualities of the employees in relation to its needs, and the performance improvements.

During the Reporting Period, 24 out of 75, or 32% of the permanent internal employees received a total of 779 hours of external training programmes paid by the Group; while 188 out of 1891, or 9.9% of the permanent outsourcing employees received 634 hours of training programmes organised by the Group at the request of the clients.

B4. LABOR STANDARDS

To employ and to retain highly qualified and capable employees, the Group has implemented a comprehensive human resources policy in place regarding recruitment, dismissal, promotion, leave, holidays and benefits to support our works. The Group stringently complies with all the relevant laws, rules and regulations including but not limited to the EA and CPFA of Singapore and EO and MPFSO of Hong Kong, and adopts the respective national standards as its minimum labor standard on labor protection and welfare. The Group also maintains strict compliance with the laws in relation to equal employment opportunities and prevention of child or forced labor. The Group has honoured all its obligations towards the employees and has built a safe, healthy, harmonious and pleasant working environment in all our offices, and has not experienced any significant problems with its employees or disruption to its operation due to labor disputes nor has any difficulties in the recruitment and retention of experienced employees. The Group has a good working relationship with its employees, and no labor infringement charges were lodged against the Group during the Reporting Period.

2.3 MATERIAL OPERATION PRACTICES ASPECTS AND CHOSEN KPIs

B5. SUPPLY CHAIN MANAGEMENT

Supply chain management of the Group focuses on the management of sourcing and procurement. Owing to the nature of the human resources services business, apart from general office stationery and supplies which are small in terms of dollar amount compared to total operation expenses, the Group does not require any other supplies. We normally procure and source those general office stationery and supplies locally.

B6. PRODUCT RESPONSIBILITY

As a human resources service provider, the ability to maintain the quality of the services is crucial to the success and long term-growth of the Group. Emphasis is placed on recruiting and retaining skillful, knowledgeable and experienced internal employees, monitoring service quality and employee training.

For human resources outsourcing service business, the critical factors are the capability to select suitable employees and train up quality employees for the designated jobs, while for the human resources recruitment service business, the critical factors are the ability to screen and select the right potential candidates for the vacancies. The Group, through many years of operation, has developed very detailed human resources outsourcing and recruitment processes, which guarantee quality services to our clients. The Group also has established a contract management control procedure to ensure the service agreements entered into between the Group and the clients are reviewed by relevant consultants and external lawyers, and the terms thereof are properly authorised by the Management Team and are satisfactory to both sides. In addition, the Group's standard form of employment contract with outsourced employees has also been reviewed by external employment lawyers, and is likewise satisfactory. The importance of maintaining a good relationship with the Group's clients as well as its outsourced employees is also vital in retaining and developing existing and new business. Therefore, the Group has provided guidance to its internal staff on, among other things, how to handle disputes and grievance resolution in the workplace to ensure resolutions can be reached with minimum delay. Finally, the Group adopts a relatively flexible pricing policy for its clients in the private sector which it considers to be of strategic importance to its development and adopts a relatively competitive pricing policy for its clients in the public sector in view of the competitive nature of tenders.

As a result of the above policies and implementation processes, the Group has been able to provide and maintain good quality services to the clients and outsourced employees, which has been evidenced by the very low sales return and/or complaints figures (Singapore Office at 0.9% and Hong Kong Office at 1.7% of the total sales turnover) during the Reporting Period. Quality of services is the lifeline of the Group's business and a "**Sales Return and Complaints Record**" has been established and chosen as a KPIs to alert the Management Team to monitor closely on the sales and product quality performance.

With regard to intellectual property rights ("**IPR**"), the Group recognises and complies with all the relevant laws and rules. The Group has registered its own trademark in Singapore and domain name. Throughout the Reporting Period, the Group was not aware of any infringement by third parties on its IPR or by itself to any IPR of third parties.

Since the Group, acting as a human resources service provider, has obtained and is in possession of a substantial amount of personal data related to individual candidates in the form of a consolidated database, and pursuant to the Personal Data (Privacy) Ordinance ("**PDPO**") of Hong Kong (Cap 486 of the Laws of Hong Kong) and the Personal Data Protection Act 2012 ("**PDPS**") of Singapore (No.26), the Group is obliged to keep all such data confidential. If there is any breach of confidentiality or failure to comply with the protection, collection, use and disclosure of personal data as prescribed under the PDPA and PDPO, resulting in personal data related to individual candidates being leaked to or obtained by third parties as a result of its breach of confidentiality, individual candidates may take legal action against the Group for damages and/or compensation for the loss that may have arisen or been incurred therefrom, in addition to being subject to the penalties prescribed under the PDPA and/or PDPO. To safeguard the security and confidentiality of the data and information in its database, the Group has implemented the following internal control procedures:

(i) Access to documents: restrict access to information and the database on a stringent need-to-know basis by maintaining policies specifying the level and extent of documentation required in its key business activities and for general use. Approval from our Management Team shall be obtained before any external requests to review the document and any release of the documents are executed;

(ii) Storage of electronic data: the Group has installed a server in the office and all electronic information is stored in the server. There are backup policies for each department in order to safeguard the information in any unexpected situation;

(iii) Physical security of the environment: the Group implements passcode controls in certain working areas of the offices where access is limited to supervisory employees;

(iv) System security: there are security measures in every process of its operation, which include requiring confidential data to be accessed through designated user accounts by authorised employees and passwords, disabling of alteration of data by general employees, encrypting backup data and installing anti-virus software to prevent hackers; and

(v) Compliance of relevant laws and regulations: all employees are required to adhere to the obligations and responsibilities set out in the PDPA and PDPO and the relevant laws and regulations.

There was no privacy information leakage reported during the Reporting Period.

B7. ANTI-CORRUPTION

In compliance with relevant Singapore and Hong Kong laws and regulations, the Group established an "Internal Control System", under which the Audit Committee is authorised by the Board to create an anti-corruption and anti-fraud process and procedure to regulate the conduct and behaviour of employees, create an atmosphere of integrity and honesty, and prevent prejudice to the Group's interest. The internal control reviewer is responsible for counter-checking and taking up the remedial actions. With the implementation of clear policies and well-structured processes on sales, operation, database control and finance, and the adoption of a high Code of Standard especially on the senior management, and a zero-tolerance on bribery and corruption in any form or at any level in association with any aspect of the Group's activities, the Group reported no bribery nor corruption case during the Reporting Period.

B8. COMMUNITY INVESTMENT

Apart from conducting business, the Group strives to support society by providing training and soliciting jobs for hundreds of unskilled and semi-skilled workers, which will help to improve their lives. The Group also actively supports and encourages employees and their family members to be involved in charitable, volunteer, cultural, educational and community support services activities. The employees may apply to the management for paid leave to perform those activities.

CORPORATE GOVERNANCE REPORT

The Company is committed to fulfilling its responsibilities to the Company's shareholders (the "**Shareholders**") and protecting and enhancing Shareholders' value through good corporate governance.

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability.

CORPORATE GOVERNANCE PRACTICES

As the Company's ordinary shares of HK$0.01 each (the "**Shares**") were initially listed on the GEM of the Stock Exchange on 17 July 2017 (the "**Listing Date**"), the Corporate Governance Code (the "**CG Code**") as contained in Appendix 15 to the GEM Listing Rules was not applicable to the Company for the period from 1 January 2017 to 16 July 2017, being the date immediately before the Listing Date. The Company has complied with all applicable code provisions as set out in the CG Code during the period from the Listing Date to 31 December 2017 (the "**Period**").

SECURITIES TRANSACTIONS BY DIRECTORS

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 regarding securities transactions by the Directors during the year ended 31 December 2017.

BOARD OF DIRECTORS

RESPONSIBILITIES

The board of Directors (the "**Board**") is primarily responsible for overseeing and supervising the management of the business affairs and the overall performance of the Group. The Board sets the Group's values and standards and ensures that the requisite financial and human resources support are in place for the Group to achieve its objectives. The functions performed by the Board include but are not limited to formulating the Group's business plans and strategies, deciding all significant financial (including major capital expenditure) and operational issues, developing, monitoring and reviewing the Group's corporate governance practices and all other functions reserved to the Board under the Company's articles of association (the "**Articles of Association**"). The Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference which are published on the respective websites of the Stock Exchange and the Company. The Board may from time to time delegate certain functions to senior management of the Group if and when considered appropriate. The senior management is mainly responsible for the execution of the business plans, strategies and policies adopted by the Board and assigned to it from time to time.

The Directors have full access to information on the Group and are entitled to seek independent professional advice in appropriate circumstances at the Company's expense.

COMPOSITION

The Company is committed to the view that the Board should include a balanced composition of executive and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgment.

As at the date of this report, the Board comprises the following six Directors:

EXECUTIVE DIRECTORS

Mr. Chew Chee Kian *(Chairman and Chief Executive Officer)*
Ms. Yong Yuet Han
Ms. Lo Wing Yan Emmy

INDEPENDENT NON-EXECUTIVE DIRECTORS (THE "INEDs")

Mr. Fan Chun Wah Andrew, *J.P.*
Mr. Koh Shian Wei
Ms. Lam Shun Ka (formerly known as Lam Yuk Shan)

The biographical details of each of the Directors are set out in the section headed "Directors and Senior Management" of this annual report.

Mr. Chew, an executive director, chief executive officer, chairman and compliance officer of the Board, one of the controlling shareholders and the spouse of Ms. Yong.

Ms. Yong, an executive director, one of the controlling shareholders and the spouse of Mr. Chew.

Save as disclosed, there was no financial, business, family or other material relationship among the Directors.

The INEDs have brought in a wide range of business and financial expertise, experiences and independent judgment to the Board. Through active participation in the Board meetings and serving on various Board committees, all INEDs will make various contributions to the Company.

Throughout the Period, the Company had three INEDs, representing half of the Board members, which has exceeded the requirement of the GEM Listing Rules that the number of INEDs must represent at least one-third of the Board members, and has met the requirement that at least one of the INEDs has appropriate professional qualifications or accounting or related financial management expertise.

The Company has received an annual confirmation of independence in writing from each of the INEDs pursuant to Rule 5.09 of the GEM Listing Rules. Based on such confirmation, the Company considers that all the INEDs are independent and have met the independence guidelines as set out in Rule 5.09 of the GEM Listing Rules from the Listing Date to the date of this annual report.

Proper insurance coverage in respect of legal actions against the Directors' liability has been arranged by the Company.

DIRECTORS' INDUCTION AND CONTINUING PROFESSIONAL DEVELOPMENT

Each newly appointed Director receives a formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure that he/she has a proper understanding of the Company's operations and business and is fully aware of the director's responsibilities under the statues and common law, the GEM Listing Rules, legal and other regulatory requirements and the Company's business and governance policies. The Directors had attended training sessions on obligations, duties and responsibilities of directors conducted by the Company's Hong Kong legal advisers.

The Company will from time to time provide briefings to all Directors to develop and refresh their duties and responsibilities. All Directors are also encouraged to attend relevant training courses at the Company's expense and they have been requested to provide the Company with their training records. According to the training records maintained by the Company, the trainings received by each of the Directors during the year ended 31 December 2017 (the "**Year**") is summarised as follows:

Name of Directors	Type of trainings
Mr. Chew Chee Kian	A, B
Ms. Yong Yuet Han	A, B
Ms. Lo Wing Yan Emmy	A, B
Mr. Fan Chun Wah Andrew, *J.P.*	A, B
Mr. Koh Shian Wei	A, B
Ms. Lam Shun Ka (formerly known as Lam Yuk Shan)	A, B

A: attending seminars/conferences/forums

B: reading newspapers, journals and updates relating to the economy, general business, corporate governance and directors' duties and responsibilities

MEETINGS OF BOARD AND DIRECTORS' ATTENDANCE RECORDS

During the Period, the Board held two regular meetings, at which the Directors discussed and approved the unaudited consolidated results of the Group for the six months ended 30 June 2017 (the "**Interim Results**") and the nine months ended 30 September 2017 (the "**Third Quarterly Results**"). The Board is scheduled to meet four times a year at approximately quarterly intervals with notice given to the Directors at least 14 days in advance. For all other Board meetings, notice is given in a reasonable time in advance. The Directors are allowed to include any other matters in the agenda that is required for discussion and resolution at the meeting. To enable the Directors to be properly briefed on issues arising at the Board meetings and to make informed decisions, an agenda and the accompanying Board papers together with all appropriate and relevant information in relation to the matters of the meetings are sent to all Directors at least three days before the intended date of each regular Board Meeting and three days or such other period as agreed before each other Board meeting. All Directors should have access to the advice and services of the company secretary of the Company (the "**Company Secretary**") with a view to ensuring that Board procedures and all applicable rules and regulations are followed. The Company Secretary is responsible for keeping all Board meetings' minutes. Draft and final versions of the minutes will be circulated to the Directors for comments and record within a reasonable time after each meeting and the final version is open for the Directors' inspection. According to the GEM Listing Rules, any Directors and their associates (as defined in the GEM Listing Rules) with a material interest in the transactions to be discussed at the Board meetings will abstain from voting on resolutions approving such transactions and are not counted in the quorum of the meetings.

During the Period, the Company has not held any general meeting.

The attendance of each Director at the Board Meeting during the Year is as follows:

Name of Directors	**No. of attendance/ No. of Meeting**
Executive Directors	
Mr. Chew Chee Kian *(Chairman and Chief Executive Officer)*	2/2
Ms. Yong Yuet Han	2/2
Ms. Lo Wing Yan Emmy	2/2
INEDs	
Mr. Fan Chun Wah Andrew, *J.P.*	2/2
Mr. Koh Shian Wei	2/2
Ms. Lam Shun Ka (formerly known as Lam Yuk Shan)	2/2

Apart from the above Board meeting, the chairman of the Board (the "**Chairman**") held no meeting with all the INEDs without the presence of the Executive Directors during the Period.

DIRECTORS' COMPETING BUSINESS

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 2017.

BOARD DIVERSITY POLICY

During the Year, the Board has adopted a policy of the Board diversity (the "**Board Diversity Policy**") and discussed all measurable objectives set for implementing the Board Diversity Policy.

The Company recognises and embraces the benefits of a diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, race, language, cultural background, educational background, industry experience and professional experience.

CORPORATE GOVERNANCE REPORT

CHAIRMAN AND CHIEF EXECUTIVE

Pursuant to code provision A.2.1 of the Corporate Governance Code (the "**CG Code**") and Corporate Governance Report in Appendix 15 to the GEM Listing Rules, the role of chairman and the 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 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 of the Board 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 contained in Appendix 15 to the GEM Listing Rules 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 Period.

BOARD COMMITTEES

The Board has established three Board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee to oversee particular aspects of the Company's affairs. The Board committees are provided with sufficient resources to discharge their duties.

The written terms of reference for Board Committees are posted on the respective websites of the Stock Exchange and the Company.

AUDIT COMMITTEE

The Company established 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. Fan Chun Wah Andrew, *J.P.*, Mr. Koh Shian Wei and Ms. Lam Shun Ka. Mr. Fan Chun Wah Andrew is the chairman of the Audit Committee.

Audit Committee reviewed the engagement of an external independent consultant "Infinity Assurance Limited" to provide internal audit function for the year ended 31 December 2017, which comprises, *inter alia*, enterprise risk assessment, review the internal control system and corporate governance compliance/practice of the Group.

The attendance of each member at the Audit Committee Meeting during the Period is as follows:

Name of Directors	**No. of attendance/ No. of Meeting**
Mr. Fan Chun Wah Andrew, *J.P.*	2/2
Mr. Koh Shian Wei	2/2
Ms. Lam Shun Ka (formerly known as Lam Yuk Shan)	2/2

The Audit Committee held a meeting on 16 March 2018 and reviewed the consolidated financial statements of the Group for the year ended 31 December 2017 and this report 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.

REMUNERATION COMMITTEE

Our Company established a remuneration committee on 21 June 2017 with written terms of reference in compliance with Rules 5.34 to 5.36 of the GEM Listing Rules and paragraph B.1 of the CG Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The primary duties of our remuneration committee are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of our Group; review performance based remuneration; and ensure none of our Directors determine their own remuneration. Our remuneration committee consists of three members, namely Mr. Koh Shian Wei, Mr. Fan Chun Wah Andrew, *J.P.* and Ms. Lam Shun Ka. Mr. Koh Shian Wei is the chairman of the remuneration committee.

During the Period, one Remuneration Committee meeting was held on 10 November 2017 and a resolutions in writing was circulated to the members of the Remuneration Committee for approving the Directors' remuneration and the salary package of the senior management in 2017.

The Remuneration Committee held a meeting on 16 March 2018 and reviewed and formulated the remuneration policy of the Group and recommended it to the Board for consideration.

NOMINATION COMMITTEE

Our Company established a nomination committee on 21 June 2017 with written terms of reference in compliance with paragraph A.5 of the CG Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The primary duties of our nomination committee are to review the structure, size and composition of the Board on regular basis; identify individuals suitably qualified to become Board members; assess the independence of independent non-executive Directors; and make recommendations to the Board on relevant matters relating to the appointment or reappointment of Directors. Our nomination committee consists of three members, namely Ms. Lam Shun Ka, Mr. Fan Chun Wah Andrew, *J.P.* and Mr. Koh Shian Wei. Ms. Lam Shun Ka is the chairlady of the nomination committee.

During the Period, no Nomination Committee meeting was held.

The Nomination Committee held a meeting on 16 March 2018 and among other matters, (i) reviewed the structure, size and composition of the Board; (ii) assessed the independence of the INEDs, (iii) reviewed the Board Diversity Policy; and (iv) recommended to the Board for consideration the re-appointment of the three retiring Directors at the forthcoming AGM.

CORPORATE GOVERNANCE FUNCTIONS

The Board recognises that corporate governance should be the collective responsibility of the Directors which include, but are not limited to:

- developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board;

- reviewing and monitoring the training and continuous professional development of the Directors and senior management;

- reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;

- developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and the Directors; and

- reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the executive Directors has entered into a service agreement with the Company for an initial period from 21 June 2017 to the Listing Date and one year from the Listing Date.

Each of the INEDs has signed a letter of appointment with the Company for an initial term of one year commencing on the Listing Date.

Save as disclosed aforesaid, none of the Directors has a service contract/letter of appointment with the Company or any of its subsidiaries other than contracts/letters of appointment expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

All the Directors, including INEDs, are subject to retirement by rotation and eligible for re-election in accordance with the Articles of Association. At each AGM, one-third of the Directors for the time being (or if their number is not three or a multiple of three, then the number nearest to but not less than one-third) will retire from office by rotation provided that every Director will be subject to retirement at the AGM at least once every three years. A retiring Director will be eligible for re-election and will continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation will include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those who have been the longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Shareholders after his/her appointment and shall be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM and shall then be eligible for re-election.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Particulars of the Directors' remuneration for the Year are set out in note 10 to the consolidated financial statements.

Pursuant to code provision B.1.5 of the CG Code, the remuneration of the members of the senior management (other than the Directors) whose particulars are contained in the section headed "Directors and Senior Management" in this annual report for the Year by band is set out below:

Remuneration band (in HK$)	Number of individuals
Nil to 1,000,000	2
1,000,001 to 1,500,000	–
1,500,001 to 2,000,000	1

INDEPENDENT AUDITORS' REMUNERATION

For the Year, HLB Hodgson Impey Cheng Limited ("**HLB**") was engaged as the Group's independent auditors. Apart from the provision of annual audit services, HLB provided the audit and non-audit services in connection with the listing of the Shares on the GEM on the Listing Date (the "**Listing**").

The remuneration paid/payable to HLB, the auditors, for the Year is set out below:

Services	Fee paid/payable
	S$'000
Audit services — annual audit services	177
Audit services — listing services (included in listing expenses)	620
Non-audit services	85
Total	882

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of the consolidated financial statements of the Group for the Year, which give a true and fair view of the state of affairs of the Company and the Group's results and cash flow for the Year and are properly prepared on a going concern basis in accordance with the applicable statutory requirements and accounting standards.

The Directors were not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

In addition, HLB has stated in the independent auditor's report its reporting responsibilities on the Company's consolidated financial statements for the Year.

INTERNAL CONTROL

It is the responsibility of the Board to ensure that the Company maintains sound and effective internal controls to safeguard the Shareholders' investment and the Group's assets at all times. The Company has adopted a series of internal control policies and procedures designed to provide reasonable assurance for achieving objectives including effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations.

During the Period, the Board has conducted a review of the effectiveness of the internal control system of the Group through discussion with the Audit Committee on audit findings and control issue.

COMPANY SECRETARY

The Company has appointed Ms. Lo Wing Yan Emmy ("**Ms. Lo**") as the Company Secretary with effect from 19 September 2016. She is also the Executive Director, Chief Financial Officer of the Company and also serve as the secretary of the Audit Committee, the Nomination Committee and the Remuneration Committee. Ms. Lo has complied with the training requirement for the Period under Rule 5.15 of the GEM Listing Rules.

All members of the Board have access to the advice and services of the Company Secretary. The appointment and removal of the Company Secretary are subject to the Board's approval.

The biological details of the Company Secretary are set out in the section headed "Directors and Senior Management" on pages 30 of the annual report.

SHAREHOLDERS' RIGHTS

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

There are no provisions allowing Shareholders to make proposals or move resolutions at the general meetings under the memorandum of the Company and the Articles of Association (the "**M&A**") or the laws of the Cayman Islands. Shareholders who wish to make proposals or move a resolution may, however, convene an extraordinary general meeting (the "**EGM**") in accordance with the "Procedures for Shareholders to convene an EGM" set out below.

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EGM

Any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company having the right of voting at general meetings of the Company (the "**Eligible Shareholder(s)**") shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition, including making proposals or moving a resolution at the EGM.

Eligible Shareholders who wish to convene an EGM for the purpose of making proposals or moving a resolution at the EGM must deposit a written requisition (the "**Requisition**") signed by the Eligible Shareholder(s) concerned at the principal place of business of the Company in Hong Kong (presently at Unit 2701, 27/F, 69 Jervois Street, Sheung Wan, Hong Kong) for the attention of the Company Secretary.

The Requisition must state clearly the name of the Eligible Shareholder(s) concerned, his/her/their shareholding in the Company, the reason(s) to convene an EGM and the proposed agenda.

The Company will check the Requisition and the identity and the shareholding of the Eligible Shareholder(s) will be verified with the Company's branch share registrar in Hong Kong. If the Requisition is found to be proper and in order, the Company Secretary will ask the Board to convene an EGM and/or include the proposal(s) made or the resolution(s) proposed by the Eligible Shareholder(s) at the EGM within 2 months after the deposit of the Requisition. On the contrary, if the Requisition has been verified as not in order, the Eligible Shareholder(s) concerned will be advised of the outcome and accordingly, the Board will not call for an EGM nor include the proposal(s) made or the resolution(s) proposed by the Eligible Shareholder(s) at the EGM.

If within 21 days of the deposit of the Requisition the Board fails to proceed to convene such meeting, the requisitionist(s) himself/themselves may do so in the same manner, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board shall be reimbursed to the Eligible Shareholder(s) by the Company.

PROCEDURES FOR SHAREHOLDERS TO SEND ENQUIRES TO THE BOARD

Shareholders may send their enquiries and concerns to the Board by addressing them to the principal place of business of the Company in Hong Kong, presently at Unit 2701, 27/F, 69 Jervois Street, Sheung Wan, Hong Kong by post or by email to ir@omnibridge.com.hk.

Upon receipt of the enquiries, the Company Secretary will forward the communications relating to:

1. matters within the Board's purview to the executive Directors;

2. matters within a Board committee's area of responsibility to the chairman of the appropriate committee; and

3. ordinary business matters, such as suggestions, enquiries and consumer complaints, to the appropriate management of the Company.

COMMUNICATION WITH THE SHAREHOLDERS

The Company has adopted a Shareholders' communication policy with the objective of ensuring that the Shareholders can have equal and timely access to information about the Company in order to enable the Shareholders to exercise their rights in an informed manner and to allow them to engage actively with the Company.

Information will be communicated to the Shareholders through the Company's financial reports, AGMs and other general meetings that may be convened, as well as all the disclosures submitted to the Stock Exchange.

CONSTITUTIONAL DOCUMENTS

Except for the adoption of amended and restated M&A by the Company to comply with the applicable legal and regulatory requirements (including the Listing Rules) on 21 June 2017 in anticipation of the Listing, there were no changes in the constitutional documents of the Company during the Year.

The amended and restated M&A is available on the respective websites of the Stock Exchange and the Company.

DIRECTORS AND SENIOR MANAGEMENT

CHAIRMAN, CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR

Mr. Chew Chee Kian (周志堅), aged 45, was appointed as an executive Director on 8 August 2016. He is the founder of our Group and spouse of Ms. Yong Yuet Han. Mr. Chew is responsible for the overall business development, strategic planning and major decision-making of our Group.

Mr. Chew has over 15 years of experience in the human resources outsourcing and recruitment industry. He worked for Recruit Express Pte. Ltd, which mainly provides staffing solutions, from April 1997 to September 2001, and he last served as a team leader responsible for supervising recruitment services to corporate clients. He was a founding partner of Bridgegate Consultancy Pte Ltd., which mainly provides recruitment services to corporate clients, from November 2001 to December 2004, and he was responsible for business development. Bridgegate Consultancy Pte Ltd. was dissolved pursuant to section 344 of the Companies Act (Chapter 50) of Singapore ("**Companies Act**"). It is confirmed by Mr. Chew that the dissolution of Bridgegate Consultancy Pte Ltd. was voluntary by way of submitting an application to the Registrar on 29 December 2008 because it had ceased to carry on business or operation for more than three months immediately before the relevant application.

Mr. Chew graduated from the Management Development Institute of Singapore (Singapore) with a diploma degree in computing with management in November 2000. He has been a member of Entrepreneurs' Organisation in Singapore since 2009.

EXECUTIVE DIRECTORS

Ms. Yong Yuet Han (熊悦涵), aged 38, was appointed as an executive Director on 8 August 2016. She joined our Group in August 2009. She is the spouse of Mr. Chew Chee Kian. She is responsible for the overall business development, strategic planning and major decision-making of our Group.

Ms. Yong has approximately 16 years of experience in human resources outsourcing and recruitment industry. She was an assistant manager of Recruit Express Pte Ltd, which is a recruitment firm, in or about June 2000 to August 2005, and she was responsible for providing recruitment services to corporate clients in information communication and technology sector. She was a regional business development manager of IQPC Worldwide Pte Ltd, which mainly organises worldwide conferences, in or about April 2005 to June 2007, and she was responsible for regional business development. She was a principal consultant of Pentasia iGaming Recruitment, which mainly provides recruitment consultancy services, in or about January 2007 to July 2009, and she was responsible for development business relationship and strategic planning.

Ms. Yong graduated from Ngee Ann Polytechnic (Singapore) with a diploma degree in building and real estate management in August 2000.

Ms. Lo Wing Yan Emmy (盧詠欣), aged 45, was appointed as the chief financial officer on 8 August 2016 and an executive Director and the company secretary of our Company on 19 September 2016. She joined our Group in August 2016 and is responsible for the overall finance management and company secretarial of our Group.

Ms. Lo has over 16 years of experience in accounting, financial management and restructuring. She accumulated her accounting, restructuring and company secretarial experience from PacificNet Inc (a company listed on United States NASDAQ code of PACT) from September 2000 to August 2003, China Strategic Holdings Limited (a company listed on the Stock Exchange with stock code of 0235), Fortune Sun (China) Holdings Limited (a company listed on the Stock Exchange with stock code of 0352) from October 2007 to September 2008, Global Tech Holdings Limited (a company listed on the Stock Exchange with stock code of 0143 and on the Singapore Stock Exchange with stock code of G11) and Titan Petrochemicals Group Limited (a company listed on the Stock Exchange with stock code of 1192).

Ms. Lo was the independent non-executive director of Birmingham International Holdings Limited which is formerly known as Grandtop International Holdings Limited (a company listed on the Stock Exchange with stock code of 2309) and Miko International Holdings Limited (a company listed on the Stock Exchange with stock code of 1247).

Ms. Lo obtained a master degree in Applied Finance in September 2004 from University of Western Sydney (Australia). She has been a member of Hong Kong Institute of Public Accountants (HKICPA) since April 2001.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Fan Chun Wah Andrew (范駿華), *J.P.*, aged 39, is a practising certified public accountant in Hong Kong with over 11 years of experience. He holds a bachelor degree of business administration (accounting and finance) from The University of Hong Kong and a bachelor degree in laws from the University of London. Mr. Fan is a member of the Association of Chartered Certified Accountants in the United Kingdom and an associate member of the Hong Kong Institute of Certified Public Accountants. He is also a committee member of the tenth, eleventh and twelveth Chinese People's Political Consultative Conference of the Zhejiang Province, the fourth and fifth Chinese People's Political Consultative Conference of Shenzhen, the chairman of the 23rd council of Hong Kong United Youth Association and the vice chairman of Zhejiang Province United Young Association. Mr. Fan is currently an independent non-executive director of Nameson Holdings Limited (a company listed on the Stock Exchange with stock code of 1982), Culturecom Holdings Limited (a company listed on the Stock Exchange with stock code of 0343), Fulum Group Holdings Limited (a company listed on the Stock Exchange with stock code of 1443), Sinomax Group Limited (a company listed on the Stock Exchange with stock code of 1418), Chuang's China Investments Limited (a company listed on the Stock Exchange with stock code of 0298) and Space Group Holdings Limited (a company listed on the Stock Exchange with stock code of 2448), which are companies listed on the Stock Exchange. He also act as independent non-executive director of Sanbase Corporation Limited (a company listed on the Stock Exchange with stock code of 8501) and CNC Holdings Limited (a company listed on the Stock Exchange with stock code of 8356), which are companies listed on the Growth Enterprise Market of the Stock Exchange. He had been an Independent Non-executive Director of Hong Kong Resources Holdings Company Limited from July 2015 to May 2017, (a company listed on the Stock Exchange with Stock code of 2882) LT Commercial Real Estate Limited (a company listed on the Stock Exchange with stock code of 0112) from March 2013 to December 2016, Far East Holdings International Limited (a company listed on the Stock Exchange with stock code of 0036) from October 2009 to February 2012, and Milan Station Holdings Limited from March 2013 to July 2015, (a company listed on the Stock Exchange with stock code of 1150). CIG Yangtze Ports PLC (a company listed on the Stock Exchange with stock code of 8233) from February 2009 to March 2014 and On Real International Holdings Limited (a company listed on the Stock Exchange with stock code of 8245) from September 2015 to August 2016.

Mr. Koh Shian Wei (許峴瑋), aged 45 was appointed as our independent non-executive Director on 21 June 2017.

Mr. Koh was formerly the Honorary Consulate-General of Papua New Guinea in Singapore from October 2004 to December 2013. He was awarded the Public Service Medal in 2008 for his contribution to the relationship and business between Singapore and Papua New Guinea as a Member of Logohu. Mr. Koh has more than 20 years of international business experience in marketing, sales, business and market development in Asia. He is currently the director of Milne International Pte Ltd since April 2002, distributing timber and panel products to Europe and Asia region. He is concurrently the managing director of Access Air Cargos Pte Ltd, which is an airfreight wholesaler in Singapore since March 2013, and he is responsible for sales and marketing operations. He was a director of Foodworkz International Pte Ltd and Easstern International Pte Ltd, both of which were investment holding companies, from August 2006 to March 2012 and from December 2006 to July 2013 respectively, and his major duty in both companies was overall management. He was a director of Petromin PNG Holdings (S) Ltd from June 2010 to January 2016, a subsidiary created by the State of Papua New Guinea to hold state mineral and petroleum assets, and he acted as an adviser to the CEO assisting the management with Asia regional business. He was a director of Couturier Gallery Pte Ltd, whose principal business was general wholesale trade, from October 2012 to August 2013.

Mr. Koh graduated with a Bachelor's degree in Business Administration from the University of La Trobe University (Australia) in September 1999.

Ms. Lam Shun Ka (林汛珈) (formerly known as Lam Yuk Shan (林玉珊)), aged 46, was appointed as our independent non-executive Director on 21 June 2017.

Ms. Lam has 13 years of experience in sales channel development. Ms. Lam acted as a manager of business development in Vigers Ltd. the principal business of which is surveying and property related consultancy services, from September 2001 to November 2003, and she focused on business development by proposing appropriate services for different clients. Ms. Lam was an administrative specialist at IBM China/Hong Kong Limited from January 2005 to November 2005, a sales operation at the same company from April 2006 to March 2007 and a business operations professional in IBM Software Sales Department of IBM China/Hong Kong Limited from March 2007 to February 2016. Ms. Lam is currently a contract agent and a licensed representative (Type 1) of Glory Sky Global Markets Limited, a licensed entity in Hong Kong regulated by the Securities and Futures Commission of Hong Kong.

Ms. Lam obtained a bachelor of social science degree, majoring in government and public administration from The Chinese University of Hong Kong in December 1995. She obtained a bachelor of laws degree from the Manchester Metropolitan University (United Kingdom) through distance learning in September 2004.

SENIOR MANAGEMENT

Ms. Goh Mui Hoon (吳美芬), aged 42, was appointed as a division director in April 2013. She is responsible for strategy formulation and business development of the Group.

Ms. Goh has approximately 11 years of experience in sales and business development. She joined our Group in April 2008 as team leader. She was later promoted to division director in April 2013. Prior to joining our Group, she had worked as a manager of Estetica Beaute Pte Ltd., a beauty service provider established in Singapore, from November 2003 to January 2008, and was responsible for managing the operations and sales of the outlets. She was a consultant in Slimfit Spa, a beauty salon between the period of February 2001 to February 2002 and a sales executive in Sijori Resort (Sentosa), a hotel, from February 2000 to February 2001. Her main responsibilities in both jobs involved products and service promotion.

Ms. Goh was awarded a diploma in business from the Temasek Polytechnic (Singapore) in August 1996. She graduated from Curtin University of Technology (Australia) with a degree of bachelor of commerce, management and marketing through distance learning in December 2000.

Ms. Lee Gek Lin (李玉玲), aged 45, was appointed as a financial controller in February 2016. She is responsible for the overall financial management and company secretarial matters.

Ms. Lee has over 20 years of experience in accounting, financial reporting and auditing. She joined our Group in November 2008 as financial manager and was promoted to financial controller in February 2016. From January 1995 to July 1995, Ms. Lee was an audit assistant with Deloitte Touche Tohmatsu International which provided accounting services, and she was primarily responsible for audit works for companies of various sizes. From February 1996 to November 2003, she worked as an accountant in Bayer (Southeast Asia) Pte. Ltd., a member company of Bayer AG which is a life science company specializing in healthcare and agricultural products, and she was responsible for various financial reporting and accounting management. From September 2006 to October 2008, Ms. Lee was employed by Fuchs Lubricants Pte Ltd., a lubricant manufacturer, as the finance and administrative manager, and she was primarily responsible for overall financial management, administration and human resources matters. From June 2004 to September 2006, Ms. Lee served as a senior accountant, responsible for the inter-company accounting management (including managing the accounts payable) across different regions in a digital security firm, Gemplus Technologies Asia Pte Ltd., a subsidiary of Gemplus International S.A. (which merged with Axalto Holding N.V. in 2006 and became Gemalto NV (ISIN: NL0000400653)).

Ms. Lee obtained a degree of bachelor of accountancy from Nanyang Technological University (Singapore) in July 1994. She has been a chartered accountant of Singapore since July 2013.

Ms. Ng Beng Li (黃明莉), aged 43, was appointed as a country manager, Hong Kong in January 2009. She is responsible to oversee strategic business operational performance formulation and business development in Hong Kong.

In May 2007, Ms. Ng joined as recruitment consultant in BGC Group and oversaw the operations and business development. In December 2008, she was tasked to set up BGC HK with our executive Director, Mr. Chew and was promoted to country manager of BGC HK in January 2009 following the opening of the Hong Kong office. Prior to joining our Group, Ms. Ng was the Operations Manager at Mandarin Oriental, Singapore. Over a period of 10 years, she led the hotel through an extensive renovation, hotel renaming exercise and instrumental for Oriental Club lounge renovation and repositioning as one of the leading luxury hotels in Singapore and across Southeast Asia.

COMPANY SECRETARY

Ms. Lo Wing Yan Emmy (盧詠欣), is the company secretary of the Company. Please refer to Ms. Lo's biography as disclosed in the paragraph headed ''Directors and Senior Management" in this section of the annual report.

COMPLIANCE OFFICER

Mr. Chew Chee Kian is the Chairman, Chief Executive Officer and Executive Director and the compliance officer of the Company. Please refer to Mr. Chew's biography as disclosed in the paragraph headed "Directors and Senior Management" in this section of the annual report.

REPORT OF THE DIRECTORS

The directors of the Company (the "**Directors**") are pleased to present their report together with the audited consolidated financial statements of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2017 (the "**Year**").

LISTING

Following the Share Offer of 15,000,000 public offer shares and 135,000,000 placing shares of the Company (the "**Shares**"), the Company was listed on the GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 17 July 2017 (the "**Listing Date**" and the "**Listing**", respectively).

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. Its subsidiaries are principally engaged in the provision of human resources outsourcing services and human resources recruitment services. The principal activities of the Company's principal subsidiaries are set forth in note 32 to the consolidated financial statements.

BUSINESS REVIEW

The business review of the Group for the Year is set out in the "Chairman's Statement" and "Management Discussion and Analysis" of this annual report.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year and the financial position of the Company and the Group as at 31 December 2017 are set forth in the consolidated financial statements on pages 49 to 95 of this annual report.

The Board does not recommend the payment of a final dividend for the Year (2016: nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 23 May 2018 to Monday, 28 May 2018, 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 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 21 May 2018.

USE OF PROCEEDS FROM THE SHARE OFFER

The Company was successfully listed on the GEM of the Stock Exchange on 17 July 2017 ("**Listing Date**") by way of share offer of 150,000,000 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 2017 is set out below:

	Planned use of net proceeds (as stated in the Prospectus) in respect of business objectives from the Listing Date to 31 December 2017	Actual utilised amount up to 31 December 2017
	HK$ million	HK$ million
Expanding our human resources outsourcing and recruitment services in Singapore	3.4	0.6
Expanding our human resources recruitment services in Hong Kong	1.3	–
Enhancing our brand awareness	1.3	0.4
Enhancing our IT system to support our business operations	4.3	0.3
Working capital and other general corporate purposes	4.1	0.2
	14.4	1.5

During the period from the Listing Date to 31 December 2017, a small portion of the net proceeds from the Listing were utilised in accordance with the proposed applications set out in the Prospectus under the section headed "Future Plans and Use of Proceeds". Given that (i) the Group experienced difficulties in recruiting suitable staff at an acceptable salary level for expansion of the human resources outsourcing and recruitment teams: and (ii) the time needed for selecting IT system vendors and accommodating the availability of the vendors exceeded the expectation of the Directors prior to the Listing Date, the respective amount of net proceeds had not been utilised in accordance with the Group's plans set out in the Prospectus up to 31 December 2017. As at the date of this report, the Directors do not anticipate any change to the plan as to the use of proceeds and the balance of the fund would be utilised accordingly.

The remaining net proceeds as at 31 December 2017 had been placed in interest-bearing deposits in banks in Singapore and Hong Kong.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last four years, as extracted from the audited consolidated financial statements of the Company or the Prospectus, is set out on page 96 of this annual report. This summary does not form part of the consolidated financial statements for the Year.

PLANT AND EQUIPMENT

Details of the movements in plant and equipment of the Group during the Year are set out in note 14 to the consolidated financial statements.

REPORT OF THE DIRECTORS

SHARE CAPITAL AND SHARE OPTION SCHEME

Details of the movements in share capital and share option scheme of the Company during the Year are set out in notes 21 and 22 to the consolidated financial statements, respectively.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association (the "**Articles of Association**") or the laws of the Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to existing shareholders of the Company (the "**Shareholders**").

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

During the year ended 31 December 2017, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

RESERVES

Details of movements in the reserves of the Company and of the Group during the Year are set out in note 25 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 December 2017, the Group's reserves available for distribution to equity holders comprising share premium and retained earnings amounted to approximately S$17,266,000 (2016: approximately S$9,227,000) calculated in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

CHARITABLE CONTRIBUTIONS

During the Year, the Group did not make any charitable contributions (2016: Nil).

MAJOR CUSTOMERS AND SUPPLIERS

As a human resources outsourcing and recruitment services provider, the Group had a large and diversified customer bases. Over 90% of the Group's customers are public sector comprise Singapore Government Agencies and Non Profit Organisations in Singapore. The Group did not rely on any single customer during the Year. For the Year, the five largest customers and the single largest customer of the Group accounted for approximately 47.3% (2016: 43.2%) and 14.9% (2016: 12.6%) of the total revenue of the Group, respectively.

Due to the nature of the business of the Group, there is no major suppliers during the Year. (2016: Nil)

Save as disclosed above, during the Year, none of the Directors, their associates or any Shareholders (which, to the best knowledge of the Directors, owned more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and suppliers, respectively.

RELATED PARTIES TRANSACTIONS

Related parties transactions of the Group during the Year are disclosed in note 28 to the consolidated financial statements. They did not constitute connected transactions or continuing connected transactions, which are required to comply with the disclosure requirements in accordance with Chapter 20 of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "**GEM Listing Rules**").

CONTINUING CONNECTED TRANSACTIONS

On 21 June 2017, a shared services agreement was entered into between the Company, and PT Bridging Growing Careers in Indonesia ("**BGC Indonesia**") and Agensi Pekerjaan BGC Group (Malaysia) SDN. BHD. ("**BGC Malaysia**"), the then controlling shareholder of the Company owning approximately 49.0% and 49.5% respectively of the then issued share capital of the BGC Indonesia and BGC Malaysia. BGC Indonesia and BGC Malaysia were connected persons of the Company and accordingly. Pursuant to the agreement, the Company agreed to provide finance, human resources and other administrative services to BGC Indonesia and BGC Malaysia for a period from 21 June 2017 to 31 December 2019.

On 21 June 2017, a referral agreement was entered into between the Group, and BGC Malaysia. Pursuant to the agreement, the Group agreed to provide referral services such as referring suitable candidates sourced by the Group in Singapore to BGC Malaysia, and the Group has also engaged BGC Malaysia to refer suitable candidates sourced by BGC Malaysia in Malaysia to the Group for a period from 21 June 2017 to 31 December 2019.

On 10 October 2017, BGC Malaysia and the Company entered into the recruitment agreement, pursuant to which BGC Malaysia agreed to provide the recruitment services to the Group.

On 10 October 2017, BGC Malaysia and the Company entered into the administrative service agreement, pursuant to which BGC Malaysia agreed to provide the administrative services to the Group.

Details of the abovementioned transactions are set out in the section headed "Connected Transaction" in the Prospectus and the announcement issued by the Company dated 10 October 2017 (the "**Announcement**"). As disclosed in the Prospectus and the Announcement, such transactions constitute de minimis continuing connected transactions and are fully exempt from the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Save as disclosed above, there is no other transaction for the year ended 31 December 2017, 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.

DIRECTORS' REMUNERATIONS

Details of the remuneration of Directors are set out in note 10 to the consolidated financial statements.

DIRECTORS' EMOLUMENT POLICY

The Remuneration Committee was established for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group having regard to the Group's operating results, individual performance and comparable market standard and practices. The Company has adopted a share option scheme as an incentive to the Directors and eligible employees, details of which are set out in the section headed "Share Option Scheme" below and in note 22 to the consolidated financial statements, respectively.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for Director's and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities.

Pursuant to the Company's Articles of Association, the Directors shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty.

REPORT OF THE DIRECTORS

DIRECTORS

The Directors since the Listing Date and as at the date of this annual report were as follows:

CHAIRMAN, CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR:

Mr. Chew Chee Kian (appointed on 8 August 2016 and redesignated to Executive Director on 21 June 2017)

EXECUTIVE DIRECTORS:

Ms. Yong Yuet Han (appointed on 8 August 2016 and redesignated to Executive Director on 21 June 2017)
Ms. Lo Wing Yan Emmy (appointed on 19 September 2016 and redesignated to Executive Director on 21 June 2017)

INDEPENDENT NON-EXECUTIVE DIRECTORS (the "INEDs"):

Mr. Fan Chun Wah Andrew, *J.P.* (appointed on 21 June 2017)
Mr. Koh Shian Wei (appointed on 21 June 2017)
Ms. Lam Shun Ka (appointed on 21 June 2017)

Article 83(3) of the Articles of Association provides that any Director appointed to fill a casual vacancy on the Board shall hold office until the first general meeting of the Company after his/her appointment and shall then be eligible for re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM and shall then be eligible for re-election.

As an exempted company incorporated in the Cayman Islands, the Company did not hold an AGM in 2017. Accordingly, Mr. Chew Chee Kian, Ms. Lo Wing Yan Emmy and Mr. Fan Chun Wah Andrew *J.P.*, will retire at the forthcoming AGM and all of them, being eligible, will offer themselves for re-election thereat.

The Company has received written confirmations of independence from each of the INEDs, namely Mr. Fan Chun Wah Andrew *J.P.*, Mr. Koh Shian Wei and Ms. Lam Shun Ka, pursuant to Rule 5.09 of the GEM Listing Rules. As at the date of this annual report, the Company still considers the INEDs to be independent.

BIOGRAPHIES OF DIRECTORS

The biographical details of the Directors are set out under the section headed "Directors and Senior Management" of this annual report.

CHANGES IN INFORMATION OF DIRECTORS

The changes in Directors' information subsequent to the Listing Date, as required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules, are set out below:

Name of Director	Details of Changes
Mr. Fan Chun Wah Andrew	Appointed as an independent non-executive director of Space Group Holdings Limited, company listed on the main board of the Stock Exchange (Stock code: 2448), with effect from 20 December 2017. Appointed as an independent non-executive director of CNC Holdings Limited and Sanbase Corporation Limited, companies listed on the Growth Enterprise Market of the Stock Exchange (Stock code: 8356 and 8501 respectively) with effect from 5 January 2018 and 8 December 2017 respectively.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company on 21 June 2017 for an initial period from 21 June 2017 to the Listing Date and one year from the Listing Date until terminated in accordance with the terms of the service contract. Both of them are subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association. Their emolument were determined by the Board by reference to their experience, responsibilities and duties with the Company and shall be reviewed annually by the Remuneration Committee.

Each of the INEDs has been appointed to the Board pursuant to their respective letters of appointment with the Company on 21 June 2017 for an initial term of one year commencing on the Listing Date unless terminated by either party giving at least one month's notice in writing. All INEDs are subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association. Their emolument were determined by the Board by reference to their experience, responsibilities and duties with the Company and shall be reviewed annually by the Remuneration Committee.

None of the Directors proposed for re-election at the forthcoming AGM has a service contract with the Company, which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

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 2017, 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 Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange were as follows:

LONG POSITION IN SHARES

Name of Directors	Capacity/Nature of interest	Number of Shares held (note 1)	Percentage of issued share capital of the Company
Mr. Chew	Interest in a controlled corporation (note 2)	391,500,000	65.25%
Ms. Yong	Interest of spouse (note 2)	391,500,000	65.25%

notes:

(1) All interests stated are long positions.

(2) Mr. Chew and Ms. Yong are deemed to be interested in the Shares held by Omnipartners Holdings Limited under the SFO. Mr. Chew is the spouse of Ms. Yong and both of them are executive Directors. The entire issued share capital of Omnipartners Holdings Limited is owned as to 80% by Mr. Chew and 20% by Ms. Yong.

Save as disclosed above, as at 31 December 2017, 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 Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors 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 of as at 31 December 2017, 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 (note 1)	391,500,000	65.25%
Mr. Chew	Interest in a controlled corporation (note 2)	391,500,000	65.25%
Ms. Yong	Interest of spouse (note 2)	391,500,000	65.25%
Lotus Global Investments Ltd.	Beneficial owner (note 3)	58,500,000	9.75%

notes:

(1) The entire issued share capital of Omnipartners Holdings Limited is owned as to 80% by Mr. Chew and 20% by Ms. Yong.

(2) Mr. Chew and Ms. Yong are deemed to be interested in the Shares held by Omnipartners Holdings Limited under the SFO. Mr. Chew is the spouse of Ms. Yong and both of them are executive Directors.

(3) On 14 March 2018, Lotus Global Investments Ltd. has disposed 9.75% of the issued share capital of the Company to independent third parties.

Save as disclosed above, as at 31 December 2017, 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.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "**Scheme**") on 21 June 2017 (the "**Adoption Date**"). The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

As at 31 December 2017, a total of 60,000,000 Shares, representing 10% of the issued Shares, were available for issue under the Scheme.

No share option has been granted since the adoption of the Scheme and there was no share option outstanding as at 31 December 2017.

Principal terms of the Scheme are set out below:

1. Purpose

The purpose of the Scheme is to advance the interests of the Company and the Shareholders by enabling the Company to grant options to eligible persons as incentives or rewards for their contribution to the Group and by enabling such persons' contribution to further advance the interests of the Group.

2. Participants of the Scheme

The eligible persons of the Share Option Scheme to whom options may be granted by the Board shall include (collectively the "**Eligible Persons**"):

(i) any directors (whether executive or non-executive and whether independent or not) and any employee (whether full time or part time) of the Group;

(ii) any consultants or advisers (in the areas of legal, technical, financial or corporate managerial) of the Group; any provider of goods and/or services to the Group; any customer of the Group; or any holder of securities issued by any member of the Group; and

(iii) any other person, who at the sole discretion of the Board, has contributed to the development and growth of the Group.

3. Life of the Scheme

The Scheme shall be valid and effective for a period of ten years commencing from the Adoption Date, after which period no further options will be offered or granted but the provisions of the Scheme shall remain in full force and effect in all other respects with respect to options granted during the life of the Scheme.

4. Subscription Price

The subscription price in respect of any option shall, subject to any adjustments made pursuant to the terms of the Scheme, be a price determined by the Board and notified to each grantee and shall be at least the highest of:

(i) the closing price per Share as stated in the Stock Exchange's daily quotation sheet on the offer date for the grant of the option (which is deemed to be the date of grant if the offer for the grant of the option is accepted by the Eligible Person), which must be a day on which the Stock Exchange is open for the business of dealing in securities;

(ii) the average of the closing prices per Share as stated in the Stock Exchange's daily quotation sheets for the five business days (any days on which securities are traded on the Stock Exchange) immediately preceding the offer date; or

(iii) the nominal value of the Share.

5. Acceptance of Offers

An offer shall remain open for acceptance by the Eligible Person concerned for such period as determined by the Board, being a date not later than 21 days after the offer date by which the Eligible Person must accept the offer or be deemed to have declined it, provided that no such offer shall be open for acceptance after the tenth anniversary of the Adoption Date or after the Scheme has been terminated in accordance with the provisions of the Scheme.

The amount payable by the grantee to the Company on acceptance of the offer shall be HK$1.00.

6. Maximum Number of Shares Available for Subscription

The total number of Shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of Shares in issue as at the Listing Date (i.e. 60,000,000 Shares).

7. Maximum Entitlement of Each Eligible Person

The total number of Shares issued and to be issued upon exercise of the options granted to each Eligible Person (except for any INED or substantial shareholder of the Company) (including both exercised and outstanding options under the Scheme) in the twelve-month period expiring on the offer date must not exceed 1% of the issued Shares.

Where any further grant of options to an Eligible Person would result in excess of such limit shall be subject to the approval of the Shareholders at general meeting with such Eligible Person and his associates abstaining from voting. In seeking such approval, a circular must be sent to the Shareholders containing the required details in accordance with Chapter 23 of the GEM Listing Rules.

8. The Period within which the Securities Must be Exercised under an Option

An option may be exercised in accordance with the terms of the Scheme at any time during a period to be notified by the Board to the grantee which the Board may in its absolute discretion determine, save that such period shall not be more than ten years from the date of acceptance of the offer.

9. The Minimum Period, if any, for which an Option Must be Held Before it Can be Exercised

There is no minimum period for which an option granted must be held before it can be exercised unless otherwise imposed by the Directors.

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 2017.

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 the deed of non-competition dated 21 June 2017 entered into by the controlling shareholders in favour of our Company competing interests ("**Deed of Non-competition**") in our annual report; and (ii) the controlling shareholders will make confirmation on compliance with their undertaking under the deed of non-competition in our annual report.

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 2017. 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.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Year was the Company or its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

INTERESTS OF COMPLIANCE ADVISER

As at 31 December 2017, as notified by the Company's compliance adviser, CLC International Limited (the "**Compliance Adviser**"), except for the compliance adviser agreement dated 21 June 2017 and entered into between the Company and the Compliance Adviser, neither the Compliance Adviser nor its directors, employees or close associates (as defined under the GEM Listing Rules) had any interests in relation to the Company, which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the best knowledge of the Directors, there has been a sufficient float of the issued Shares as required under the GEM Listing Rules (i.e. at least 25% of the Company's total issued Shares in public hands) throughout the period from the Listing Date to the date of this annual report.

CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Material Related Parties Transactions" in note 28 to the consolidated financial statements, no transactions, arrangements or contracts of significance in relation to the Group's business in which the Company or any its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted during or at the end of the Year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

REPORT OF THE DIRECTORS

INDEPENDENT AUDITORS

The consolidated financial statements for the Year were audited by HLB Hodgson Impey Cheng Limited (the "**HLB**"), the independent auditors, who shall retire and, being eligible, offer itself for re-appointment at the forthcoming AGM. The Board has taken the recommendation of the Board that a resolution for the re-appointment of HLB as the independent auditors will be proposed at the forthcoming AGM.

REVIEW BY AUDIT COMMITTEE

The Audit Committee comprises three members, all being INEDs, namely Mr. Fan Chun Wah Andrew *J.P.* (chairman of the Audit Committee), Mr. Koh Shian Wei and Ms. Lam Shun Ka. It has reviewed with the management the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matters, including review of the audited consolidated financial statements of the Group for the Year.

On behalf of the Board

Chew Chee Kian
Chairman

Hong Kong, 16 March 2018

國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

TO THE SHAREHOLDERS OF OMNIBRIDGE HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Omnibridge Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 49 to 95, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board (the "IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the 'Auditors' Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment of trade receivables *Refer to Note 5 and Note 15 to the consolidated financial statements.*	
As at 31 December 2017, trade receivables of the Group amounted to approximately S$7,061,000 (2016: S$9,094,000). The Group's trade receivable balance was significant as it represented approximately 29.9% (2016: 56.1%) of the total assets of the Group. The collectability of trade receivables is a key element of the Group's working capital management, which is managed on an ongoing basis by management. Collectability assessment of trade receivables requires significant management judgement in assessing the trade debtors' ability to pay by considering their repayment history and financial position. As such, we determined this a key audit matter.	Our procedures in relation to the management's impairment assessment of trade receivables included: • Assessing the Group's processes and controls relating to the monitoring of trade receivables. • Performing audit procedures including, among others, sending trade receivable confirmations on a sampling basis and revising collectability by way of obtaining evidence of subsequent receipts from the trade debtors. • Discussions with management on the recoverability of the long outstanding debts. • Assessing management's assumptions and estimates used to determine the trade receivable impairment amount through detailed analysis of the ageing of receivables and, where applicable, reviewing of trade debtors' payment history and correspondence between the Group and the trade debtors. • Assessing the adequacy of the Group's disclosures related to trade receivables in the financial statements. We found the management's impairment assessment to be consistent with the available information.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon ("Other Information").

Our opinion on the consolidated financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement director on the audit resulting in this independent auditors' report is Hon Koon Fai, Alex.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants
Hon Koon Fai, Alex
Practicing Certificate Number: P05029
Hong Kong, 16 March 2018

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2017

	Notes	2017 S$'000	2016 S$'000
REVENUE	8	**39,978**	43,699
Cost of services		**(32,625)**	(33,993)
Gross profit		**7,353**	9,706
Other income	8	**97**	949
Administrative expenses		**(7,198)**	(7,358)
Listing expenses		**(1,696)**	(1,519)
(LOSS)/PROFIT BEFORE TAX	9	**(1,444)**	1,778
Income tax credit/(expense)	12	**158**	(355)
(LOSS)/PROFIT FOR THE YEAR		**(1,286)**	1,423
OTHER COMPREHENSIVE (LOSS)/INCOME			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation		**(214)**	22
Other comprehensive (loss)/income for the year, net of tax		**(214)**	22
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		**(1,500)**	1,445
(LOSS)/PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		**(1,286)**	1,423
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		**(1,500)**	1,445
(Loss)/earning per share			
— Basic and diluted (Singapore cents)	13	**(0.24)**	0.32

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	Notes	2017 S$'000	2016 S$'000
ASSETS			
NON-CURRENT ASSET			
Plant and equipment	14	**287**	284
CURRENT ASSETS			
Trade receivables	15	**7,061**	9,094
Prepayments, deposits and other receivables	16	**786**	955
Amount due from a director	17	**–**	118
Cash and cash equivalents	18	**15,452**	5,772
		23,299	15,939
CURRENT LIABILITIES			
Accrued labour costs		**2,851**	3,436
Other payables and accruals	19	**1,019**	1,601
Tax payables		**1**	328
		3,871	5,365
NET CURRENT ASSETS		**19,428**	10,574
TOTAL ASSETS LESS CURRENT LIABILITIES		**19,715**	10,858
NON-CURRENT LIABILITY			
Deferred tax liabilities	20	**24**	45
NET ASSETS		**19,691**	10,813
EQUITY			
Share capital	21	**1,053**	–
Reserves		**18,638**	10,813
TOTAL EQUITY		**19,691**	10,813

Approved and authorised for issue by the board of directors on 16 March 2018 and signed on its behalf by:

Chew Chee Kian
Executive Director

Lo Wing Yan Emmy
Executive Director

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2017

	Share capital S$'000	Share premium S$000	Other reserves S$'000	Exchange reserves S$'000	Retained earnings S$'000	Total S$'000
As at 1 January 2016	1,650	–	–	(86)	8,964	10,528
Profit for the year	–	–	–	–	1,423	1,423
Other comprehensive income for the year	–	–	–	22	–	22
Total comprehensive income for the year	–	–	–	22	1,423	1,445
Share issued (note 21(a))	–	1,390	–	–	–	1,390
Effect of reorganisation	(1,650)	–	1,650	–	–	–
Dividend declared (note 23)	–	–	–	–	(2,550)	(2,550)
As at 31 December 2016 and 1 January 2017	–	1,390	1,650	(64)	7,837	10,813
Loss for the year	–	–	–	–	(1,286)	(1,286)
Other comprehensive loss for the year	–	–	–	(214)	–	(214)
Total comprehensive loss for the year	–	–	–	(214)	(1,286)	(1,500)
Capitalisation issue (note 21(b))	790	(790)	–	–	–	–
Issue of new shares by way of share offer (note 21(c))	263	11,583	–	–	–	11,846
Transaction costs attributable to issue of new shares	–	(1,468)	–	–	–	(1,468)
As at 31 December 2017	**1,053**	**10,715**	**1,650**	**(278)**	**6,551**	**19,691**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2017

	2017 S$'000	2016 S$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	**(1,444)**	1,778
Adjustments for:		
Reversal of provision for doubtful debt (note 8)	**–**	(842)
Depreciation of plant and equipment (note 14)	**228**	319
Interest income (note 8)	**(13)**	(19)
Gain on disposal of plant and equipment (note 8)	**–**	(1)
Operating cash flows before movements in working capital	**(1,229)**	1,235
Decrease/(increase) in trade receivables	**2,033**	(311)
Decrease/(increase) in prepayments, deposits and other receivables	**169**	(192)
Decrease/(increase) in amount due from a director	**118**	(294)
Decrease in accrued labour costs	**(585)**	(666)
Decrease in other payables and accruals	**(582)**	(275)
Cash used in operating activities	**(76)**	(503)
Income tax paid	**(190)**	(315)
Net cash used in operating activities	**(266)**	(818)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2017

	2017 S$'000	2016 S$'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment (note 14)	**(231)**	(295)
Proceeds from disposal of plant and equipment	**–**	1
Interest income (note 8)	**13**	19
Net cash used in investing activities	**(218)**	(275)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issue of shares	**–**	1,390
Proceeds from issuance of new shares by way of share offer	**11,846**	–
Payment for transaction costs attributable to issuance of new shares	**(1,468)**	–
Net cash generated from financing activities	**10,378**	1,390
NET INCREASE IN CASH AND CASH EQUIVALENTS	**9,894**	297
Cash and cash equivalents at the beginning of the year	**5,772**	5,453
Effect of foreign exchange rate changes	**(214)**	22
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**15,452**	5,772

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

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 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 and principal place of business of the Group is at 10 Collyer Quay Centre, #06-07/08/09/10, Ocean Financial Centre, Singapore, 049315.

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 Singapore dollars ("**S$**"), which is the functional currency of its principal subsidiaries. All values are rounded to the nearest thousand ("**S$'000**"), except when otherwise indicated.

2. REORGANISATION

Prior to the reorganisation (the "**Reorganisation**") as fully explained in the section headed "Reorganisation" of the Company's prospectus dated 28 June 2017 (the "**Prospectus**"), Mr. Chew held 100% of the equity interests of both BGC Group Pte. Ltd. and BGC Group (HK) Limited and Ms. Yong held 100% of the equity interests of BGC Search Pte. Ltd.. Mr. Chew and Ms. Yong (the "**Controlling Shareholders**") are acting in concert, and beyond on their ownerships and exercise their control collectively over the companies now comprising the Group.

Pursuant to the Reorganisation, the Company became the holding company of the companies now comprising the Group on 12 August 2016. The companies now comprising the Group were under the common control of the Controlling Shareholders at the beginning of the reporting period or since their respective date of incorporation where there is a shorter period. Accordingly, the consolidated financial statements have been prepared on the basis by applying the principles of merger accounting as if the Reorganisation has been completed at the beginning of the reporting period.

The consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows include the results and cash flows of the companies now comprising the Group have been prepared as if the current group structure upon completion of the Reorganisation had been in existence throughout the reporting period or since their respective date of incorporation, where there is a shorter period. The consolidated statement of financial position of the Group as at 31 December 2016 have been prepared to present the assets and liabilities of the companies now comprising the Group as if the current group structure upon completion of the Reorganisation had been in existence as at those dates, taking into account the respective dates of incorporation.

All intra-group transactions and balances have been eliminated.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

In the current year, the Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board ("IASB") that are effective for an accounting period that begins on or after 1 January 2017.

Amendments to IAS 7	Disclosure Initiative
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to IFRS 12	As part of the Annual Improvements to IFRSs 2014–2016 Cycle

AMENDMENTS TO IAS 7 *DISCLOSURE INITIATIVE*

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes.

The application of these amendments to IAS 7 has had no material impact on the Group's consolidated financial statements as the Group does not have any liabilities arising from financing activities.

AMENDMENTS TO IAS 12 *RECOGNITION OF DEFERRED TAX ASSETS FOR UNREALISED LOSSES*

The Group has applied these amendments for the first time in the current year. The amendments clarify how an entity should evaluate whether there will be sufficient future taxable profits against which it can utilise a deductible temporary difference.

The application of these amendments to IAS 12 has had no impact on the Group's consolidated financial statements as the Group already assesses the sufficiency of future taxable profits in a way that is consistent with these amendments.

ANNUAL IMPROVEMENTS TO IFRSs 2014–2016 CYCLE

The Group has applied the amendments to IFRS 12 included in the *Annual Improvements to IFRSs 2014–2016 Cycle* for the first time in the current year. The other amendments included in this package are not yet effective and they have not been early adopted by the Group.

IFRS 12 states that an entity need not provide summarized financial information for interests in subsidiaries, associates or joint ventures that are classified (or included in a disposal group that is classified) as held for sale. The amendments clarify that this is the only concession from the disclosure requirements of IFRS 12 for such interests.

The application of these amendments has had no effect on the Group's consolidated financial statements as none of the Group's interests in these entities are classified, or included in a disposal group that is classified, as held for sale.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") *(Continued)*

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

Amendments to IFRSs	Annual Improvements to IFRSs 2014–2016[1]
Amendments to IFRSs	Annual Improvements to IFRSs 2015–2017[2]
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions[1]
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts[1]
IFRS 9	Financial Instruments[1]
Amendments to IFRS 9	Prepayment Features with Negative Compensation[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
IFRS 15	Revenue from Contracts with Customers[1]
Amendments to IFRS 15	Clarifications to IFRS 15 Revenue from Contracts with Customers[1]
IFRS 16	Leases[2]
IFRS 17	Insurance Contracts[4]
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures[2]
Amendments to IAS 40	Transfers of Investment Property[1]
IFRIC-Int 22	Foreign Currency Transactions and Advance Consideration[1]
IFRIC-Int 23	Uncertainty over Income Tax Treatment[2]

1 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

2 Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.

3 Effective for annual periods beginning on or after a date to be determined. Early adoption is permitted.

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

IFRS 9 *FINANCIAL INSTRUMENTS*

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' ("FVTOCI") measurement category for certain simple debt instruments.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") *(Continued)*

IFRS 9 *FINANCIAL INSTRUMENTS* *(Continued)*

Key requirements of IFRS 9:

- all recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading nor contingent consideration recognised by an acquirer in a business combination) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.

- in relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company do not anticipate that the application of IFRS 9 will have a significant impact on the Group's consolidated financial statements.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") *(Continued)*

IFRS 15 *REVENUE FROM CONTRACTS WITH CUSTOMERS*

IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

In April 2016, the IASB issued *Clarifications to IFRS 15* in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The directors intend to use the full retrospective method of transition to IFRS 15.

Apart from providing more extensive disclosures on the Group's revenue transactions, the directors do not anticipate that the application of IFRS 15 will have a significant impact on the financial position and/or financial performance of the Group.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") *(Continued)*

IFRS 16 *LEASES*

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede the current lease guidance including IAS 17 *Leases* and the related interpretations when it becomes effective.

IFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees (i.e. all on balance sheet) except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the leases liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Furthermore, the classification of cash flows will also be affected as operating lease payments under IAS 17 are presented as operating cash flows; whereas under the IFRS 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by IFRS 16.

As at 31 December 2017, the Group has non-cancellable operating lease commitments of S$2,639,000. IAS 17 does not require the recognition of any right-of-use asset or liability for future payments for these leases; instead, certain information is disclosed as operating lease commitments in note 26. A preliminary assessment indicates that these arrangements will meet the definition of a lease under IFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of IFRS 16. The new requirement to recognise a right-of-use asset and a related leases liability is expected to have a significant impact on the amounts recognised in the Group's consolidated financial statements and the directors are currently assessing its potential impact. It is not practicable to provide a reasonable estimate of the financial effect until the directors complete the review.

In contrast, for finance leases where the Group is a lessee, as the Group has already recognised an asset and a related finance lease liability for the lease arrangement, and in cases where the Group is a lessor (for both operating and finance leases), the directors of the Company do not anticipate that the application of IFRS 16 will have a significant impact on the amounts recognised in the Group's consolidated financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with IFRSs, which collective term includes all International Accounting Standards ("**IAS**") and related Interpretations, as issued by the International Accounting Standards Board ("**IASB**"). In addition, the consolidated financial statements includes applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies Ordinance.

BASIS OF PREPARATION

The consolidated financial statements have been prepared on the historical cost basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

MERGER ACCOUNTING FOR COMMON CONTROL COMBINATION

The consolidated financial statements incorporate the financial statement items of the combining entities or business in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or business are combined using the existing book values from the controlling party's perspective. No amount is recognised with respect to goodwill or any excess of acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over its cost at the time of common control combination, to the extent of the contribution of the controlling party's interest.

The consolidated statement of profit or loss and other comprehensive income include the results of each of the combining entities or business from the earliest date presented or since the date when combining entities or business first came under common control, where this is a shorter period, regardless of the date of common control combination.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

MERGER ACCOUNTING FOR COMMON CONTROL COMBINATION *(Continued)*

Intra-group transactions, balances and unrealised gains on transactions between the combining entities or business are eliminated. Unrealised losses are eliminated but considered as an impairment indicator of the asset transferred. Accounting policies of combining entities or business have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transaction costs, including professional fees, registration fees, cost of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting are recognised as an expense in the period in which they are incurred.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

BASIS OF CONSOLIDATION *(Continued)*

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

SUBSIDIARIES

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group which qualifies as business combination, except for those acquisitions which qualify as a common control combination and are therefore accounted for using the merger accounting.

Under the acquisition method of accounting, subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange and, all acquisition-related costs are expensed. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of profit or loss and other comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policy adopted by the Group.

SEPARATE FINANCIAL STATEMENTS

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

Revenue from the rendering of services is recognised when the services are rendered and when it is probable that benefits associated with the transaction will flow to the group entities.

Interest income from a financial asset is recognised when it is probable that benefits associated with the transaction will flow to the group, the amount of income can be measured reliably and using the effective interest method.

LEASES

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

THE GROUP AS LESSEE

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

FOREIGN CURRENCIES

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into SGD using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

BORROWING COSTS

All borrowing costs are recognised in profit or loss in the period in which they are included.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

EMPLOYEE BENEFITS

DEFINED CONTRIBUTION PLANS

The Group makes contributions to the Central Provident Fund (''CPF'') scheme in Singapore, a defined contribution pension scheme. These contributions are recognised as an expense in the period in which they become payable in accordance with the scheme.

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the ''MPF Scheme'') under the Hong Kong Mandatory Provident Fund Schemes Ordinance. Under the MPF Scheme, employees are required to contribute 5% of their monthly salaries or up to a maximum of HK$1,500 and they can choose to make additional contributions. Employers' monthly contributions are calculated at 5% of the employee's monthly salaries or up to a maximum of HK$1,500 (the ''mandatory contributions''). Employees are entitled to 100% of the employer's mandatory contributions upon their retirement at the age of 65, death or total incapacity.

TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

(A) CURRENT INCOME TAX

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(B) DEFERRED TAX

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

TAXATION *(Continued)*

(B) DEFERRED TAX *(Continued)*

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(C) CURRENT AND DEFERRED TAX FOR THE YEAR

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(D) GOODS AND SERVICES TAX ("GST")

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of other receivables or payables in the consolidated statement of financial position.

PLANT AND EQUIPMENT

Plant and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The plant and equipment are depreciated over their estimated useful lives on a straight-line basis as follow:

Leasehold improvement	3 years
Computers and equipment	2–3 years
Furniture and fixtures	3 years

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

IMPAIRMENT OF ASSETS OTHER THAN GOODWILL

At the end of each reporting period, the Group reviews the carrying amounts of its assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

FINANCIAL INSTRUMENTS *(Continued)*

FINANCIAL ASSETS

Financial assets are classified as loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

EFFECTIVE INTEREST METHOD

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments.

LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade receivables, other receivables, amount due from a director and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

IMPAIRMENT OF FINANCIAL ASSETS

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets that are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio, as well as observable changes in national or local economic conditions that correlate with default on receivables.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

FINANCIAL INSTRUMENTS *(Continued)*

IMPAIRMENT OF FINANCIAL ASSETS *(Continued)*

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods (see the accounting policy below).

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities (including accrued labour costs and other payables and accruals) are subsequently measured at amortised cost using the effective interest method.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

FINANCIAL INSTRUMENTS *(Continued)*

FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS *(Continued)*

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

DERECOGNITION

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for an amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

RELATED PARTIES TRANSACTIONS

A party is considered to be related to the Group if:

(a) A person or a close member of that person's family is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiaries is related to the others).

(ii) One entity is an associate or joint venture of the other entity (on an associate or joint venture of a member of a group which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity or any member of a group of which it is a part, provides key management personnel services to the Group or the parent of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influence by, that person in their dealing with the entity.

A transaction is considered to be a related party transaction when there is a transfer of resources, or obligations between the Group and a related party, regardless of whether a price is charged.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

CASH AND CASH EQUIVALENTS

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, which are not restricted as to use.

GOVERNMENT GRANTS

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

DIVIDENDS

Dividends proposed by the Directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

(A) IMPAIRMENT OF PLANT AND EQUIPMENT

The Group reviews its plant and equipment for indications of impairment at each reporting period. In analysing potential impairments identified, the Group uses projections of future cash flows from the assets based on management's assignment of a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(B) IMPAIRMENT OF TRADE RECEIVABLES

In determining whether there is objective evidence of impairment loss, the Group takes into consideration the credit history of the customers and the current market condition. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Management reassesses the adequacy of impairment on a regular basis. Where the actual cash flows are less than expected, a material impairment loss may arise.

(C) DEPRECIATION

Items of plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual value. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation expense to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

(D) INCOME TAXES

The Group has exposure to income taxes in Singapore and Hong Kong. In determining the income tax liabilities, management is required to estimate the amount of capital allowances, deductibility of certain expenses and applicable tax incentives. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provision in the year in which such determination is made. The carrying amounts of the Group's current income tax liabilities and deferred tax liabilities as at 31 December 2016 and 2017 were approximately S$328,000 and S$1,000, S$45,000 and S$24,000 respectively.

6. FINANCIAL INSTRUMENTS

(A) CATEGORIES OF FINANCIAL INSTRUMENTS

	2017 S$'000	2016 S$'000
Financial assets		
Loans and receivables (including cash and cash equivalent):		
— Trade receivables	**7,061**	9,094
— Deposits and other receivables	**353**	245
— Amount due from a director	**–**	118
— Cash and cash equivalents	**15,452**	5,772
	22,866	15,229

	2017 S$'000	2016 S$'000
Financial liabilities		
Amortised cost:		
— Other payables	**106**	239

(B) FINANCIAL RISK MANAGEMENT AND FAIR VALUES

The directors of the Company monitor and manage the financial risks relating to the operations of the Group through internal risks reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Group's major financial instruments include trade receivables, other receivables, amounts due from related companies, amount due from a director, cash and cash equivalents and other payables. Details of these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

6. FINANCIAL INSTRUMENTS *(Continued)*

(B) FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(Continued)*

FOREIGN CURRENCY RISK

The Group's foreign currency exposure arises mainly from the exchange rate movements of the Hong Kong dollars against the Singapore dollars.

The Group's currently does not have a foreign currency hedging policy. However, the management monitors foreign currency risk exposure and will consider foreign currency hedging should the need arise.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's (loss)/profit before tax to a reasonably possible change in the Hong Kong dollar exchange rate, with all other variables held constant.

	2017 Decrease/ (increase) in loss before tax S$'000	2016 Decrease/ (increase) in profit before tax S$'000
Hong Kong dollars — strengthened 5% (2016: 5%)	**(137)**	82
— weakened 5% (2016: 5%)	**137**	(82)

INTEREST RATE RISK

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing financial assets, mainly the interest bearing bank balances. The Group monitors the interest rate exposure on a continuous basis and adjusts the portfolio of bank saving balances where necessary.

CREDIT RISK

The Group has no significant concentrations of credit risk with exposure spread over a large number of counterparties and customers. The carrying amounts of cash and cash equivalents, trade receivables and other receivables represent the Group's maximum exposure to credit risk in relation to financial assets. In order to minimise the credit risk, the management monitors the level of exposure to ensure that follow-up actions are taken to recover overdue debts. In addition, the management reviews the recoverability of each trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regards, the management considers the Group does not expose to significant credit risk.

Credit risk concentration profile

The Group assesses concentration of credit risk by monitoring the individual profile of its trade receivables on an ongoing basis.

At 31 December 2016 and 2017, approximately 29.7% and 22.1% of the Group's trade receivables were due from the top three clients.

(i) *Financial assets that are neither past due nor impaired*

Cash at bank that are neither past due nor impaired are placed with reputable financial institutions with high credit-ratings. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track records with the Group.

6. FINANCIAL INSTRUMENTS *(Continued)*

(B) FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(Continued)*

CREDIT RISK *(Continued)*

(ii) *Financial assets that are past due but not impaired*

Trade receivables that are past due but not impaired are substantially due from companies with recognised and creditworthy counterparties. The balances are monitored on an ongoing basis to ensure the exposure to credit risk is minimal. Information regarding financial assets that are past due but not impaired is disclosed in note 15 to the consolidated financial statements.

LIQUIDITY RISK

The Group is exposed to minimal liquidity risk as a substantial portion of its financial assets and financial liabilities are due within one year and it can finance its operations from existing shareholders' funds and internally generated cash flows.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effect of fluctuations in cash flows. Management monitors current and expected liquidity requirements on a regular basis.

The following table detail the Group's contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. The tables include both interest and principal cash flows.

	Weighted average effective interest rate	On demand or within one year	More than one year but less than two years	More than two years but less than five years	Total undiscounted cash flow	Carrying amount
	%	S$'000	S$'000	S$'000	S$'000	S$'000
31 December 2016						
Financial liabilities:						
Accrued labour costs	–	3,436	–	–	3,436	3,436
Other payables and accruals	–	1,601	–	–	1,601	1,601
		5,037	–	–	5,037	5,037
31 December 2017						
Financial liabilities:						
Accrued labour costs	**–**	**2,851**	**–**	**–**	**2,851**	**2,851**
Other payables and accruals	**–**	**1,019**	**–**	**–**	**1,019**	**1,019**
		3,870	**–**	**–**	**3,870**	**3,870**

7. 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 2016 and 2017 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 2016 and 2017, revenue generated from three and two clients of the Group which has individually accounted for over 10% of the Group's total revenue respectively. No other single client contributed 10% or more to the Group's revenue for the years ended 31 December 2016 and 2017.

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

	2017	2016
	S$'000	S$'000
Client A	**5,961**	5,499
Client B (note)	**N/A**	4,492
Client C	**5,239**	4,745

note: The revenue contributed by Client B during the year ended 31 December 2017 was less than 10% of the Group's revenue.

8. REVENUE AND OTHER INCOME

An analysis of revenue and other income are as follows:

	2017	2016
	S$'000	S$'000
Revenue		
Human resources outsourcing services	**37,895**	40,766
Human resources recruitment services	**1,991**	2,810
Other human resources support services (note)	**92**	123
	39,978	43,699

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

	2017	2016
	S$'000	S$'000
Other income		
Service income	**68**	83
Interest income	**13**	19
Gain on disposal of plant and equipment	**–**	1
Reversal of provision for doubtful debt	**–**	842
Sundry income	**16**	4
	97	949

9. (LOSS)/PROFIT BEFORE TAX

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

	2017 **S$'000**	2016 S$'000
Cost of services		
Salaries and bonuses	**27,556**	28,961
Defined contribution retirement plan	**4,142**	4,373
Short-term benefits	**927**	659
	32,625	33,993
Directors' emoluments (note 10)	**939**	382
Other staff costs (excluding directors' emoluments)		
Salaries and bonuses	**3,234**	4,276
Defined contribution retirement plan	**433**	481
Short-term benefits	**309**	304
	3,976	5,061
	37,540	39,436
Auditors' remuneration		
— audit services:		
annual audit services	**177**	–
listing services (included in listing expenses)	**620**	–
— non-audit services	**85**	–
Depreciation of plant and equipment	**228**	319
Operating lease rental expenses in respect of:		
— rented premises	**1,012**	984

10. DIRECTORS' EMOLUMENTS

Directors' emoluments for the year, disclosed pursuant to the GEM Listing Rules, sections 383(1)(a), (b), (c), and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

	2017 **S$'000**	2016 S$'000
Directors' fees	**57**	–
Other emoluments:		
Salaries and bonuses	**852**	354
Defined contribution retirement plan	**30**	28
Other short-term benefits	**–**	–
	882	382
	939	382

10. DIRECTORS' EMOLUMENTS *(Continued)*

Details for the emoluments of each director of the Company during the reporting period are as follows:

	Directors' fees S$'000	Salaries and bonuses S$'000	Defined contribution retirement plan S$'000	Other short-term benefits S$'000	Total S$'000
2017					
Executive directors:					
Mr. Chew (note (a))	**–**	**346**	**12**	**–**	**358**
Ms. Yong (note (b))	**–**	**130**	**14**	**–**	**144**
Ms. Lo Wing Yan Emmy ("Ms. Lo") (note (c))	**–**	**376**	**4**	**–**	**380**
Independent non-executive directors:					
Mr. Fan Chun Wah Andrew ("Mr. Fan") (note (d))	**19**	**–**	**–**	**–**	**19**
Mr. Koh Shian Wei ("Mr. Koh") (note (d))	**19**	**–**	**–**	**–**	**19**
Ms. Lam Shun Ka (formerly known as Lam Yuk Shan) ("Ms. Lam") (note (d))	**19**	**–**	**–**	**–**	**19**
	57	**852**	**30**	**–**	**939**

	Directors' fees S$'000	Salaries and bonuses S$'000	Defined contribution retirement plan S$'000	Other short-term benefits S$'000	Total S$'000
2016					
Executive directors:					
Mr. Chew (note (a))	–	170	12	–	182
Ms. Yong (note (b))	–	113	15	–	128
Ms. Lo (note (c))	–	71	1	–	72
	–	354	28	–	382

Notes:

(a) Mr. Chew was appointed as the chairman, chief executive officer and executive director of the Company on 8 August 2016.

(b) Ms. Yong was appointed as the executive director of the Company on 8 August 2016.

(c) Ms. Lo was appointed as the executive director of the Company on 19 September 2016.

(d) Mr. Fan, Mr. Koh and Ms. Lam were appointed as the independent non-executive director of the Company on 21 June 2017.

The executive directors' emoluments shown were mainly for their service in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' emoluments shown was mainly for their services as directors of the Company.

The remuneration shown above represents remuneration received and receivable from the Group by these directors in their capacity as employees to the Group and/or in their capacity as directors of the Company during the years ended 31 December 2016 and 2017 respectively. None of the directors agreed to waive or waived any emoluments during the year (2016: Nil). The executive directors' emoluments shown were mainly for their service in connection with the management of the affairs of the Company and the Group.

11. EMPLOYEES EMOLUMENTS AND SENIOR MANAGEMENT EMOLUMENTS

The five highest paid individuals included one and three executive directors of the Company for the years ended 31 December 2016 and 2017 respectively, details of whose emoluments are set out in note 10 above. The emoluments of the remaining four and two individuals for the years ended 31 December 2016 and 2017 disclosed as follows:

	2017	2016
	S$'000	S$'000
Salaries and bonuses	**363**	871
CPF or MPF contributions	**32**	70
	395	941

The number of non-director highest paid employees whose emoluments fell within the following bands is as follows:

	2017	2016
	Number of individuals	Number of individuals
Nil to HK$1,000,000	**1**	–
HK$1,000,001 to HK$1,500,000	**1**	4
HK$1,500,001 to HK$2,000,000	**–**	–
HK$2,000,001 to HK$2,500,000	**–**	–
	2	4

The number of senior management (excluding directors) whose emoluments fell within the following bands is as follows:

	2017	2016
	Number of individuals	Number of individuals
Nil to HK$1,000,000	**2**	2
HK$1,000,001 to HK$1,500,000	**–**	–
HK$1,500,001 to HK$2,000,000	**1**	1
	3	3

During the years ended 31 December 2016 and 2017, no emoluments were paid by the Group to the three highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the three highest paid individuals have waived any remuneration during both the years.

12. INCOME TAX (CREDIT)/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.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year ended 31 December 2017. No Hong Kong Profits Tax has been provided since no assessable profit arose in Hong Kong for the years ended 31 December 2016 and 2017.

The Singapore statutory income tax rate was 17% during the years ended 31 December 2016 and 2017. 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.

	2017	2016
	S$'000	S$'000
Current tax — Singapore:		
Charge for the year	**26**	332
(Overprovision)/underprovision in prior years	**(163)**	2
Deferred tax	**(21)**	21
Income tax (credit)/expense	**(158)**	355

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

	2017	2016
	S$'000	S$'000
(Loss)/profit before tax	**(1,444)**	1,778
Tax at the applicable income tax rate	**(232)**	311
Adjustments in respect of previous years		
— Current tax	**(163)**	2
— Deferred tax	**(21)**	–
Income not subject to tax	**(61)**	(146)
Expenses not deductible for tax	**324**	291
Effect of partial tax exemption	**(26)**	(26)
Tax rebate	**(25)**	(25)
Enhanced allowances and deductions	**(134)**	(83)
Tax losses not recognised	**180**	31
Income tax (credit)/expense	**(158)**	355

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$290,000 of normal chargeable income.

Tax rebate refers to the corporate income tax rebate which allows a 50% corporate income tax rebate capped at S$25,000 per year for the year of assessment 2017; and a 20% corporate income tax rebate capped at S$10,000 per year for the year of assessment 2018.

13. (LOSS)/EARNING PER SHARE

	2017	2016
	S$'000	S$'000
(Loss)/profit for the year attributable to the owners of the Company	**(1,286)**	1,423
	'000	'000
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earning per share (note)	**525,000**	450,000

note: The calculation of basic (loss)/earning per share is based on the (loss)/profit attributable to owners of the Company for the year of approximately S$(1,286,000) (2016: S$1,423,000) and the weighted average number of 525,000,000 (2016: 450,000,000) ordinary shares in issue during the years ended 31 December 2016 and 2017.

For the year ended 31 December 2017, the weighted average number of ordinary shares for the purpose of calculating basis loss per share have been adjusted for the effect of share offer completed on 17 July 2017.

For the year ended 31 December 2016, the weighted average number of ordinary shares for the purpose of calculating basic earning per share is calculated based on the assumption that 450,000,000 ordinary shares had been in issue, comprising 1,000 ordinary shares in issue and 449,999,000 ordinary shares to be issued pursuant to the capitalisation issue as detailed in the sub-section headed "Share Capital" set out in the Prospectus as if the shares had been outstanding throughout the period.

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

14. PLANT AND EQUIPMENT

	Leasehold improvement	**Computers and equipment**	**Furniture and fixtures**	**Total**
	S$'000	S$'000	S$'000	S$'000
Cost				
As at 1 January 2016	361	761	211	1,333
Additions	–	295	–	295
Disposal	–	(1)	–	(1)
Written-off	–	(8)	–	(8)
As at 31 December 2016 and 1 January 2017	361	1,047	211	1,619
Additions	156	75	–	231
Written-off	–	–	(5)	(5)
Exchange realignment	–	(2)	–	(2)
As at 31 December 2017	517	1,120	206	1,843

14. PLANT AND EQUIPMENT *(Continued)*

	Leasehold improvement	Computers and equipment	Furniture and fixtures	Total
	S$'000	S$'000	S$'000	S$'000
Accumulated depreciation				
As at 1 January 2016	210	639	175	1,024
Provided for the year	118	173	28	319
Written-off	–	(8)	–	(8)
As at 31 December 2016 and 1 January 2017	328	804	203	1,335
Provided for the year	53	168	7	228
Written-off	–	–	(5)	(5)
Exchange realignment	–	(2)	–	(2)
As at 30 December 2017	381	970	205	1,556
Net book values				
As at 31 December 2017	136	150	1	287
As at 31 December 2016	33	243	8	284

15. TRADE RECEIVABLES

	2017 **S$'000**	2016 S$'000
Trade receivables	**7,061**	9,094

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 at the end of the reporting period, based on the invoice date, is as follows:

	2017 **S$'000**	2016 S$'000
Less than 30 days	**4,969**	4,745
31 to 60 days	**1,800**	3,547
61 to 90 days	**143**	551
More than 90 days	**149**	251
Total	**7,061**	9,094

Before accepting any new client, the Group assesses the potential clients' credit quality and defines credit limit by client. Credit limits attributed to clients and credit term granted to clients are reviewed regularly. The majority of the trade receivables that are neither past due nor impaired have no history of defaulting on repayments.

Included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately S$3,773,000 and S$1,803,000 as at 31 December 2016 and 31 December 2017 respectively which were past due at the end of the reporting period for which the Group has not provided for impairment loss as the Group considered such balances could be recovered based on historical experience. The Group does not hold any collateral over these balances.

The following is an aged analysis of trade receivables which are past due but not impaired at the end of the reporting period:

	2017 **S$'000**	2016 S$'000
Less than 30 days past due	**1,496**	3,194
31 to 60 days past due	**181**	379
61 to 90 days past due	**36**	110
More than 90 days past due	**90**	90
Total	**1,803**	3,773

16. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2017 S$'000	2016 S$'000
Prepayments	**433**	710
Deposits	**289**	242
Other receivables (note)	**64**	3
	786	955

note:

As at 31 December 2017, there was amounts due from related companies of approximately S$60,000 included in prepayments, deposits and other receivables of the Group. The amounts due from related companies was in trade nature is unsecured, interest-free and repayable on demand.

17. AMOUNT DUE FROM A DIRECTOR

	Maximum balance outstanding during the year ended 31 December			
Name of director	**2017** **S$'000**	2016 S$'000	**2017** **S$'000**	2016 S$'000
Mr. Chew	**118**	977	**–**	118

The amount due from a director which was in non-trade nature is unsecured, interest-free and repayable on demand.

18. CASH AND CASH EQUIVALENTS

	2017 S$'000	2016 S$'000
Hong Kong dollars	**6,592**	96
Singapore dollars	**8,860**	5,676
	15,452	5,772

Cash at banks carrying interest at variable rates which range from 0.01% to 0.86% per annum for the year ended 31 December 2017 (2016: 0.01% to 0.14% per annum).

19. OTHER PAYABLES AND ACCRUALS

	2017	2016
	S$'000	S$'000
Other payables	**98**	199
Dividend payable	**–**	227
GST payables	**445**	518
Receipt in advance	**8**	40
Other accrued expenses	**468**	617
	1,019	1,601

20. DEFERRED TAX LIABILITIES

	Excess of net book values of plant and equipment over tax value	**Total**
	S$'000	S$'000
As at 1 January 2016	24	24
Charged to profit or loss during the year (note 12)	21	21
As at 31 December 2016 and 1 January 2017	45	45
Credited to profit or loss during the year (note 12)	(21)	(21)
As at 31 December 2017	24	24

21. SHARE CAPITAL

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

	Number of shares	Amount	
		HK$'000	S$'000
Authorised:			
As at 1 January 2016, 31 December 2016 and 1 January 2017			
Ordinary shares of HK$0.01 each (note (a))	38,000,000	380	66
Increase of ordinary shares (note (b))	1,462,000,000	14,620	2,566
As at 31 December 2017	1,500,000,000	15,000	2,632
Issued and fully paid:			
Issue of shares upon incorporation on 8 August 2016 (note (a))	1	–	–
Issue of 999 shares upon Reorganisation on 12 August 2016 (note (a))	999	–	–
As at 31 December 2016 and 1 January 2017	1,000	–	–
Issue of shares under capitalisation issue (note (b))	449,999,000	4,500	790
Issue of new shares by way of share offer (note (c))	150,000,000	1,500	263
As at 31 December 2017	600,000,000	6,000	1,053

notes:

(a) The Company was incorporated on 8 August 2016 with an authorised share capital of HK$380,000 divided into 38,000,000 shares of HK$0.01 each. On the date of incorporation, one ordinary share was allotted and issued to the initial subscriber of the Company upon its incorporation. On the same day, such share was transferred to Omnipartners Holdings Limited ("**Omnipartners**"), a company controlled by Mr. Chew and Ms. Yong. On 12 August 2016, 130 ordinary shares and 869 ordinary shares were allotted and issued to Lotus Global Investments Ltd. ("**Lotus Investments**") and Omnipartners respectively.

(b) Pursuant to a resolution in writing passed by all the shareholders of the Company on 21 June 2017, the authorised share capital of the Company was increased from HK$380,000 to HK$15,000,000 by the creation of a further 1,462,000,000 Shares. Pursuant to the capitalisation issue of the Company passed by all the shareholders of the Company on 21 June 2017, additional 391,499,130 shares and 58,499,870 shares were allotted and issued to Omnipartners and Lotus Investments on 17 July 2017 respectively.

(c) The Company was successfully listed on the GEM of the Stock Exchange on 17 July 2017 by way of share offer of 15,000,000 public offer share and 135,000,000 placing shares respectively at the offer price of HK$0.45 per share, the net proceeds were approximately HK$43,400,000. The proceeds were proposed to be used to finance the implementation plan as set forth in the section headed "Future Plans and use of Proceeds" of the Company's Prospectus.

22. SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 21 June 2017 (the "Adoption Date"). The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

As at 31 December 2017, a total of 60,000,000 Shares, representing 10% of the issued Shares, were available for issue under the Scheme.

No share option has been granted since the adoption of the Scheme and there was no share option outstanding as at 31 December 2017.

Principal terms of the Scheme are set out below:

1. PURPOSE

The purpose of the Scheme is to advance the interests of the Company and the shareholders by enabling the Company to grant options to eligible persons as incentives or rewards for their contribution to the Group and by enabling such persons' contribution to further advance the interests of the Group.

2. PARTICIPANTS OF THE SCHEME

The eligible persons of the Scheme to whom options may be granted by the Board shall include (collectively the "Eligible Persons"):

(i) any directors (whether executive or non-executive and whether independent or not) and any employee (whether full time or part time) of the Group;

(ii) any consultants or advisers (in the areas of legal, technical, financial or corporate managerial) of the Group; any provider of goods and/or services to the Group; any customer of the Group; or any holder of securities issued by any member of the Group; and

(iii) any other person, who at the sole discretion of the Board, has contributed to the development and growth of the Group.

3. LIFE OF THE SCHEME

The Scheme shall be valid and effective for a period of ten years commencing from the Adoption Date, after which period no further options will be offered or granted but the provisions of the Scheme shall remain in full force and effect in all other respects with respect to options granted during the life of the Scheme.

22. SHARE OPTION SCHEME *(Continued)*

4. SUBSCRIPTION PRICE

The subscription price in respect of any option shall, subject to any adjustments made pursuant to the terms of the Scheme, be a price determined by the Board and notified to each grantee and shall be at least the highest of:

(i) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the offer date for the grant of the option (which is deemed to be the date of grant if the offer for the grant of the option is accepted by the Eligible Person), which must be a day on which the Stock Exchange is open for the business of dealing in securities;

(ii) the average of the closing prices per Share as stated in the Stock Exchange's daily quotation sheets for the five business days (any days on which securities are traded on the Stock Exchange) immediately preceding the offer date; or

(iii) the nominal value of the Share.

5. ACCEPTANCE OF OFFERS

An offer shall remain open for acceptance by the Eligible Person concerned for such period as determined by the Board, being a date not later than 21 days after the offer date by which the Eligible Person must accept the offer or be deemed to have declined it, provided that no such offer shall be open for acceptance after the tenth anniversary of the Adoption Date or after the Scheme has been terminated in accordance with the provisions of the Scheme.

The amount payable by the grantee to the Company on acceptance of the offer shall be HK$1.00.

6. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

The total number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of Shares in issue as at the listing date (i.e. 60,000,000 Shares).

7. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PERSON

The total number of shares issued and to be issued upon exercise of the options granted to each Eligible Person (except for any independent non-executive director or substantial shareholder of the Company) (including both exercised and outstanding options under the Scheme) in the twelve-month period expiring on the offer date must not exceed 1% of the issued shares.

Where any further grant of options to an Eligible Person would result in excess of such limit shall be subject to the approval of the shareholders at general meeting with such Eligible Person and his associates abstaining from voting. In seeking such approval, a circular must be sent to the shareholders containing the required details in accordance with Chapter 23 of the GEM Listing Rules.

8. THE PERIOD WITHIN WHICH THE SECURITIES MUST BE EXERCISED UNDER AN OPTION

An option may be exercised in accordance with the terms of the Scheme at any time during a period to be notified by the Board to the grantee which the Board may in its absolute discretion determine, save that such period shall not be more than ten years from the date of acceptance of the offer.

9. THE MINIMUM PERIOD, IF ANY, FOR WHICH AN OPTION MUST BE HELD BEFORE IT CAN BE EXERCISED

There is no minimum period for which an option granted must be held before it can be exercised unless otherwise imposed by the Directors.

23. DIVIDENDS

The directors of the Company do not propose any payment of final dividend for the years ended 31 December 2016 and 2017.

Prior to the Reorganisation, a subsidiary of the Company had declared special dividends of S$2,550,000 during the year ended 31 December 2016 to its then shareholder.

24. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Notes	2017 S$'000	2016 S$'000
ASSETS			
Non-current asset			
Investment in a subsidiary		**–**	–
CURRENT ASSETS			
Prepayments		**14**	430
Amount due from a fellow subsidiary		**1,305**	104
Cash and cash equivalents		**6,374**	–
		7,693	534
CURRENT LIABILITIES			
Accruals		**286**	552
Amount due to a fellow subsidiary		**77**	159
		363	711
NET CURRENT ASSETS/(LIABILITIES)		**7,330**	(177)
TOTAL ASSETS LESS CURRENT LIABILITIES		**7,330**	(177)
NET ASSETS/(LIABILITIES)		**7,330**	(177)
EQUITY			
Share capital	21	**1,053**	–
Reserves	25	**6,277**	(177)
TOTAL EQUITY		**7,330**	(177)

The financial statement was approved and authorised for issue by the board of directors of the Company on 16 March 2018 and are signed on its behalf by:

Chew Chee Kian	**Lo Wing Yan Emmy**
Executive Director	*Executive Director*

25. RESERVES OF THE COMPANY

	Share premium S$'000	**Exchange reserve** S$'000	**Accumulated losses** S$'000	**Total** S$'000
As at 8 August 2016 (date of incorporation)	–	–	–	–
Loss for the period	–	–	(1,592)	(1,592)
Other comprehensive income for the period	–	25	–	25
Total comprehensive income for the period	–	25	(1,592)	(1,567)
Share issued (note 21(a))	1,390	–	–	1,390
As at 31 December 2016 and 1 January 2017	1,390	25	(1,592)	(177)
Loss for the year	–	–	(2,710)	(2,710)
Other comprehensive loss for the year	–	(161)	–	(161)
Total comprehensive loss for the year	–	(161)	(2,710)	(2,871)
Capitalisation issue (note 21(b))	(790)	–	–	(790)
Issue of new shares by way of share offer (note 21(c))	11,583	–	–	11,583
Transaction costs attributable to issue of new shares	(1,468)	–	–	(1,468)
As at 31 December 2017	10,715	(136)	(4,302)	6,277

26. OPERATING LEASE ARRANGEMENTS

AS LESSEE

The Group leases certain of its office premises under operating lease arrangements. Leases are negotiated for a term of 1–3 years, with a renewal option.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	2017 **S$'000**	2016 S$'000
Within one year	**1,056**	736
In the second to fifth years, inclusive	**1,583**	45
	2,639	781

27. RETIREMENT BENEFIT PLANS

The Group operates a Mandatory Provident Fund Scheme (the "MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000 (2016: HK$30,000). Contributions to the plan vest immediately.

The CPF is a comprehensive social security system that enables working citizens and permanent residents of Singapore to set aside funds for retirement. We are required to pay monthly to the CPF in respect of each employee, who is either a citizen or permanent resident of Singapore, contributions at the contribution rates prescribed under the Central Provident Fund Act (Cap 36) of Singapore ("CPFA").

Pursuant to section 7(2) of the CPFA, the employer is allowed to recover certain amounts as stipulated in the CPFA from the monthly wages of an employee.

Section 7(3) of the CPFA provides that any employer who has recovered any amount from the monthly wages of an employee in accordance with the CPFA and fails to pay the contributions to the CPF within such time as may be prescribed, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S$10,000 or to imprisonment for a term not exceeding seven (7) years or to both.

Section 9 of the CPFA provides that, where the amount of the contributions which an employer is liable to pay in respect of any month is not paid within the prescribed period for payment, the employer shall be liable to pay interest on the amount for every day the amount remains unpaid commencing from the first day of the month succeeding the month in respect of which the amount is payable and the interest shall be calculated at the rate of 1.5% per month or the sum of S$5.00, whichever is the greater.

The CPFA provides that in general if any person convicted of an offence under the CPFA for which no penalty is provided shall be liable on conviction to pay a fine not exceeding S$5,000 or to imprisonment for a term not exceeding 6 months or both, and if that person is a repeat offender for the same offence, to a fine not exceeding S$10,000 or to imprisonment for a term not exceeding 12 months or both.

The total expense recognised in consolidated statement of profit or loss and other comprehensive income of approximately S$4,882,000 and S$4,605,000 respectively, represent contributions paid and/or payable to the scheme by the Group for the years ended 31 December 2016 and 2017 respectively.

28. MATERIAL RELATED PARTIES TRANSACTIONS

(A) In addition to the transactions detailed elsewhere in this consolidated financial statements, the Group has the following transactions with related parties during the reporting period.

Name of related company	Nature	Relationship with the Group	Notes	2017 S$'000	2016 S$'000
Recurring:					
BGC Malaysia	Referral fee income (note 8)	Common director	(ii)	**67**	66
BGC Indonesia	Service income (note 8)	Common director	(iii)	**10**	7
BGC Malaysia	Service income (note 8)	Common director	(iii)	**32**	26
Non-recurring:					
BGC Malaysia	Interest income (note 8)	Common director	(i)	**–**	19
PayrollHero	Service income (note 8)	Common director	(i)	**26**	51
PayrollHero	Professional fee	Common director	(i)	**–**	8
PayrollHero	Purchase of software	Common director	(i)	**–**	210

Notes:

(i) Mr. Chew is the director of BGC Malaysia, PayrollHero, BGC Indonesia and the Company.

(ii) BGC Malaysia is owned as to 49.5% by Mr. Chew. On 21 June 2017, the Company entered into a referral agreement with BGC Malaysia for the referral services. This transaction falls within the deminimis criteria of a connected transaction and is fully exempt from the reporting and shareholders approval requirements in the GEM Listing Rules. In the opinion of the directors of the Company, the balance was conducted in the normal course of business and based on the terms mutually determined and agreed by the respective parties.

(iii) Each of BGC Malaysia and BGC Indonesia is owned as to 49.5% and 49% respectively by Mr. Chew. On 21 June 2017, the Company entered into a shared service agreement with BGC Malaysia and BGC Indonesia for the shared services. This transaction falls within the deminimis criteria of a connected transaction and is fully exempt from the reporting and shareholders approval requirements in the GEM Listing Rules. In the opinion of the directors of the Company, the balance was conducted in the normal course of business and based on the terms mutually determined and agreed by the respective parties.

Mr. Chew, who is executive director of the Company, had provided personal guarantee for the bank borrowing of the Group during the period from 1 January 2016 to 2 November 2016 without any charge. The personal guarantees of Mr. Chew had been released as at 3 November 2016.

(B) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of directors and chief executive who are key management personnel are disclosed in notes 10 and 11 to the consolidated financial statements.

29. MAJOR NON-CASH TRANSACTIONS

The Group entered into the following major non-cash transactions which are not reflected in the consolidated statement of cash flows:

During the year ended 31 December 2016, dividend of approximately S$2,223,000 was settled with amount due from a director.

30. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged during the reporting period.

The capital structure of the Group consists of total borrowings and equity attributable to owners of the Company, comprising share capital, reserves and retained earnings as disclosed in the consolidated financial statements.

The directors of the Company review the capital structure regularly. The Group considers the cost of capital and the risks associated with each class of capital, and balance its overall capital structure through the payment of dividends and injection of capital.

	As at 31 December	
	2017	2016
	S$'000	S$'000
Total borrowings	**–**	–
Total equity (note (a))	**19,691**	10,813
Gearing ratio	**N/A**	N/A

notes:

(a) Total equity includes share capital and reserves at the end of each reporting period.

31. EVENTS AFTER THE REPORTING PERIOD

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

32. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at the end of the reporting period are as follows:

Name of company	Place and date of incorporation	Issued and fully paid share capital	Equity interest and voting power directly attributable to the Company 2017	2016	Principal activity
Directly held:					
Omniconnect Holdings Limited ("Omniconnect")	The British Virgin Islands (the ''BVI''), 8 August 2016	Ordinary share US$1	100%	100%	Investment holding
Indirectly held:					
BGC Group Pte. Ltd. ("BGC Group")	Singapore, 18 March 2005	Ordinary shares S$1,500,000	100%	100%	Provision of human resources outsourcing services and recruitment services in Singapore
BGC Search Pte. Ltd. ("BGC Search")	Singapore, 29 July 2009	Ordinary shares S$150,000	100%	100%	Provision of human resources outsourcing services and recruitment services in Singapore
BGC Group (HK) Limited ("BGC HK")	Hong Kong, 10 December 2008	Ordinary shares HK$2	100%	100%	Provision of human resources outsourcing services and recruitment services in Hong Kong

33. COMPARATIVES

Certain comparative figures have been reclassified to confirm with current year's presentation.

34. AUTHORISATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board on 16 March 2018.

FOUR-YEAR FINANCIAL SUMMARY

A summary of the results, and of the assets, liabilities and non-controlling interest of the Group for the last four financial years, as extracted from the published audited financial statements or published prospectus of the Company is set out below.

	Year ended 31 December			
	2017	2016	2015	2014
	S$'000	S$'000	S$'000	S$'000
RESULTS				
REVENUE	**39,978**	43,699	45,195	36,240
Cost of services	**(32,625)**	(33,993)	(35,867)	(27,826)
Gross profit	**7,353**	9,706	9,328	8,414
Other income	**97**	949	203	113
Administrative expenses	**(7,198)**	(7,358)	(7,226)	(6,398)
Listing expenses	**(1,696)**	(1,519)	–	–
Finance costs	**–**	–	(3)	(12)
(LOSS)/PROFIT BEFORE TAXATION	**(1,444)**	1,778	2,302	2,117
Income tax credit/(expense)	**158**	(355)	(284)	(199)
(LOSS)/PROFIT FOR THE YEAR	**(1,286)**	1,423	2,018	1,918
Attributable to:				
Owners of the Company	**(1,286)**	1,423	2,018	1,918
ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS				
TOTAL ASSETS	**23,586**	16,223	15,890	13,754
TOTAL LIABILITIES	**(3,895)**	(5,410)	(5,362)	(4,742)
TOTAL EQUITY	**19,691**	10,813	10,528	9,012

* The shares of the Company were initially listed on the GEM of The Stock Exchange of Hong Kong Limited. No financial statements of the Group for the year ended 31 December 2014 and 2015 have been published.