

OMNIBRIDGE HOLDINGS LIMITED

橋英控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8462)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

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

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

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

INTERIM RESULTS

The board of Directors (the “**Board**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the three months and six months ended 30 June 2020 together with the unaudited comparative figures for the corresponding period in 2019, as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and six months ended 30 June 2020

		Three months ended		Six months ended	
		30 June		30 June	
		2020	2019	2020	2019
	Notes	S\$'000	S\$'000	S\$'000	S\$'000
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue	4	11,081	9,320	20,856	18,384
Cost of services		(9,877)	(8,112)	(17,980)	(15,176)
Gross profit		1,204	1,208	2,876	3,208
Other income	4	257	26	574	81
Administrative expenses		(1,407)	(1,687)	(2,936)	(3,487)
Profit/(loss) from operations		54	(453)	514	(198)
Finance costs		(6)	–	(16)	–
Profit/(loss) before tax	5	48	(453)	498	(198)
Income tax (expenses)/credit	6	(2)	6	(71)	(8)
Profit/(loss) for the period		46	(447)	427	(206)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and six months ended 30 June 2020

	Note	Three months ended		Six months ended	
		30 June		30 June	
		2020	2019	2020	2019
		<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
Other comprehensive income/(loss)					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences arising on translation		<u>19</u>	<u>(5)</u>	<u>(16)</u>	<u>14</u>
Other comprehensive income/(loss) for the period, net of tax		<u>19</u>	<u>(5)</u>	<u>(16)</u>	<u>14</u>
Total comprehensive income/(loss) for the period		<u><u>65</u></u>	<u><u>(452)</u></u>	<u><u>411</u></u>	<u><u>(192)</u></u>
Profit/(loss) for the period attributable to:					
Owners of the Company		<u><u>46</u></u>	<u><u>(447)</u></u>	<u><u>427</u></u>	<u><u>(206)</u></u>
Total comprehensive income/(loss) for the period attributable to:					
Owners of the Company		<u><u>65</u></u>	<u><u>(452)</u></u>	<u><u>411</u></u>	<u><u>(192)</u></u>
Earnings/(loss) per share					
– Basic and diluted (<i>Singapore cents</i>)	8	<u><u>0.01</u></u>	<u><u>(0.07)</u></u>	<u><u>0.07</u></u>	<u><u>(0.03)</u></u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

		As at 30 June 2020 <i>S\$'000</i> (unaudited)	As at 31 December 2019 <i>S\$'000</i> (audited)
	<i>Notes</i>		
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	9	196	191
Right-of-use assets	9	124	460
		<u>320</u>	<u>651</u>
CURRENT ASSETS			
Trade receivables	10	7,744	5,979
Prepayments, deposits and other receivables	11	885	862
Cash and cash equivalents		16,418	12,714
		<u>25,047</u>	<u>19,555</u>
CURRENT LIABILITIES			
Accrued labour costs		3,596	2,821
Other payables and accruals	12	5,385	971
Lease liabilities		238	689
Tax payables		98	27
		<u>9,317</u>	<u>4,508</u>
NET CURRENT ASSETS		<u>15,730</u>	<u>15,047</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>16,050</u>	<u>15,698</u>

		As at 30 June 2020 <i>S\$'000</i> (unaudited)	As at 31 December 2019 <i>S\$'000</i> (audited)
	<i>Notes</i>		
NON-CURRENT LIABILITIES			
Lease liabilities		11	70
Deferred tax liabilities		24	24
		35	94
NET ASSETS		16,015	15,604
EQUITY			
Share capital	<i>13</i>	1,053	1,053
Reserves		14,962	14,551
TOTAL EQUITY		16,015	15,604

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As at 30 June 2020

	Share capital <i>S\$'000</i> (unaudited)	Share premium <i>S\$'000</i> (unaudited)	Other reserves <i>S\$'000</i> (unaudited)	Exchange reserve <i>S\$'000</i> (unaudited)	Retained earnings <i>S\$'000</i> (unaudited)	Total <i>S\$'000</i> (unaudited)
As at 1 January 2020	1,053	10,715	1,650	(269)	2,455	15,604
Profit for the period	–	–	–	–	427	427
Other comprehensive loss for the period	–	–	–	(16)	–	(16)
Total comprehensive income/(loss) for the period	–	–	–	(16)	427	411
As at 30 June 2020	<u>1,053</u>	<u>10,715</u>	<u>1,650</u>	<u>(285)</u>	<u>2,882</u>	<u>16,015</u>
As at 1 January 2019 (Restated)	1,053	10,715	1,650	(284)	3,674	16,808
Loss for the period	–	–	–	–	(206)	(206)
Other comprehensive income for the period	–	–	–	14	–	14
Total comprehensive income/(loss) for the period	–	–	–	14	(206)	(192)
As at 30 June 2019	<u>1,053</u>	<u>10,715</u>	<u>1,650</u>	<u>(270)</u>	<u>3,468</u>	<u>16,616</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2020

	Six months ended 30 June	
	2020	2019
	S\$'000	S\$'000
	(unaudited)	(unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	498	(198)
Adjustments for:		
Depreciation of plant and equipment (Note 5)	110	154
Depreciation of right-of-use assets (Note 5)	343	528
Finance costs	16	—
Interest income (Note 4)	(31)	(24)
Operating cash flows before movements in working capital	936	460
Increase in trade receivables	(1,765)	(530)
Increase in prepayments, deposits and other receivables	(23)	(25)
Increase/(decrease) in accrued labour costs	775	(123)
Increase in other payables and accruals	4,372	86
Net cash generated from/(used in) operating activities	4,295	(132)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(115)	(95)
Interest income (Note 4)	31	24
Net cash used in investing activities	(84)	(71)
CASH FLOWS FROM FINANCING ACTIVITY		
Repayments of lease liabilities	(491)	(536)
Net cash used in financing activity	(491)	(536)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	3,720	(739)
Cash and cash equivalents at the beginning of the period	12,714	13,857
Effect of foreign exchange rate changes	(16)	14
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	16,418	13,132

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2020

1. GENERAL INFORMATION

Omnibridge Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 8 August 2016. Its parent company is Omnipartners Holdings Limited (the “**Omnipartners**”), a company incorporated in the British Virgin Islands. The ultimate controlling shareholders of Omnipartners are Mr. Chew Chee Kian (“**Mr. Chew**”) and Ms. Yong Yuet Han (“**Ms. Yong**”), who are also the executive Directors. 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 12 September 2016. Its shares (the “**Shares**”) were initially listed on GEM of the Stock Exchange (the “**Listing**”) on 17 July 2017 (the “**Listing Date**”).

The Company’s registered office address is 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 298 Tiong Bahru Road, #12-03 Central Plaza, Singapore, 188730.

The Company is an investment holding company and it’s subsidiaries are principally engaged in the provision of human resources outsourcing services and human resources recruitment services. The unaudited condensed consolidated interim 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.

These condensed consolidated interim financial statements have not been audited.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 June 2020 have been prepared in accordance with the International Financial Reporting Standards (“**IFRSs**”), which is a collective term that includes all applicable individual IFRSs, International Accounting Standards (“**IASs**”) and related Interpretations issued by the International Accounting Standards Board (“**IASB**”). In addition, the unaudited condensed consolidated financial statements include applicable disclosure required by the GEM Listing Rules and by the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated interim financial statements are consistent with those adopted in preparing the audited financial statements for the year ended 31 December 2019.

Application of new and amendments to IFRSs

In the current period, the Group has applied the Amendments to References to the Conceptual Framework in IFRSs and a number of amendments to IFRSs issued by the IASB, for the first time, which are mandatory effective for the annual period beginning on or after 1 January 2020 for the preparation of the Group's unaudited condensed consolidated financial statements:

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

Early adoption of amendments to IFRSs

The following amendments to IFRSs, which is applicable to the Group but are not yet effective for the current year, have been early adopted in current year:

IFRS 16 (Amendments)	COVID-19-Related Rent Concession
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Except as described below, the application of the Amendments to References to the Conceptual Framework in IFRSs and the amendments to IFRSs in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

IFRS 16 (Amendments) COVID-19-Related Rent Concession

Rent concessions relating to lease contracts that occurred as a direct consequence of the COVID-19 pandemic, the Group has elected to apply the practical expedient not to assess whether the change is a lease modification if all of the following conditions are met:

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

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

The Group has early applied the amendment in the current interim period. The application has no impact to the opening retained earnings at 1 January 2020. The Group recognised change in lease payments that resulted from rent concessions of S\$16,000 in the profit or loss for the current interim period.

3. SEGMENT INFORMATION

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

In addition, the Group's operation is principally situated in Singapore during the three months and six months ended 30 June 2019 and 2020 and most of the Group's assets and liabilities are located in Singapore. Accordingly, no geographical segment information is presented.

Information about major clients

For the three months and six months ended 30 June 2019 and 2020, revenue generated from two and one client(s) of the Group has individually accounted for over 10% of the Group's total revenue respectively. Save as indicated below, no other single client contributed 10% or more to the Group's revenue for the three months and six months ended 30 June 2019 and 2020.

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

	Three months ended		Six months ended	
	30 June		30 June	
	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Client A (<i>note</i>)	N/A	1,972	N/A	3,676
Client B	<u>2,146</u>	<u>1,466</u>	<u>3,589</u>	<u>2,917</u>

note: The revenue contributed by client A during the three months and six months ended 30 June 2020 was less than 10% of the Group's revenue.

4. REVENUE AND OTHER INCOME

An analysis of revenue and other income are as follows:

	Three months ended		Six months ended	
	30 June		30 June	
	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
A point in time of revenue recognition:				
Human resources outsourcing services	10,965	9,033	20,477	17,811
Human resources recruitment services	110	278	372	563
Other human resources support services (<i>note</i>)	6	9	7	10
	<u>11,081</u>	<u>9,320</u>	<u>20,856</u>	<u>18,384</u>

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

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

	Three months ended		Six months ended	
	30 June		30 June	
	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Other income				
Service income	14	5	29	16
Interest income	7	15	31	24
Government grant (<i>note</i>)	317	–	317	35
Sundry income	1	6	1	6
Rent concession income	16	–	16	–
Foreign exchange gains, net	(98)	–	180	–
	<u>257</u>	<u>26</u>	<u>574</u>	<u>81</u>

note: Government grant included Jobs Support Scheme (“JSS”) and Enterprise Singapore Capability Development Grant.

During the six months ended 30 June 2020, the Group recognised government grants of JSS in respect of COVID-19-related subsidy provided by Singapore Government of approximately S\$282,000.

5. PROFIT/(LOSS) BEFORE TAX

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

	Three months ended		Six months ended	
	30 June		30 June	
	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Cost of services				
Salaries and bonuses	8,198	6,765	14,743	12,585
Defined contribution retirement plan	1,192	1,075	2,161	2,055
Short-term benefits	487	272	1,076	536
	<u>9,877</u>	<u>8,112</u>	<u>17,980</u>	<u>15,176</u>
Directors' emoluments	240	207	474	440
Other staff costs (excluding directors' emoluments):				
Salaries and bonuses	652	752	1,294	1,508
Defined contribution retirement plan	70	98	143	199
Short-term benefits	12	–	54	61
	<u>734</u>	<u>850</u>	<u>1,491</u>	<u>1,768</u>
Total staff costs	<u><u>10,851</u></u>	<u><u>9,169</u></u>	<u><u>19,945</u></u>	<u><u>17,384</u></u>
Depreciation of plant and equipment	61	80	110	154
Depreciation of right-of-use assets	100	528	343	528
Expenses relating to short-term lease	<u>19</u>	<u>–</u>	<u>37</u>	<u>–</u>

6. INCOME TAX EXPENSES/CREDIT

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.

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%.

The Group considered the amount involved upon implementation of the two- tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods. No Hong Kong Profits Tax has been provided since no assessable profit arose in Hong Kong for the six months ended 30 June 2019 and 2020.

The Singapore statutory income tax rate was 17% during the reporting periods. 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.

	Three months ended		Six months ended	
	30 June		30 June	
	2020	2019	2020	2019
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Current tax – Singapore:				
Charge/(credit) for the period	<u>2</u>	<u>(6)</u>	<u>71</u>	<u>8</u>
Income tax expense/(credit)	<u><u>2</u></u>	<u><u>(6)</u></u>	<u><u>71</u></u>	<u><u>8</u></u>

7. DIVIDENDS

The Board has not declared the payment of any dividend for the six months ended 30 June 2020 (30 June 2019: Nil).

8. EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share attributable to the owners of the Company is based on the following:

	Three months ended		Six months ended	
	30 June		30 June	
	2020	2019	2020	2019
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Profit/(loss) for the period attributable to the owners of the Company	<u>46</u>	<u>(447)</u>	<u>427</u>	<u>(206)</u>
	'000	'000	'000	'000
Weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>
Earnings/(loss) per share				
Basic and diluted (<i>Singapore cents</i>)	<u>0.01</u>	<u>(0.07)</u>	<u>0.07</u>	<u>(0.03)</u>

The calculation of the basic earnings/(loss) per share attributable to owners of the Company was based on (i) the profit attributable to owners of the Company for the period of approximately of S\$427,000 (2019: loss of S\$206,000) and (ii) the weighted average number of 600,000,000 (2019: 600,000,000) ordinary shares in issue during the period.

No diluted earnings/(loss) per share for the six months ended 30 June 2020 and 2019 was presented as there were no potential dilutive ordinary shares in issue during the reporting period.

9. PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2020, the Group acquired items of plant and equipment with a total cost of approximately S\$115,000 (30 June 2019: S\$95,000).

During the six months ended 30 June 2020, no addition of right-of-use assets and lease liabilities was recognised (30 June 2019: Nil).

The rent concession occurred as a direct consequence of COVID-19 pandemic and met of all of the conditions in IFRS 16.46B, and the Group applied the practical expedient not to assess whether the changes constitute lease modifications. During the current interim period, the effects on changes in lease payments due to forgiveness or waiver by the lessors for the relevant leases of S\$16,000 were recognised as negative variable lease payments.

10. TRADE RECEIVABLES

	As at 30 June 2020 S\$'000 (unaudited)	As at 31 December 2019 S\$'000 (audited)
Trade receivables	7,891	6,126
Loss: Allowance for credit losses	(147)	(147)
	<u>7,744</u>	<u>5,979</u>

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

An aged analysis of the trade receivables at the end of the reporting period, based on the invoice date, is as follows:

	As at 30 June 2020 S\$'000 (unaudited)	As at 31 December 2019 S\$'000 (audited)
Less than 30 days	5,556	3,522
31 to 60 days	1,807	2,102
61 to 90 days	381	250
More than 90 days	–	105
Total	<u>7,744</u>	<u>5,979</u>

11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2020 S\$'000 (unaudited)	As at 31 December 2019 S\$'000 (audited)
Prepayments	247	302
Deposits	464	462
Other receivables (<i>note</i>)	257	181
	<u>968</u>	<u>945</u>
Less: Allowance for expected credit loss	<u>(83)</u>	<u>(83)</u>
	<u>885</u>	<u>862</u>

note:

As at 30 June 2020, there were amounts due from related companies of approximately S\$64,000 (31 December 2019: S\$44,000) included in prepayments, deposits and other receivables of the Group. The amounts due from related companies were in trade nature is unsecured, interest-free and repayable on demand.

12. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2020 S\$'000 (unaudited)	As at 31 December 2019 S\$'000 (audited)
Other payables (<i>note</i>)	4,510	56
Goods and Services Tax payables	490	384
Other accrued expenses	385	531
	<u>5,385</u>	<u>971</u>

note:

As at 30 June 2020, the Group received government grants of JSS in respect of COVID-19-related subsidy provided by Singapore Government of approximately S\$4,301,000 (31 December 2019: Nil) on behalf of clients included in other payables of the Group.

13. SHARE CAPITAL

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

	Number of shares	HK\$'000	S\$'000
Authorised:			
As at 1 January 2019, 31 December 2019 (audited), 1 January 2020 and 30 June 2020 (unaudited)	1,500,000,000	15,000	2,632
Issued and fully paid:			
As at 1 January 2019, 31 December 2019 (audited), 1 January 2020 and 30 June 2020 (unaudited)	600,000,000	6,000	1,053

14. MATERIAL RELATED PARTY TRANSACTIONS

(A) Save as disclosed elsewhere in the unaudited condensed consolidated interim financial statements, the Group had also entered into the following material related party transactions during the periods indicated below:

			Three months ended		Six months ended	
			30 June		30 June	
Name of related company	Nature		2020	2019	2020	2019
		notes	S\$'000	S\$'000	S\$'000	S\$'000
			(unaudited)	(unaudited)	(unaudited)	(unaudited)
Recurring:						
Agensi Pekerjaan BGC Group (Malaysia) Sdn. Bhd. (“BGC Malaysia”)	Referral fee expenses	(i), (iv)	–	–	(5)	–
BGC Malaysia	Service income	(i), (iv)	3	5	7	16
BGC Outsourcing Sdn. Bhd. (“BGC Outsourcing Malaysia”)	Service income	(ii), (iv)	3	–	7	–
BGC Outsourcing Malaysia	Services support fee	(ii), (iv)	(74)	–	(139)	–
CS Intelligence Pte. Ltd. (“CS Intelligence”)	Service income	(iii), (iv)	8	–	15	–

notes:

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

(B) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration for key management personnel, including amount paid to the chairman and chief executive officer and executive directors of the Company during the periods were as follows:

	Three months ended		Six months ended	
	30 June		30 June	
	2020	2019	2020	2019
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Salaries and bonuses	233	200	460	426
Defined contribution retirement plan	7	7	14	14
	<u>240</u>	<u>207</u>	<u>474</u>	<u>440</u>

15. EVENTS AFTER REPORTING PERIOD

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

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

The Group faced increasing competition in both human resources outsourcing services and human resources recruitment services from increased number of competitors and the Group noticed their aggressive pricing strategies in bidding for new projects since 2019. Hence, the Group proactively secured new jobs from existing/potential clients by offering competitive pricing in response to the intense market competition to strengthen our market position in the industry.

We believe that the current financial year should continue to be challenging due to the slowdown of the People's Republic of China (“**China**”) economic condition will further slacken the global economic environment and that may affect the Singapore's and Hong Kong Special Administrative Region of China's (“**Hong Kong**”) economy. Meanwhile, the human resources services sector could expect a deteriorated impact due to the social distancing measures from coronavirus (COVID-19) which significantly decreased economic links between Singapore, Hong Kong and China together with western countries by the restrictions and rules on foreign entry and public gathering, resulting in decline of tourist and businessmen arrivals and lower local consumer sentiment. In addition to China-United States tension in trade and information and technology (“**IT**”) aspects, therefore, the global economic conditions remain volatile, the Directors will constantly review the market condition and adjust the Group's business strategy to counter the contingent risks.

The Group is actively exploring new business opportunities to ascertain markets with growth potential in order to diversify the Group's business. Having considered the new era of 5G-based media services which may change internet consumption behaviour of the public, the Group was in a process of setting up a wholly owned subsidiary in Singapore to explore potential business opportunities in the online digital media industry so as to broaden its income streams and would create business opportunities leading to a growth potential in the digital media industry in the future.

We will 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 increased by approximately S\$2.5 million, or 13.6%, from approximately S\$18.4 million for the six months ended 30 June 2019 to approximately S\$20.9 million for the six months ended 30 June 2020. The Group's revenue from human resources outsourcing services increased by approximately S\$2.7 million from approximately S\$17.8 million for the six months ended 30 June 2019 to approximately S\$20.5 million for the six months ended 30 June 2020. The increase in revenue from human resources outsourcing services was mainly attributable to the increase in market demand and more job orders received from different Singapore government agencies and clients from private sector due to the change of our pricing so as to strengthen our market position and more demand in positions related to pandemic hygienic measures and information technology consultancy services. Revenue from human resources recruitment services decreased by approximately S\$0.2 million from approximately S\$0.6 million for the six months ended 30 June 2019 to approximately S\$0.4 million for the six months ended 30 June 2020 primarily due to the decrease in demand from our existing clients and new clients from private sector.

Cost of Services

The Group's cost of services increased by approximately S\$2.8 million, or 18.4%, from approximately S\$15.2 million for the six months ended 30 June 2019 to approximately S\$18.0 million for the six months ended 30 June 2020. The labour costs and other related costs were approximately S\$16.0 million and S\$18.9 million for the six months ended 30 June 2019 and 2020 respectively, and the aggregate government subsidies received were approximately S\$0.8 million and S\$0.9 million for the six months ended 30 June 2019 and 2020 respectively. Therefore, the cost of services increased mainly due to the increase in labour costs and other related costs of approximately S\$2.9 million, or 18.1%, which are in line with the increase in revenue offset by the increase in government subsidies of approximately S\$0.1 million, or 12.5%. For details of government subsidies received, please refer to the sections 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 (the "**Prospectus**"). The wage credit scheme mentioned therein has been extended to 2020.

Other Income

Other income increased by approximately S\$493,000, or 608.7%, from approximately S\$81,000 for the six months ended 30 June 2019 to approximately S\$574,000 for the six months ended 30 June 2020. The increase was primarily due to the increase in government grant received and foreign exchanges gains, net for the six months ended 30 June 2020.

Administrative Expenses

The Group's administrative expenses decreased by S\$0.6 million or 17.1% from approximately S\$3.5 million for the six months ended 30 June 2019 to approximately S\$2.9 million for the six months ended 30 June 2020, respectively.

The decrease in administrative expenses is mainly due to the decrease in number of fulltime employees for the six months ended 30 June 2020.

Depreciation

Depreciation expenses decreased by S\$229,000, or 33.6% from approximately S\$682,000 for the six months ended 30 June 2019 to approximately S\$453,000 for the six months ended 30 June 2020. Depreciation of plant and equipment decreased by approximately S\$44,000, or 28.6%, from approximately S\$154,000 for the six months ended 30 June 2019 to approximately S\$110,000 for the six months ended 30 June 2020. Depreciation expenses of right-of-use assets slight decreased by approximately S\$185,000, or 35.0% from approximately S\$528,000 for the six months ended 30 June 2019 to approximately S\$343,000 for the six months ended 30 June 2020.

Income Tax Expenses

Income tax expenses increased by approximately S\$63,000, or 787.5%, from approximately S\$8,000 for the six months ended 30 June 2019 to approximately S\$71,000 for the six months ended 30 June 2020 mainly due to increase in profit before tax.

PROFIT/(LOSS) FOR THE PERIOD

The profit for the six months ended 30 June 2020 was approximately S\$0.4 million, representing a increase of approximately S\$0.6 million, or 300.0% as compared with the loss approximately S\$0.2 million for the six months ended 30 June 2019. The increase was mainly attributable to the decrease in gross profit resulting from the increase in revenue from human resources outsourcing services due to offering competitive pricing in response to the market condition and set off more job orders received from different Singapore government agencies and clients from private sectors as mentioned above. In addition to the increase in government subsidies received, decrease in administrative expenses and increase in other income from government grant and foreign exchange gains, net also contributed to such increase.

DIVIDENDS

The Board has not declared the payment of any dividend for the six months ended 30 June 2020 (30 June 2019: Nil).

GEARING RATIO

As at 30 June 2020 and 31 December 2019, the Group did not have any interest-bearing debt and hence gearing ratio was not applicable.

LIQUIDITY AND FINANCIAL RESOURCES

At 30 June 2020, cash and bank balances of the Group denominated mainly in Singapore dollars and Hong Kong dollars amounted to approximately S\$16.4 million (31 December 2019: S\$12.7 million). The current ratios (current assets divided by current liabilities) of the Group were 2.7 times and 4.3 times as at 30 June 2020 and 31 December 2019, respectively. In view of the Group's current level of cash and bank balances and funds being generated internally from our operations, the Board is confident that the Group will have sufficient resources to meet its financial needs for its operations.

CAPITAL STRUCTURE

The Group's operation is being financed by internally generated cash flow and fund raised from capital market. As at 30 June 2020, the Group's capital structure consisted of capital attributable to equity holders of the Company, comprising share capital, share premium, and reserves.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2020, the Group had 57 full-time employees (the “**Employees**”) (30 June 2019: 78). The 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\$17.4 million for the six months ended 30 June 2019 and approximately S\$20.0 million for the six months ended 30 June 2020. The dedication and hard work of the Group’s staff during the six months ended 30 June 2020 are generally appreciated and recognised.

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

CAPITAL COMMITMENT

As at 30 June 2020, the Group did not have any significant capital commitment.

FOREIGN CURRENCY EXPOSURE

The Group transacts mainly in Singapore dollars, which is the functional currency of the Group’s major operating subsidiaries. The Group will review and monitor from time to time the risk relating to foreign exchanges whenever applicable.

SIGNIFICANT INVESTMENTS

For the six months ended 30 June 2020 and 2019, the Group had not held any significant investments.

CHARGE ON THE GROUP’S ASSETS

As at 30 June 2020, the Group had charges on the fixed deposits of approximately S\$80,000 (30 June 2019: S\$63,000).

CONTINGENT LIABILITIES

As at 30 June 2020 and 2019, the Group did not have any material contingent liabilities or guarantees.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the Prospectus and in this announcement, the Group did not have other plan for material investments or capital assets as of 30 June 2020.

MATERIAL ACQUISITIONS OR DISPOSALS

During the six months ended 30 June 2020, there was no material acquisition or disposal by the Group.

EVENT AFTER REPORTING PERIOD

Subsequent to 30 June 2020, the Group had no significant events occurred.

OTHER INFORMATION

DISCLOSURE OF INTERESTS

(A) Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 30 June 2020, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein (the “Register”); or (c) pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long Position in Shares

Name of Directors	Capacity/Nature of interest	Number of Shares held	Percentage of issued share capital of the Company
Mr. Chew	Interest in a controlled corporation (<i>note</i>)	306,000,000	51.00%
Ms. Yong	Interest of spouse (<i>note</i>)	306,000,000	51.00%

note:

These Shares are held by Omnipartners, which is owned as to 80% by Mr. Chew and 20% by Ms. Yong. Mr. Chew is the spouse of Ms. Yong and both of them are executive Directors. Mr. Chew and Ms. Yong are deemed to be interested in the Shares held by Omnipartners under the SFO.

Save as disclosed above, as at 30 June 2020, none of the Directors and the chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the Register, or were required, pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

(B) 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 30 June 2020, the following persons/entities other than a Director or the chief executive of the Company had interests or short positions in the Shares and underlying Shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued voting shares of the Company or any other members of the Group:

Long Position In The Shares

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

note:

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

Save as disclosed above, as at 30 June 2020, the Directors were not aware of any persons who/entities which had any interest or short position in the securities in the Company that would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register required to be kept under section 336 of the SFO.

COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors or the controlling shareholders (as defined in the GEM Listing Rules) of the Company nor any of their respective associates (as defined in the GEM Listing Rules) that competed or might compete, either directly or indirectly, with the business of the Group and any other conflicts of interest which any such person had or might have with the Group during the six months ended 30 June 2020.

USE OF PROCEEDS FROM THE SHARE OFFER

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

An analysis of the amount utilised up to 30 June 2020 is set out below:

	Planned use of Net Proceeds (as stated in the Prospectus) in respect of business objectives from the Listing Date (i.e. 17 July 2017) to 30 June 2020	Actual utilised amount up to 30 June 2020		Unutilised amount as at 30 June 2020 (note 2)	Expected timeline for utilising the remaining Net Proceeds (notes 1 and 2)
	HK\$ million	HK\$ million	notes	HK\$ million	HK\$ million
Expanding our human resources outsourcing and recruitment services in Singapore	23.0	(8.3)	3	14.7	Expected to be fully utilised on or before 31 December 2021
Expanding our human resources recruitment services in Hong Kong	5.0	(4.1)	4	0.9	Expected to be fully utilised on or before 31 December 2021
Enhancing our brand awareness	5.8	(3.9)	5	1.9	Expected to be fully utilised on or before 31 December 2021
Enhancing our IT system to support our business operations	5.5	(2.8)	6	2.7	Expected to be fully utilised on or before 31 December 2021
Working capital and other general corporate purposes	4.1	(2.6)		1.5	Expected to be fully utilised on or before 31 December 2021
	<u>43.4</u>	<u>(21.7)</u>		<u>21.7</u>	

notes:

1. The expected timeline for utilising the remaining Net Proceeds is made based on the best estimation of the Company taking into account, among others, the prevailing and future market conditions and business developments and need, and therefore is subject to change.
2. The unutilised Net Proceeds from the Listing are expected to be used in accordance with the Company's plan as disclosed in the Prospectus except that the original timeline for utilising the remaining Net Proceeds as disclosed in the Prospectus has been delayed due to, among others, the business environment being affected by the China-United States trade tension since 2018, the social unrest in Hong Kong since June 2019 and the outbreak of COVID-19 since January 2020.
3. Up to 30 June 2020, approximately HK\$8.3 million of the Net Proceeds was utilised for expanding our human resources outsourcing and recruitment services in the information and communication technology industry and the retail and food & beverage industry in Singapore. We have developed our IT team since 2018 and are expanding our IT team starting from July 2019 and will continue to expand such team, after having considered the demand for IT support arising from the work from home policy implemented in various industries due to the outbreak of COVID-19.
4. The Group will delay the use of the Net Proceeds due to business environment being affected by the China-United States trade tension and the outbreak of COVID-19 and the economic conditions was expected to be improved until the early 2021 when the spread of the COVID-19 is under control so that the social distancing measures together with the restrictions and rules on foreign entry are released.
5. Up to 30 June 2020, we incurred marketing expenses on social media platform for the promotion of our outsourcing and recruitment services and hiring internal marketing staff. The Group will continue to solicit appropriate social media platforms and marketing agents and the amount will be incurred as and when necessary.
6. Up to 30 June 2020, approximately HK\$2.8s million for the Net Proceeds was utilised for the enhancing IT system to support our business operations. The Group is assessing any further investment in upgrading our IT system and may allocate more resources to enhance our IT system when necessary.

During the period from the Listing Date (i.e. 17 July 2017) to 30 June 2020, our Net Proceeds had not been fully utilised in accordance with the proposed applications set out in the Prospectus under the section headed “Future Plans and Use of Proceeds”. As at the date of this announcement, save as disclosed herein, the Directors do not anticipate any material change to the plan as to the use of proceeds except that in light of the sluggish economic condition, the Group will utilise the remaining balance of the Net Proceeds in a conservative manner. Should the Directors decide to reallocate the planned use of net proceeds to other business plans and/or new projects of the Group to a material extent, we will make appropriate announcement(s) in due course.

The remaining Net Proceeds as at 30 June 2020 had been placed in interest-bearing deposits in banks in Singapore and Hong Kong.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group believes that risk management practices are important and uses its best effort to ensure that the risk management practices are sufficient to mitigate the risks presented in the operations and financial position of the Company as efficiently and effectively as possible.

All the risks relating to the Group’s business have been set out in the Prospectus under the section headed “Risk Factors”.

CORPORATE GOVERNANCE CODE

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.

Pursuant to Rule 5.05 and Rule 5.28 of the GEM Listing Rules, the Company shall have at least three independent non-executive directors and the audit committee must comprise a minimum of three members. Pursuant to Code Provision A.5.1 of the CG Code, the nomination committee should be chaired by the chairman of the Board or an independent non-executive director of the Company. Following the retirement of Ms. Lam Shun Ka and Ms. Liu Daiping at the annual general meeting of the Company held on 22 May 2020, both the number of independent non-executive directors and the members of the Audit Committee have fallen below the minimum, and the chairman of the Nomination Committee has been vacant and did not meet the requirements under the Listing Rules. The Company is in the process of identifying suitable candidate to fill up the vacancy within three months in order to comply with the GEM Listing Rules and will make further announcement(s) as and when appropriate.

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 as disclosed herein, the Board is satisfied that the Company had complied with the code provisions of the CG Code during the six months ended 30 June 2020.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors during the six months ended 30 June 2020.

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

During the six months ended 30 June 2020, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “**Scheme**”) on 21 June 2017 to provide incentives and/or to reward eligible persons for their contribution to, and continuing efforts to promote the interest of, the Group. The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules. The purpose of the Scheme is to advance the interests of the Company and its shareholders by enabling (i) the Company to grant options to attract, retain and reward the eligible persons and to provide them with an incentive or reward for their contribution to the Group and (ii) such persons' contribution to further advance the interests of the Group.

The Scheme is valid and effective for a period of ten years commencing on the date of adoption of the Scheme. Upon completion of the Share Offer, there were a total of 60,000,000 Shares, representing 10% of the issued Shares, 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 30 June 2020.

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 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 two independent non-executive Directors, namely Mr. Fan Chun Wah Andrew, *J.P.* and Mr. Koh Shian Wei. Mr. Fan Chun Wah Andrew, *J.P.* is the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2020 and this interim announcement and is of the view that such statements and announcement have been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosure has been made.

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

Hong Kong, 11 August 2020

As at the date of this announcement, the executive Directors are Mr. Chew Chee Kian, Ms. Yong Yuet Han and Ms. Lo Wing Yan Emmy and Mr. Pang Keng Kong; and the independent non-executive Directors are Mr. Fan Chun Wah Andrew, J.P. and Mr. Koh Shian Wei.