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Omnibridge Holdings Limited

中安控股集團有限公司

(formerly known as Omnibridge Holdings Limited 橋英控股有限公司)

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8462)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED

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

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

*This announcement, for which the directors (the “**Directors**”) of Omnibridge Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on 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 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.*

ANNUAL RESULTS

The board (the “**Board**”) of Directors is pleased to announce the following audited consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2021, together with the comparative figures for the preceding year ended 31 December 2020:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

	notes	2021 S\$'000	2020 S\$'000
Revenue	4	84,984	51,676
Cost of services		<u>(77,562)</u>	<u>(45,816)</u>
Gross profit		7,422	5,860
Other income	4	1,500	905
Allowance for expected credit losses on financial assets, net		(37)	(100)
Administrative expenses		<u>(6,932)</u>	<u>(6,250)</u>
PROFIT FROM OPERATIONS		1,953	415
Finance costs		<u>(66)</u>	<u>(33)</u>
PROFIT BEFORE TAX	5	1,887	382
Income tax expense	6	<u>(399)</u>	<u>(150)</u>
PROFIT FOR THE YEAR		<u>1,488</u>	<u>232</u>
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation of foreign operation		<u>38</u>	<u>28</u>
Other comprehensive income for the year, net of tax		<u>38</u>	<u>28</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,526</u>	<u>260</u>
PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		<u>1,488</u>	<u>232</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		<u>1,526</u>	<u>260</u>
Earnings per share			
– Basic and diluted (<i>Singapore cents</i>)	7	<u>0.25</u>	<u>0.04</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	<i>notes</i>	2021 S\$'000	2020 S\$'000
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment		229	455
Right-of-use assets		971	1,497
		1,200	1,952
CURRENT ASSETS			
Trade receivables	8	17,668	10,302
Prepayments, deposits and other receivables		484	497
Cash and cash equivalents		10,486	19,283
		28,638	30,082
CURRENT LIABILITIES			
Accrued labour costs		6,656	5,283
Other payables and accruals	9	4,370	9,190
Lease liabilities		538	554
Tax payables		393	187
		11,957	15,214
NET CURRENT ASSETS		16,681	14,868
TOTAL ASSETS LESS CURRENT LIABILITIES		17,881	16,820
NON-CURRENT LIABILITIES			
Lease liabilities		461	956
Deferred tax liabilities		30	–
		491	956
NET ASSETS		17,390	15,864
EQUITY			
Share capital	11	1,053	1,053
Reserves		16,337	14,811
TOTAL EQUITY		17,390	15,864

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2021

1. GENERAL INFORMATION

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

The Company’s registered office address is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The head office in Hong Kong has been changed to Unit A, 26/F., Wing Hing Commercial Building, 139 Wing Lok Street, Sheung Wan, Hong Kong with effect from 17 June 2021 and principal place of business of the Group is at 298 Tiong Bahru Road, #12-03 Central Plaza, Singapore 168730.

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

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

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

Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board (“IASB”) for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2021 for the preparation of the consolidated financial statements:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform – Phase 2
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In addition, the Group has early applied the Amendment to IFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021.

In addition, the Group applied the agenda decision of the IFRS Interpretations Committee (the “Committee”) of the International Accounting Standards Board issued in June 2021 which clarified the costs an entity should include as “estimated costs necessary to make the sale” when determining the net realisable value of inventories.

The application of the amendments to IFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to IFRSs in issue but not yet effective

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

IFRS 17	Insurance Contracts and the related Amendments ²
Amendments to IFRS 3	Reference to the Conceptual Framework ¹
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to IAS 1	Classification of Liabilities as Current or Non-current ²
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies ²
Amendments to IAS 8	Definition of Accounting Estimates ²
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ²
Amendments to IAS 16	Property, Plant and Equipment: Proceeds before Intended Use ¹
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract ¹
Amendments to IFRS Standards	Annual Improvements to IFRS Standards 2018-2020 ¹

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

² Effective for annual periods beginning on or after 1 January 2023.

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

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

Amendments to IAS 12 deferred tax related to assets and liabilities arising from a single transaction

The amendments narrow the scope of the recognition exemption of deferred tax liabilities and deferred tax assets in paragraphs 15 and 24 of IAS 12 Income Taxes so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The Group applies IAS 12 requirements to the relevant assets and liabilities separately. Temporary differences on initial recognition of the relevant assets and liabilities are not recognised due to application of the initial recognition exemption.

Upon the application of the amendments, the Group will recognise a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with the right-of-use assets and the lease liabilities.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with early application permitted. As at 31 December 2021, the carrying amounts of right-of-use assets and lease liabilities which are subject to the amendments amounted to approximately S\$971,000 and S\$999,000 respectively. The Group is still in the process of assessing the full impact of the application of the amendments.

3. SEGMENT INFORMATION

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

In addition, the Group's operation is principally situated in Singapore during the years ended 31 December 2020 and 2021 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 2020 and 2021, revenue generated from one and three client(s) of the Group which has individually accounted for over 10% of the Group's total revenue respectively. Save as indicated below, no other single client contributed 10% or more to the Group's revenue for the years ended 31 December 2020 and 2021.

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

	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Client A (<i>Note (i) and Note (ii)</i>)	16,043	N/A
Client B (<i>Note (ii)</i>)	13,538	8,879
Client C (<i>Note (i) and Note (ii)</i>)	11,893	N/A
	<u>11,893</u>	<u>8,879</u>

Notes:

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

4. REVENUE AND OTHER INCOME

An analysis of revenue and other income are as follows:

	2021	2020
	<i>S\$'000</i>	<i>S\$'000</i>
Revenue from contract with customers:		
Human resources outsourcing services	84,239	51,073
Human resources recruitment services	713	589
Other human resources support services (<i>Note</i>)	32	14
	<u>84,984</u>	<u>51,676</u>

Note: Other human resources support services included referral services and payroll processing services.

	2021 <i>S\$'000</i>	2020 <i>S\$'000</i>
Timing of revenue recognition		
Overtime	84,239	51,073
At a point in time	<u>745</u>	<u>603</u>
	<u>84,984</u>	<u>51,676</u>

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.

	2021 <i>S\$'000</i>	2020 <i>S\$'000</i>
Other income		
Service income	77	58
Interest income	12	62
Sundry income	4	55
Government grants (<i>Note</i>)	1,407	712
COVID-19-related rent concessions	<u>–</u>	<u>18</u>
	<u>1,500</u>	<u>905</u>

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

During the current year, the Group’s recognised government grants comprises of COVID-19 related subsidies of approximately S\$1,372,000 (2020: S\$598,000) including JSS of approximately S\$1,372,000 (2020: S\$541,000) provided by the Singapore Government and Employment Support Scheme of approximately S\$Nil (2020: S\$57,000) provided by the Hong Kong government.

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	2021 <i>S\$'000</i>	2020 <i>S\$'000</i>
Cost of services		
Salaries and bonuses	63,641	39,413
Defined contribution retirement plan	9,622	5,376
Short-term benefits	4,299	1,027
	<u>77,562</u>	<u>45,816</u>
Directors' emoluments	1,152	1,056
Other staff costs (excluding directors' emoluments)		
Salaries and bonuses	2,999	2,579
Defined contribution retirement plan	345	311
Short-term benefits	153	154
	<u>3,497</u>	<u>3,044</u>
Total staff costs	<u>82,211</u>	<u>49,916</u>
Auditors' remuneration		
– Audit services	130	142
– Non-audit services	–	–
Depreciation of plant and equipment	266	260
Depreciation of right-of-use assets	586	484
COVID-19-related rent concessions	–	(18)
Expenses relating to short-term lease	41	37
Allowance for/(reversal of allowance for) expected credit losses on financial assets:		
– Trade receivables	(90)	(10)
– Other receivables	127	110
	<u>127</u>	<u>110</u>

6. INCOME TAX EXPENSE

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

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. No Hong Kong Profits Tax has been provided since no assessable profit arose in Hong Kong for the years ended 31 December 2020 and 2021.

The Singapore statutory income tax rate was 17% during the years ended 31 December 2020 and 2021. 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.

	2021	2020
	S\$'000	S\$'000
Current tax – Singapore:		
– Charge for the year	392	187
– Over provision in prior year	(23)	(13)
Deferred tax – Current year	30	(24)
	<u>399</u>	<u>150</u>
Income tax expense	<u>399</u>	<u>150</u>

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

	2021	2020
	S\$'000	S\$'000
Profit before tax	1,887	382
Tax at the applicable income tax rate	327	71
Over provision in prior year	(23)	(13)
Income not subject to tax	(264)	(116)
Expenses not deductible for tax	181	107
Effect of partial tax exemption	(17)	(25)
Enhanced allowances and deductions	(13)	(42)
Tax losses not recognised	208	168
	<u>399</u>	<u>150</u>
Income tax expense	<u>399</u>	<u>150</u>

In Singapore, the partial tax exemption scheme allows for (i) 75% tax exemption on the first S\$10,000 (2020: S\$10,000) of normal chargeable income; and a further 50% tax exemption on the next S\$190,000 (2020: S\$190,000) of normal chargeable income.

There is no corporate income tax rebate proposed for the year of assessment 2022 and 2021.

At the end of the reporting period, the Group has unused tax losses of approximately S\$6,396,000 (2020: S\$5,134,000) arising from Hong Kong available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

7. EARNINGS PER SHARE

	2021 <i>S\$'000</i>	2020 <i>S\$'000</i>
Profit for the year attributable to the owners of the Company	<u>1,488</u>	<u>232</u>
	<i>'000</i>	<i>'000</i>
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (<i>Note</i>)	<u>600,000</u>	<u>600,000</u>

Note: The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company of approximately S\$1,488,000 (2020: S\$232,000) and the weighted average number of 600,000,000 (2020: 600,000,000) ordinary shares in issue during the year ended 31 December 2021.

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

8. TRADE RECEIVABLES

	2021 <i>S\$'000</i>	2020 <i>S\$'000</i>
Trade receivables	17,715	10,439
<i>Less:</i> Allowance for expected credit losses	<u>(47)</u>	<u>(137)</u>
	<u>17,668</u>	<u>10,302</u>

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

An aged analysis of the trade receivables, net of allowance for expected credit losses, as at 31 December 2021 and 2020, based on the invoice date, is as follows:

	2021	2020
	S\$'000	S\$'000
Unbilled receivables (<i>Note</i>)	2,627	2,011
Less than 30 days	7,816	5,342
31 to 60 days	6,521	2,653
61 to 90 days	538	193
More than 90 days	166	103
	<u> </u>	<u> </u>
Total	17,668	10,302
	<u> </u>	<u> </u>

Note: Amounts represent the Group's unconditional right to consideration, which invoices have not been issued.

9. OTHER PAYABLES AND ACCRUALS

	2021	2020
	S\$'000	S\$'000
Other payables (<i>Note (a)</i>)	2,385	8,019
GST payables	1,180	712
Contract liabilities (<i>Note (b)</i>)	39	–
Other accrued expenses	766	459
	<u> </u>	<u> </u>
	4,370	9,190
	<u> </u>	<u> </u>

Note: (a) As at 31 December 2021, other payables mainly included the JSS and Jobs Growth Incentive received from the Singapore Government of approximately S\$658,000 (2020: S\$8,002,000) and S\$1,727,000 (2020: S\$Nil) respectively to the company and on behalf of its clients.

(b) Contract liabilities related to human resources outsourcing services. All billing are for periods within one year. Typical payment terms which impact on the amounts of contract liabilities recognised are as follows:

The Group received advance payments from customers before the services are rendered. All contracts are for periods within one year.

10. MATERIAL RELATED PARTIES TRANSACTIONS

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

Name of related company	Nature	Relationship with the Group	Notes	2021 S\$'000	2020 S\$'000
Recurring:					
Agensi Pekerjaan BGC Group (Malaysia) SDN. BHD. ("BGC Malaysia")	Referral fee expenses	Common director	(i),(iv)	(8)	(5)
BGC Malaysia	Service income (Note 4)	Common director	(i),(iv)	14	11
BGC Outsourcing Sdn. Bhd. ("BGC Outsourcing Malaysia")	Service income (Note 4)	Common director	(ii),(iv)	14	11
BGC Outsourcing Malaysia	Service support fee	Common director	(ii),(iv)	(310)	(240)
BGC Outsourcing Malaysia	Referral fee expenses	Common director	(ii),(iv)	(2)	-
CS Intelligence Pte. Ltd. ("CS Intelligence")	Service income (Note 4)	Common director	(iii),(iv)	49	36
Non-recurring:					
PayrollHero.com Pte. Ltd. ("PayrollHero")	Professional fee	Common director	(i)	(10)	-

Notes:

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

11. SHARE CAPITAL

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

	Number of shares	Amount	
		<i>HK\$'000</i>	<i>S\$'000</i>
Ordinary share of HK\$0.01 each			
Authorised:			
As at 1 January 2020, 31 December 2020, 1 January 2021 and 31 December 2021	<u>1,500,000,000</u>	<u>15,000</u>	<u>2,632</u>
Issued and fully paid:			
As at 1 January 2020, 31 December 2020, 1 January 2021 and 31 December 2021	<u>600,000,000</u>	<u>6,000</u>	<u>1,053</u>

12. DIVIDENDS

The directors of the Company do not propose any payment of final dividend for the years ended 31 December 2020 and 2021.

13. EVENTS AFTER THE REPORTING PERIOD

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

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

The growth in revenue is due to the Group proactively secured more jobs from existing/potential clients by offering competitive pricing in response to the intense market competition and the increase in demand in human resources outsourcing services in public sector hence resulted in positive outcome in the year 2021.

The business environment in the financial year of 2021 remained challenging as the social distancing measures and rules on border controls, quarantine requirements and public gathering of virus restrictions have not been fully lifted, which significantly slow down the economic links between Singapore, Hong Kong and China together with the western countries, in both tourism and business aspects. The Directors will constantly review the market conditions and adjust the Group's business diversification to counter the contingent risks.

Since the PRC still imposes strict virus restrictions, the potential business cooperation with China On Holdings Group (Shenzhen) Limited* (中安控股集團(深圳)有限公司) was on hold. However, we will look forward to any business opportunities leading to growth potential in human resources industries in Asian countries in the future. The Group is conservatively exploring new business opportunities to ascertain markets with growth potential in order to diversify our Group's business in different geographical locations.

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

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately S\$33.3 million, or approximately 64.4%, from approximately S\$51.7 million for the year ended 31 December 2020 to approximately S\$85.0 million for the year ended 31 December 2021. The Group's revenue from human resources outsourcing services increased by approximately S\$33.1 million from approximately S\$51.1 million for the year ended 31 December 2020 to approximately S\$84.2 million for the year ended 31 December 2021 and human resources recruitment services increased by approximately S\$0.1 million from approximately S\$0.6 million for the year ended 31 December 2020 to approximately S\$0.7 million for the year ended 31 December 2021.

Human Resources Outsourcing Services

Revenue from human resources outsourcing services increased from approximately S\$51.1 million for the year ended 31 December 2020 to approximately S\$84.2 million for the year ended 31 December 2021, which represented an increase of approximately 64.8%. The increase in revenue from human resources outsourcing services was mainly attributable to the increase in demand for our human resources outsourcing services from clients in the public sector and received more job orders from different Singapore government agencies as we have been offering competitive pricing in response to the market condition.

Human Resources Recruitment Services

Revenue from human resources recruitment services increased by approximately S\$0.1 million, or approximately 16.7%, from approximately S\$0.6 million for the year ended 31 December 2020 to approximately S\$0.7 million for the year ended 31 December 2021, with a slightly increase in demand for new openings from our clients in the private sector.

Other Human Resources Support Services

Revenue derived from other human resources support services increased by approximately S\$18,000, or approximately 128.6%, from approximately S\$14,000 for the year ended 31 December 2020 to approximately S\$32,000 for the year ended 31 December 2021, which was mainly attributable to the increase in revenue derived from referral services and payroll processing services.

Cost of Services

The Group's cost of services increased by approximately S\$31.8 million, or approximately 69.4%, from approximately S\$45.8 million for the year ended 31 December 2020 to approximately S\$77.6 million for the year ended 31 December 2021. The labour costs and other related costs were approximately S\$46.7 million and S\$78.5 million for the years ended 31 December 2020 and 2021 respectively and the aggregate government subsidies received were approximately S\$0.9 million and S\$0.9 million for the years ended 31 December 2020 and 2021 respectively. Therefore, the increase in cost of services was mainly due to the increase in labour costs paid by approximately S\$31.8 million, or approximately 68.1%, which was generally in line with the increase in revenue. For details and reasons for the government subsidies received, please refer to the section headed "Summary – Government subsidies" and "Financial information – Principal components of consolidated statements of profit or loss and other comprehensive income – Cost of Services" in the Company's prospectus dated 28 June 2017 ("**Prospectus**"). The wage credit scheme mentioned therein has been extended to 2021.

Gross Profit and Gross Profit Margin

The Group's gross profit increased by approximately S\$1.5 million, or approximately 25.4%, from approximately S\$5.9 million for the year ended 31 December 2020 to approximately S\$7.4 million for the year ended 31 December 2021, which was mainly due to the combined effect of the increase in revenue and the decrease in gross profit margin. Our gross profit margin decreased from approximately 11.3% for the year ended 31 December 2020 to approximately 8.7% for the year ended 31 December 2021, which was primarily due to the reasons mentioned above.

Other Income

Other income increased by approximately S\$595,000, or approximately 65.7%, from approximately S\$905,000 for the year ended 31 December 2020 to approximately S\$1,500,000 for the year ended 31 December 2021 mainly due to the increase in government grants by approximately S\$695,000 from approximately S\$712,000 for the year ended 31 December 2020 to approximately S\$1,407,000 for the year ended 31 December 2021 received from the Singapore government in respect of COVID-19 related subsidies and other support scheme .

Administrative Expenses

The Group's administrative expenses increased by approximately S\$0.6 million, or approximately 9.5%, from approximately S\$6.3 million for the year ended 31 December 2020 to approximately S\$6.9 million for the year ended 31 December 2021, which was mainly due to the increase in internal staff costs and professional fees engaged in due diligence work for potential acquisition project for the year ended 31 December 2021.

Depreciation

Depreciation expenses of plant and equipment remained stable at approximately S\$0.3 million and S\$0.3 million for the years ended 31 December 2020 and 2021, respectively. Depreciation expenses of right-of-use assets remained relatively stable at approximately S\$0.5 million for the year ended 31 December 2020 and approximately S\$0.6 million for the year ended 31 December 2021.

Profit for the Year

The profit for the year ended 31 December 2021 was approximately S\$1.5 million, representing an increase of approximately S\$1.3 million, or approximately 650%, as compared to a profit of approximately S\$0.2 million for the year ended 31 December 2020. The increase was mainly attributable to the increase in gross profit mainly resulting from the increase in revenue from human resources outsourcing services due to the offering of competitive pricing in response to the market conditions, as well as the increase in government grants received as mentioned above.

FINANCIAL RESOURCES, LIQUIDITY AND GEARING

As at 31 December 2021:

- (a) the Group's total assets decreased to approximately S\$29.8 million (2020: approximately S\$32.0 million) while the total equity increased to approximately S\$17.4 million (2020: approximately S\$15.9 million);
- (b) the Group's current assets decreased to approximately S\$28.6 million (2020: approximately S\$30.1 million) while the current liabilities decreased to approximately S\$12.0 million (2020: approximately S\$15.2 million);
- (c) the Group had approximately S\$10.5 million (2020: approximately S\$19.3 million) in cash and cash equivalents available and the current ratio of the Group was approximately 2.4 (2020: approximately 2.0);
- (d) the Group did not have any bank borrowing, amount due to a related company and a director (2020: Nil); and
- (e) the gearing ratio (being the total lease liabilities divided by total equity attributable to the owners of the Company) was 5.7% (2020: 9.5%).

CAPITAL EXPENDITURE

Capital expenditure during the year ended 31 December 2021 was primarily related to expenditures on additions of plant and equipment, totalling by approximately S\$40,000 (2020: S\$524,000), to cope with our operation needs. As at 31 December 2020 and 2021, the Group did not have any outstanding capital commitments.

SIGNIFICANT INVESTMENTS

As at 31 December 2021, the Group did not hold any significant investments (2020: Nil).

CONTINGENT LIABILITIES

As at 31 December 2021, the Group did not have any significant contingent liabilities (2020: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2021, the Group had 57 full-time employees (the “**Employees**”) (31 December 2020: 59). 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\$49.9 million for the year ended 31 December 2020 and approximately S\$82.2 million for the year ended 31 December 2021. The dedication and hard work of the Group’s staff during the year ended 31 December 2021 are generally appreciated and recognised.

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

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

INDEBTEDNESS AND CHARGES ON GROUP ASSETS

As at 31 December 2021, the Group had charges on the fixed deposits of approximately S\$60,000 (2020: approximately S\$67,000).

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES

During the year ended 31 December 2021, there had been no other material acquisition or disposal of subsidiaries or associated companies of the Company.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 December 2021, the Group had been in compliance with all the laws and regulations that are applicable to the business operations of the Group.

FOREIGN EXCHANGE EXPOSURE

The Group transacts mainly in Singapore dollars, which is the functional currency of the majority of the Group's operating subsidiaries. The Group is not exposed to significant foreign exchange risk and has not employed any financial instrument for hedging; however, the Group has retained some proceeds from the Share Offer (as defined below) in Hong Kong dollars which contributed to an unrealised foreign exchange gain of approximately S\$38,000 (2020: unrealised foreign exchange gain of approximately S\$28,000) as Hong Kong dollars strengthened compared with Singapore dollars. The Group will review and monitor from time to time the risk relating to foreign exchange whenever applicable.

POSSIBLE RISK EXPOSURE

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

EVENTS AFTER THE BALANCE SHEET DATE

As from 31 December 2021 to the date of this announcement, no significant events have occurred.

DIVIDENDS

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2021 (2020: Nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the Prospectus and in this announcement, the Group did not have other plan for material investments or capital assets as of 31 December 2021.

USE OF PROCEEDS FROM THE SHARE OFFER

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

An analysis of the amount utilised up to 31 December 2021 is set out below:

	Planned use of Net Proceeds (as stated in the Prospectus) in respect of business objectives from the Listing Date (i.e. 17 July 2017) to 31 December 2021	Actual utilised amount up to 31 December 2021		Unutilised amount as at 31 December 2021 (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	(13.8)	3	9.2	Expected to be fully utilised on or before 31 December 2022
Expanding our human resources recruitment services in Hong Kong	5.0	(4.4)	4	0.6	Expected to be fully utilised on or before 31 December 2022
Enhancing our brand awareness	5.8	(5.8)		–	
Enhancing our IT system to support our business operations	5.5	(4.5)	5	1.0	Expected to be fully utilised on or before 31 December 2022
Working capital and other general corporate purposes	4.1	(4.1)		–	
	<u>43.4</u>	<u>(32.6)</u>		<u>10.8</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 restrictions and rules on border controls, gatherings and quarantine measures of COVID-19 and omicron variant.
3. Up to 31 December 2021, approximately HK\$13.8 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 will continue to expand our IT team, after having considered the demand for IT support arising from the work from home policy implemented in various industries since the COVID-19 has escalated the usage of IT for data processing and analysing. The Group will delay the use of the Net Proceeds in the expansion of the retail and food & beverage industry in Singapore until the vaccination rates of COVID-19 becomes strong enough to ease the social distancing measures and lift the restrictions and rules on foreign entry in the late 2022.
4. The Group will delay the use of the Net Proceeds due to business environment being affected by the omicron variant and the economic conditions was expected to be improved until late-2022 when the spread of COVID-19 and the omicron variant is under control with a higher vaccination rates so that the social distancing measures together with the restrictions and rules on foreign entry are lifted off.
5. Up to 31 December 2021, approximately HK\$4.5 million for the Net Proceeds was utilised for enhancing our IT system and the addition in the computer hardware to support our business operations and work from home policies. The Group is assessing any further investment in upgrading our IT system and may allocate more resources to enhance our IT system when necessary.

The remaining Net Proceeds as at 31 December 2021 had been placed in interest-bearing deposits in banks in Singapore and Hong Kong.

CONTINUING CONNECTED TRANSACTIONS

Save as disclosed in note 10 to the audited condensed consolidated financial statements contained in this announcement, there had been no other material transaction for the year ended 31 December 2021, including those disclosed as related party transactions elsewhere in the condensed consolidated financial statements, under the definition of connected transactions or continuing connected transactions pursuant to Chapter 20 of the GEM Listing Rules. The Company confirms that it has complied with the applicable disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

OTHER INFORMATION

DISCLOSURE OF INTERESTS

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

As at 31 December 2021, 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 (note 1)	Percentage of issued share capital of the Company
Mr. Chew Chee Kian	Interest in a controlled corporation (Note 1)	288,000,000	48.00%
Ms. Yong Yuet Han	Interest of spouse (Note 1)	288,000,000	48.00%
Mr. Michael Lin Daoji	Beneficial owner	2,540,000	0.42%

Note:

- (1) These Shares are held by Omnipartners Holdings Limited, which is owned as to 80% by Mr. Chew Chee Kian and 20% by Ms. Yong Yuet Han. Accordingly, Mr. Chew Chee Kian is deemed to be interested in 288,000,000 Shares held by Omnipartners Holdings Limited by virtue of the SFO. Mr. Chew Chee Kian and Ms. Yong Yuet Han are spouses and both of them are executive Directors. Ms. Yong Yuet Han is deemed to be interested in the Shares held by Mr. Chew Chee Kian under the SFO. On 21 January 2021, Omnipartners Holdings Limited disposed 3.00% of the issued share capital of the Company to independent third parties.

Save as disclosed above, as at 31 December 2021, none of the Directors and the chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the Register, or were required, pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

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

So far as the Directors are aware as at 31 December 2021, the following persons/entities other than a Director or the chief executive of the Company had interests or short positions in the Shares and underlying Shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued voting shares of the Company or any other members of the Group:

Long position in the shares

Name	Capacity/Nature of interest	Number of Shares held	Percentage of issued share capital of the Company
Omnipartners Holdings Limited	Beneficial owner (<i>Note</i>)	288,000,000	48.00%

Note:

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

Save as disclosed above, as at 31 December 2021, the Directors were not aware of any persons who/entities which had any interest or short position in the securities in the Company that would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the Register required to be kept under section 336 of the SFO.

COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors or the controlling shareholders (as defined in the GEM Listing Rules) of the Company nor any of their respective associates (as defined in the GEM Listing Rules) that competed or might compete, either directly or indirectly, with the business of the Group and any other conflicts of interest which any such person had or might have with the Group during the year ended 31 December 2021.

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

The Board would like to clarify that there were no conflicts of interests between the controlling shareholders and the Group arising from competing business for the year ended 31 December 2021. As such, the controlling shareholders confirmed that they have complied with their undertaking under the Deed of Non-competition.

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

CORPORATE GOVERNANCE CODE

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

The Company adopted the CG Code as its own code of corporate governance. Save for the deviation from the code provision of C.2.1 of the CG Code, the Board is satisfied that the Company had complied with the code provisions of the CG Code during the year ended 31 December 2021.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the year ended 31 December 2021.

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

During the year ended 31 December 2021, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

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

The Audit Committee currently consists of three independent non-executive Directors, namely Mr. Ong Kian Guan, Mr. Koh Shian Wei and Mr. Michael Lin Daoji. Mr Ong Kian Guan is the chairman of the Audit Committee.

The Audit Committee has reviewed the consolidated financial statements of the Group for the year ended 31 December 2021 and this announcement and is of the view that such statements and announcement have been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosure has been made.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the GEM website at www.hkgem.com and the Company's website at www.omnibridge.com.hk. The annual report of the Company for the year ended 31 December 2021 will be despatched to the Shareholders and will be available on the respective websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 24 March 2022

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

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