

# OMNIBRIDGE HOLDINGS LIMITED

中安控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)  
Stock Code: 8462

2023  
ANNUAL REPORT

## **CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")**

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

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

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

This report will remain on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) on the "Latest Listed Company Information" page for at least seven days from the date of its posting. This report will also be published and remain on the website of the Company at [www.omnibridge.com.hk](http://www.omnibridge.com.hk).

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# Corporate Information

## BOARD OF DIRECTORS

### EXECUTIVE DIRECTORS

Mr. Chew Chee Kian

Ms. Yong Yuet Han

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Chew Chee Kian

### NON-EXECUTIVE DIRECTOR

Ms. Han Wenxian (retired on 27 June 2023)

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Foo Siang Tse (appointed on 24 May 2023)

Mr. Michael Lin Daoji

Mr. Ong Kian Guan

Mr. Koh Shian Wei (resigned on 14 January 2023)

Mr. Liang Qianyuan (retired on 27 June 2023)

### COMPANY SECRETARY

Mr. Lau Chung Wai

### COMPLIANCE OFFICER

Mr. Chew Chee Kian

### AUTHORISED REPRESENTATIVES

Mr. Chew Chee Kian

Mr. Lau Chung Wai

### AUDIT COMMITTEE

Mr. Ong Kian Guan (*Chairman*)

Mr. Foo Siang Tse (appointed on 24 May 2023)

Mr. Michael Lin Daoji

Mr. Koh Shian Wei (resigned on 14 January 2023)

Ms. Han Wenxian (appointed on 14 January 2023 and retired on 27 June 2023)

### REMUNERATION COMMITTEE

Mr. Ong Kian Guan (*Chairman*)

(appointed on 14 January 2023)

Mr. Chew Chee Kian

Mr. Michael Lin Daoji

Mr. Koh Shian Wei (resigned on 14 January 2023)

### NOMINATION COMMITTEE

Mr. Chew Chee Kian (*Chairman*)

Mr. Michael Lin Daoji

Mr. Ong Kian Guan (appointed on 14 January 2023)

Mr. Koh Shian Wei (resigned on 14 January 2023)

## INDEPENDENT AUDITORS

Foo Kon Tan LLP

Public Accountants and

Chartered Accountants

1 Raffles Place

#04-61/62 One Raffles Place Tower 2

Singapore 048616

Recognised PIE auditor

## REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 506

Admiralty Centre Tower 2

18 Harcourt Road

Admiralty

Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

## PRINCIPAL BANKER

DBS Bank Limited

## COMPANY'S WEBSITE

[www.omnibridge.com.hk](http://www.omnibridge.com.hk)

## STOCK CODE

8462

# Chairman's Statement

Dear Shareholders,

On behalf of the board (the "**Board**") of Directors, I am pleased to present the consolidated financial results of the Group for the year ended 31 December 2023 (the "**Year**") to the shareholders of the Company (the "**Shareholders**").

## REVIEW

For the year ended 31 December 2023, revenue of the Group decreased to approximately S\$61.5 million as compared to approximately S\$94.9 million for the year ended 31 December 2022, representing a decrease of approximately 35.2%. The decrease in revenue was primarily attributable to the significant decrease in human resources outsourcing services in public sector and the decrease in human resources recruitment services. In line with the decrease in revenue, the Group's gross profit decreased by approximately S\$3.0 million from approximately S\$8.0 million for the year ended 31 December 2022 to approximately S\$5.0 million for the year ended 31 December 2023. Gross profit margin decreased slightly from approximately 8.4% for the year ended 31 December 2022 to approximately 8.1% for the year ended 31 December 2023 due to the adjustment of our business strategies in response to the intense competition in the market.

The Group recorded a profit for the year of approximately S\$1.8 million for the year ended 31 December 2023 compared to a profit for the year of approximately S\$0.9 million for the year ended 31 December 2022. This was mainly due to the recognition of government grants received for the year ended 31 December 2023.

## APPRECIATION

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

**Chew Chee Kian**

*Chairman*

Hong Kong, 27 March 2024

# 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 (which includes Business Process Outsourcing (“**BPO**”) like Employer of Record and HR BPO) and human resources recruitment services (which primarily are Executive Search, Permanent and Contract Placement services).

The business environment in the financial year 2023 was challenging and tough. As the Singapore economy made significant progress towards normalisation post COVID-19 during the financial year ended 31 December 2023, the demand in COVID-19-related human resources outsourcing services in the public sector dropped significantly. In addition, businesses in Singapore are facing rising cost of goods and services due to inflation and rising interest rates. Our Group is committed to improve the top line while holding our cost down. At the same time, the Group continues to review its business strategies to expand the types of workforce solutions when opportunities arise and will be investing heavily in the talent pipeline, internal business process and lastly technology. We have a clear path to achieve the goals that we have set for ourselves and though we foresee obstacles ahead of us, we are determined to overcome them and be successful.

We care about our stakeholders and shareholders and will be working towards winning in our strategies to bring true benefits to everyone connected to Omnibridge and its group of companies.

## FINANCIAL REVIEW REVENUE

The Group’s overall revenue decreased by approximately S\$33.4 million, or 35.2%, from approximately S\$94.9 million for the year ended 31 December 2022 to approximately S\$61.5 million for the year ended 31 December 2023.

### HUMAN RESOURCES OUTSOURCING SERVICES

The Group’s revenue from human resources outsourcing services decreased by approximately S\$32.8 million from approximately S\$93.7 million for the year ended 31 December 2022 to approximately S\$60.9 million for year ended 31 December 2023, which represented a decrease of approximately 35%. The drop in revenue from human resources outsourcing services was mainly attributable to the dissipation of Covid-related contractor staffing volume that accompanied lesser job orders from different Singapore government agencies and private sector.

### HUMAN RESOURCES RECRUITMENT SERVICES

Revenue from human resources recruitment services decreased by approximately S\$0.6 million, or approximately 50%, from approximately S\$1.2 million for the year ended 31 December 2022 to approximately S\$0.6 million for year ended 31 December 2023 as hiring freezes and cautious sentiments prevailed across the Asian cities that we operated in.

### OTHER HUMAN RESOURCES SUPPORT SERVICES

Revenue derived from other human resources support services increased by approximately S\$43,000, or approximately 91.5%, from approximately S\$47,000 for the year ended 31 December 2022 to approximately S\$90,000 for the year ended 31 December 2023. This was mainly attributable to the increase in revenue derived from payroll processing services.

### COST OF SERVICES

The Group’s cost of services decreased by approximately S\$30.3 million, or approximately 34.9%, from approximately S\$86.8 million for the year ended 31 December 2022 to approximately S\$56.5 million for the year ended 31 December 2023. The cost of services is mainly made up of labour costs and other related costs. The decrease in the cost of services is generally in line with the decrease in revenue.

# Management Discussion and Analysis

## GROSS PROFIT AND GROSS PROFIT MARGIN

The Group's gross profit decreased slightly by approximately S\$3.0 million, from approximately S\$8.0 million for the year ended 31 December 2022 to approximately S\$5.0 million for the year ended 31 December 2023, which was mainly due to the decrease in revenue. Our gross profit margin remains relatively stable at 8.1% for the year ended 31 December 2023 (2022: 8.4%).

## OTHER INCOME

Other income increased by approximately S\$3.2 million, or approximately 1,600%, from approximately S\$0.2 million for the year ended 31 December 2022 to approximately S\$3.4 million for the year ended 31 December 2023, mainly attributable to the Group's recognition of Singapore government grants primarily comprising of Job Growth Incentives of approximately S\$2.5 million and Job Support Scheme Incentives of approximately S\$0.7 million.

## STAFF COSTS, ADMINISTRATIVE AND OTHER OPERATING EXPENSES

The Group's staff costs, administrative and other expenses decreased by approximately S\$0.5 million, or approximately 8.2%, from approximately S\$6.1 million for the year ended 31 December 2022 to approximately S\$5.6 million for the year ended 31 December 2023. The decrease was mainly due to headcount decrease and proactive cost management. The Group had 45 full-time employees as at 31 December 2023 (2022: 54).

## DEPRECIATION

Depreciation expenses of plant and equipment remained stable at approximately S\$0.1 million for each of the years ended 31 December 2023 and 2022. Depreciation expenses of right-of-use assets also remained relatively stable at approximately S\$0.6 million for each of the years ended 31 December 2023 and 2022.

## PROFIT FOR THE YEAR

The profit for the year ended 31 December 2023 was approximately S\$1.8 million, representing an increase of approximately S\$0.9 million, or approximately 100%, as compared to a profit of approximately S\$0.9 million for the year ended 31 December 2022. The increase was mainly attributable to the recognition of government grants received as mentioned above.

## FINANCIAL RESOURCES, LIQUIDITY AND GEARING

As at 31 December 2023:

- (a) the Group's total assets decreased to approximately S\$28.3 million (2022: S\$29.1 million) while the total equity increased to approximately S\$20.2 million (2022: S\$18.4 million);
- (b) the Group's current assets decreased to approximately S\$27.3 million (2022: S\$28.5 million) while the current liabilities decreased to approximately S\$7.5 million (2022: S\$10.7 million);
- (c) the Group had approximately S\$15.8 million (2022: S\$14.0 million) in fixed deposits, cash and cash equivalents available and the current ratio of the Group was approximately 3.6 (2022: 2.7);
- (d) the Group did not have any bank borrowings and amount due to a related company (2022: Nil); and
- (e) the gearing ratio (being the total of lease liabilities divided by total equity attributable to the owners of the Company) was 4.9% (2022: 2.9%).

# Management Discussion and Analysis

## CAPITAL EXPENDITURE

Capital expenditure during the year ended 31 December 2023 was primarily related to expenditures on additions of plant and equipment, totalling approximately S\$102,000 (2022: S\$14,000), which included leasehold improvements to reconfigure and reduce working space as the office lease expired during the year. As at 31 December 2023 and 2022, the Group did not have any outstanding capital commitments.

## SIGNIFICANT INVESTMENTS

As at 31 December 2023, the Group held units in fixed income funds mandatorily measured at FVPL with carrying value of approximately S\$2.5 million (2022: S\$2.3 million).

The movements in the other financial assets held by the Group during the year ended 31 December 2023 are as below:

	<b>1 January 2023 (audited)</b>	<b>Addition during the year ended 31 December 2023</b>	<b>Disposal during the year ended 31 December 2023</b>	<b>Fair value change measured at FVPL</b>	<b>31 December 2023</b>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets measured by FVPL					
– Units in fixed income funds	2,279	200	–	(17)	2,462

The Group held SGD hedged U.S. dollar-denominated units in fixed income securities of issuers domiciled within and outside the U.S. through Credit Suisse AG, Singapore Branch. The fixed income funds recorded net fair value loss of approximately S\$17,000 for the year ended 31 December 2023 (2022: S\$121,000) mainly attributed to the volatilities of the PIMCO Global Investors Series PLC and JP Morgan income funds.

The cash surplus reserves were parked in the other financial assets as part of our treasury operations to improve the yield of the Group's cash surpluses.

# Management Discussion and Analysis

The details of the units of fixed income funds measured at FVPL are as below:

Name of funds	Investment strategy	Investment Cost S\$'000	Fair value	Dividend	Expected rate of return	Maturity date	Redemption
			as at 31 December 2023 S\$'000	received for the year ended 31 December 2023 S\$'000			
Pacific Investment Management Company ("PIMCO"): Global Investors Series PLC Income Fund (SGD-Hedged)	The fund's exposure is in the global bond markets, primarily in the United States.	1,000	960	56	No fixed rate of return	No fixed maturity	To redeem on any dealing day.
AllianceBernstein ("AB") FCP – American Income Portfolio (SGD-Hedged)	The fund solely invests in U.S. dollar-denominated fixed income securities of issuers domiciled within and outside the United States.	800	757	38	No fixed rate of return	No fixed maturity	To redeem on any dealing day.
J.P. Morgan Asset Management: JP Morgan Income Fund C (div) – SGD (Hedged)	The fund's exposure is mainly in convertible bonds and debt securities predominantly in the United States.	800	745	33	No fixed rate of return	No fixed maturity	To redeem on any dealing day.
<b>Other financial assets</b>		<b>2,600</b>	<b>2,462</b>	<b>127</b>			

Save as disclosed above, the Group did not hold any other significant financial investment as at 31 December 2023.

## CONTINGENT LIABILITIES

As at 31 December 2023, the Group did not have any significant contingent liabilities (2022: Nil).

## EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2023, the Group had 45 full-time, excluding outsourced, employees (the "Employees") (31 December 2022: 54). 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\$60.8 million for the year ended 31 December 2023 and approximately S\$91.6 million for the year ended 31 December 2022. The dedication and hard work of the Group's staff during the year ended 31 December 2023 are appreciated and recognised.

# Management Discussion and Analysis

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 annual report, 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 2023, the Group had charges on the fixed deposits of approximately S\$750,000 (2022: S\$731,000).

## MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES

During the year ended 31 December 2023, there had been no material acquisition or disposal of subsidiaries or associated companies of the Company.

## COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 December 2023, 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\$18,000 (2022: S\$33,000) 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 of the Company dated 28 June 2017 (the "**Prospectus**") under the section headed "Risk factors".

## EVENTS AFTER THE BALANCE SHEET DATE

As from 31 December 2023 to the date of this annual report, no significant events have occurred.

## DIVIDENDS

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2023 (2022: Nil).

## FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the Prospectus and in this annual report, the Group did not have other plan for material investments or capital assets as of 31 December 2023.

# Environmental, Social and Governance Report

The Group strives to be an environmentally and socially responsible corporation. We acknowledge the importance of sustainability as one of the key driving forces to the growth of the Group and creation of value to our stakeholders. We believe that the environmental, social and governance (“**ESG**”) areas and aspects listed in Appendix 20 – ESG Reporting Guide to the GEM Listing Rules (“**ESG Guide**”) are significant considerations for our business planning and operation.

The Group follows the ESG Guide, and its principles of materiality, quantitative, balance and consistency and references the GRI Sustainability Reporting Standards issued by the Global Reporting Initiative to define the report content.

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

## REPORTING PERIOD AND SCOPE

Reporting Period: 1 January 2023 to 31 December 2023 (the “**2023 Reporting Period**”)

Reporting Scope: According to market research, the Group was one of the largest operators in providing human resources outsourcing and recruitment services to Singapore government agencies and non-profit organisations (“**NPOs**”) in terms of revenue generated from the public sector. This ESG Report covers the Group’s principal business of providing human resources services including human resources outsourcing services and human resources recruitment services operating mainly in Singapore and Hong Kong.

## ESG VISION

The Group aims to further strengthen its position in the human resources industry in Singapore and at the same time, develop human resources business in the Hong Kong market. We have planned and operated our business under the principles of minimising the risks associated with the ESG areas and aspects listed in the ESG Guide. These principles include but not limited to complying with legal and regulatory requirements, adhering to high ethical standards, stopping and lessening negative impacts on the environment, improving the well-being of the employees, enhancing the relationship with the business counter-parties, offering high quality services to the clients, creating value to the stakeholders and supporting the disadvantaged and the community.

## STAKEHOLDER COMMUNICATION AND MATERIALITY

The Group values inputs and feedbacks of its stakeholders including shareholders/investors, employees, clients, suppliers, service providers, professional advisers, NPOs partners and industry associations, and strives to address their concerns. We have established various communication channels in below table to maintain liaison with them:

Stakeholders	Communication Channels
Shareholders/Investors	<ul style="list-style-type: none"><li>• General meetings</li><li>• Information published on websites of the Company or the Stock Exchange of Hong Kong such as annual, interim reports, announcements, circulars, etc.</li><li>• Direct emails or phone enquiries to the Company</li></ul>

# Environmental, Social and Governance Report

Stakeholders	Communication Channels
Employees	<ul style="list-style-type: none"><li>• Direct meeting with management executives</li><li>• Intranet such as email and Microsoft Teams</li><li>• Annual Progress review</li><li>• Organised functions and activities for the employees</li></ul>
Clients	<ul style="list-style-type: none"><li>• Day-to-day communication through front line staff</li><li>• Client hotline</li><li>• Official websites</li></ul>
Suppliers/Service providers/ Professional advisers	<ul style="list-style-type: none"><li>• Day-to-day communication through front line staff</li><li>• Regular review of the signed arrangements by the management</li></ul>
NPOs partners	<ul style="list-style-type: none"><li>• Volunteer activities</li><li>• Sponsorships and donations</li></ul>
Industry associations	<ul style="list-style-type: none"><li>• Participation in annual and regular meetings, conferences, events, etc.</li></ul>

Through various means of communication, the Group and its stakeholders have identified the following ESG material areas and aspects:

- Environmental practices and their performance;
- Employment especially on development and training;
- Quality of services and customers satisfaction;
- Customer data and information protection;
- Anti-corruption; and
- Community support and contribution.

The above ESG material areas and aspects have been strictly managed through the Group's established management structure, process, policies and guidelines as described in last year ESG report and are re-summarised below:

The Board is responsible for formulating and setting goals and targets, approving strategic direction and policies, and monitoring performance including ESG issues and has delegated the chief executive officer of the Group and one executive director (collectively, the "**Management Team**") to implement accordingly. In respect of ESG management and reporting, the Management Team has arranged and instructed various departmental managers with the following responsibilities:

- Implement the approved ESG policies, rules and regulations;
- Collect and compile data and statistics on ESG related issues; and
- Analyse and report on the compliance and performance of the ESG related issues.

# Environmental, Social and Governance Report

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

The Group fully understands that ESG policies and practices may change over time to reflect the changes in business operations, structures, technology, laws and regulations, and environment. The Group has continued to provide adequate resources to monitor the ESG issues, policies, practices, and performance on an ongoing basis, and has maintained high ethical standards on conducting business and complying strictly with all relevant laws, rules and regulations to achieve sustainable development of the environment and society and bring benefits to our employees and other stakeholders.

The ESG issues and performance of the Group's operations in Singapore and Hong Kong, in particular on the material areas and aspects during the Year, are summarised below:

## A. ENVIRONMENTAL AREAS AND ASPECTS

### 1.1 ENVIRONMENTAL AREAS

The Group supports a "Green Environment" and has implemented policy measures to ensure our operations to be:-

- energy, water and resources saving;
- non-detrimental towards the environment; and
- strictly abides to the local environmental laws, rules and regulations.

We have also continued to work on raising the environmental awareness among our employees and business associates and contacts to protect the environment by implementing green practices.

Since the Group's principal business is to provide human resources services including human resources outsourcing services and human resources recruitment services, our activities are therefore operating under normal in-office environment. We only consume electricity and fresh water, printing paper and office utensils. We do not produce, emit or discharge any hazardous pollutants or polluted water.

### 1.2 ENVIRONMENTAL ASPECTS

#### A1. Emissions and Wastes

As the Group only operates under a normal in-office environment and does not operate any transportation fleet, we therefore do not directly generate any hazardous gases such as NO<sub>x</sub>, SO<sub>x</sub>, greenhouse gases ("GHG") such as carbon dioxide ("CO<sub>2</sub>") and its non-hazardous equivalents including nitrous oxide, and methane (collectively with CO<sub>2</sub>, "CO<sub>2</sub>e"). However, we do indirectly generate CO<sub>2</sub>, a primary contribution to global warming, through the use of electricity.

As means to save costs, reduce indirect CO<sub>2</sub>, and to combat global warming, we target to control our electricity consumption, and have introduced measures to ensure that power is turned off when work is not being carried out, encourage the use of natural ventilation to replace air-conditioning in allowable conditions, and all air-conditioners' temperature should not be lower than 24°C under normal conditions. The Group has also invested in energy saving tools and equipment such as the purchase of energy-saving copier and computers, installation of LED lights, and has encouraged the employees to use teleconferencing to reduce their flight travels, and to use public transport during works in the city.

# Environmental, Social and Governance Report

(i) Indirect CO<sub>2</sub> emissions

As compared to 2022, the Group has minimised electricity usage in our Singapore and Hong Kong offices, thus contributing to a lower CO<sub>2</sub> emission in 2023. We target to lower the indirect CO<sub>2</sub> emissions further by 1-2% in the coming year.

The table below sets out the comparison of the resultant air pollutant emissions during the period from the 2023 Reporting Period and the period from 1 January 2022 to 31 December 2022 (the "2022 Reporting Period"):

Items of emissions	Unit	Year ended 31 December		
		2023	2022	Changes
CO <sub>2</sub> Indirect emission				
– Singapore	Tonnes	11.23	12.14	(7.5%)
– Hong Kong	Tonnes	2.60	3.86	(32.6%)
<b>Total (CO<sub>2</sub>)</b>	Tonnes	13.83	16.00	(13.6%)
Intensity				
– CO <sub>2</sub> /employee in Singapore	Tonnes	0.26	0.24	8.3%
– CO <sub>2</sub> /employee in Hong Kong	Tonnes	1.30	0.96	35.4%

(ii) Polluted Water Discharges

The Group does not generate any hazardous water. We only consume an insignificant amount of water for employees' daily hygiene needs. The water is sourced and discharged without any problems through the offices centralised water supply and discharge network.

(iii) Hazardous and Non-hazardous Wastes

The Group's human resources services only produces general office wastes, mainly used paper and office utensils. Most of these wastes are non-hazardous. However, a small amount of hazardous wastes such as printer toner cartridges, ink boxes and batteries are generated. For the obsolete and old electronic devices such as computers, we donate them to charity organisations. For the printer toner cartridges and ink boxes, we attempt to reduce them through the minimisation of printing. The remaining wastes are collected regularly by qualified collectors, who disposed of them in an environmental friendly process.

For the 2023 Reporting Period, same as the 2022 Reporting Period, the Group had no non-compliance, fines, disputes or warning notices received in relation to hazardous and non-hazardous air emissions and wastes disposal, and polluted or clean water discharges. In the coming year, we are confident that our measures in controlling our activities will continue to bear result, with no air, water and wastes pollutant unreasonably produced. For the paper usage, please refer to Section A2(ii).

# Environmental, Social and Governance Report

## A2. Use of Resources

Given the in-office nature of our business activities, we only consume electricity, fresh water and printing paper and ink. We are conscious of our responsibility of conserving natural resources. We have approved and implemented clear environmental policy and measures with the target of green practices without pollution and saving scarce resources.

Our use of electricity, printing papers and water for the 2023 Reporting Period and 2022 Reporting Period were recorded as follows:

### (i) Efficient Use of Energy

Electricity Consumption by Operation	Unit	Year ended 31 December		
		2023	2022	Changes
– Singapore	kWh	26,934	27,335	(1.5%)
– Hong Kong	kWh	3,830	5,430	(29.5%)
<b>Total</b>	kWh	30,764	32,765	(6.1%)
Intensity				
– kWh/employee in Singapore		626.37	546.70	14.6%
– kWh/employee in Hong Kong		1,915.00	1,357.50	41.1%

Electricity is sourced from the city grid line which is the only source of energy used for our offices' daily operations.

Total electricity consumption in 2023 was 6.1% lower than 2022 at 30,764 kwh. However, the average electricity consumption per employee increased in Singapore and Hong Kong by 14.6% and 41.1% respectively as compared to 2022 Reporting Period. The decrease in electricity consumption is proportionately less than the decline in the number of employees. The Group continues to encourage our employees to use electricity efficiently and in an environmental friendly manner by establishing the following energy-saving initiatives in our daily operations:

- Turn off electrical appliances, lights in a timely manner and when not in use;
- Install and use energy-saving electrical appliances; and
- Control heating and cooling devices with time controls.

For the coming year, we will persist to enforce energy saving practices and target to lower the electricity consumption by 1-2%.

### (ii) Efficient Use of Paper

Non-Hazardous Waste (Paper)	Unit	Year ended 31 December		
		2023	2022	Changes
– Singapore	Pieces	12,157	54,000	(77.49%)
	Kilograms <sup>1</sup>	8	35	(77.14%)

Note 1: Conversion factors for paper are based on data published by Conversion.org.

# Environmental, Social and Governance Report

The Group has been successful in encouraging employees and clients to go paperless as much as possible by limiting printouts, communicating digitally and implementing digital signature in Singapore. Total paper consumption by the Group drastically dropped by approximately 77% year-on-year as compared to 2022 Reporting Period.

The Group continues to push for the reduction in usage of printing paper, which would save costs and the following paper usage reduction measures are effectively implemented:

- Avoid unnecessary printing and print on both sides;
- Use recycled papers and reuse paper-made products such as envelopes and folders; and
- Replace papers communication and files electronically.

For the coming year, we will persist to enforce paper saving practices and target to lower the paper consumption by 1-2%.

## (iii) Consumption of Fresh Water

Fresh water is supplied from the city water system and used mainly for our employees' daily general hygiene needs which the amount used is marginal and determined to be immaterial. Moreover, as the water consumption fees are included in the office management fees, we therefore do not have the water consumption data. We continue to encourage employees to use fresh water wisely to conserve water.

## A3. The Environment and Natural Resources

Although the Group's business and operations have an insignificant impact on the environment and natural resources usage, the Group continues to act responsibly to the environment by reducing and saving natural resources consumption, and constantly reviewing ways and means to accomplish further resources savings and environmental protection. It is not just for costs saving, it is also for conserving natural resources and the environment for tomorrow.

Throughout the 2023 Reporting Period, same as the 2022 Reporting Period, the Group did not receive any warning or complaint notice from any governmental environmental agencies, clients or business partners for the violation of any environmental rules and regulations, polluting the environment or causing any environmental troubles. For the coming year, we will continue to strive to achieve zero complaint for pollution issues.

## A4. Climate Change

The Group's Management Team identifies global warming as the most significant climatic issue that may impact the Group after communicating with its stakeholders and evaluating the Group's operations in light of the current global environmental conditions. This climatic issue not only affects our environment, but also impinges on the operation costs of the Group.

Global warming is mainly caused by the excessive release of CO<sub>2</sub> into the atmosphere, which is direct and indirect result of the uses of fossil fuels for transportation and electricity generation. For the 2023 Reporting Period, although the Group's operations and activities did not generate any CO<sub>2</sub> directly, we did generate CO<sub>2</sub> indirectly by consuming electricity. We have implemented policies and measures, as explained in prior sections, to use electricity efficiently in order to reduce our CO<sub>2</sub> emission. Furthermore, we have implemented less-paper office to curb our contribution to global warming.

For the 2023 Reporting Period, the Group's business operations and activities, except for the above issue, did not lead to any events or issues that may impact the climate significantly. The Group has also been taking measures to lower the indirect emission of CO<sub>2</sub> for the coming year.

# Environmental, Social and Governance Report

## B. SOCIAL

### 2.1 EMPLOYMENT AND LABOUR PRACTICES AREAS

The Group's business development and growth relies heavily on the commitment, passion and skills of our employees. We value our employees as our most valuable asset. We are committed to comply with all the laws, rules and regulations on the employment arrangements of Singapore and Hong Kong, providing a safe, healthy and equitable working environment, offering equal opportunities to all employees on recruitment, promotion, compensation and benefits. We strive to strengthen our human resources management with employees oriented policies to encourage motivation and innovation, and to protect the interests and legal rights of our employees, and ultimately to achieve a positive, constructive and harmonious relationship with our employees.

### 2.2 EMPLOYMENT AND LABOUR PRACTICES ASPECTS

#### B1. Employment

The Group recognises our employees as one of the most important key contributor to our business and growth, we are committed to ensure a comprehensive, efficient and humanistic approach to manage its human capital such that both the Group and our employees can continue to grow and to prosper together.

The Head of the Human Resources of the Group has been charged with the responsibility and duty to ensure all the statutory obligations of the Group has been fulfilled and complied with in a legitimate manner. As the Group only maintains offices, and mainly provides human resources outsourcing services as well as human resources recruitment services in Singapore and Hong Kong, its employment policies, rules and regulations and contractual arrangements are subject to and in compliance with respective local relevant laws, rules and regulations relating to employment, including but not limited to the Employment Act ("**EA**") (Chapter 91) and Central Provident Fund Act ("**CPFA**") (Chapter 36) of Singapore and the Employment Ordinance ("**EO**") (Chapter 57 of the Laws of Hong Kong) and the Mandatory Provident Fund Schemes Ordinance ("**MPFSO**") (Chapter 485 of the Laws of Hong Kong) of Hong Kong. The EA and CPFA, and EO and MPFSO set out the basic terms and conditions at work for employees in Singapore and Hong Kong, respectively, such as payment of salary, paid public holidays, sick leave, maternity leave, rest days, hours of work, and other conditions of service such as compensation and dismissal, social insurance, recruitment and promotion, performance assessment, other benefits and welfare, equal opportunities, diversity, anti-discrimination, etc.

On employment, the Group has adopted a mixed policy of external recruitment and internal promotion for vacancies. All vacancies are open to all with equal opportunities, to be decided with no discrimination on sex, religion, gender, age and disability, and to be selected on qualifications, skills and competency basis. All successful employees must enter into proper and standardised contracts in writing between the respective employees and the Group. Employees' remuneration is determined with reference to the prevailing market level as well as their competence, qualifications and experience. Such employment policies and practices apply not only to employees working directly in the Group, they also apply to outsourcing employees who are employed by the Group but seconded to work for our clients.

The Group provides and maintains statutory benefits to all qualified employees in accordance with the requirements of the EA and CPFA of Singapore and EO and MPFSO of Hong Kong, and other applicable laws (e.g. Skills Development Levy Act) where appropriate, including but not limited to central provident fund, mandatory provident fund, social security insurance, medical insurance, work injury insurance and compensation and statutory holidays.

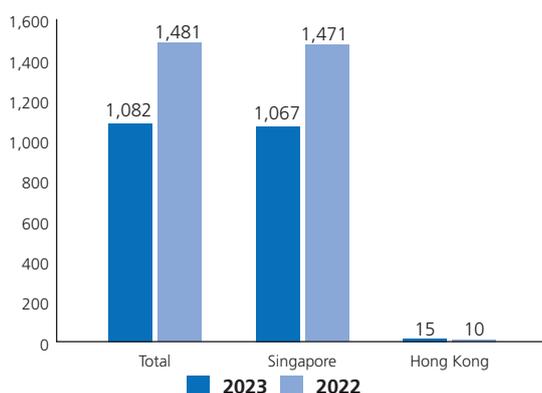
Employees' remuneration are determined with reference to the prevailing market level in line with their competency, qualifications and experience. Discretionary bonuses of such amounts and at such intervals for internal employees will be rewarded at the discretion of the top management with consideration on performance.

# Environmental, Social and Governance Report

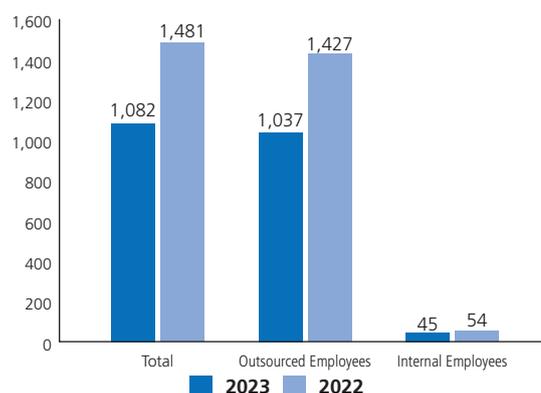
In short, the Group continues with the employment policies, practices and procedures in relation to recruitment, promotion, dismissal and anti-discrimination with the purpose to build a fair and equitable work environment for all, regardless of age, gender, family and marital status, sexual orientation, ethnicity, and religion or other characteristics, and to promote team spirit and mutual respect in all our offices, to encourage employees to communicate open-heartedly, which will drive innovation and create win-win relationships.

As at 31 December 2023, the Group employed a total of 1,082 employees, among which 45 employees worked for the Group's operations (as "**Internal Employees**") and 1,037 employees were seconded to work for the clients (as "**Outsourced Employees**"). Further analysis of the Group's employment situations for the 2023 Reporting Period and 2022 Reporting Period are summarised below:

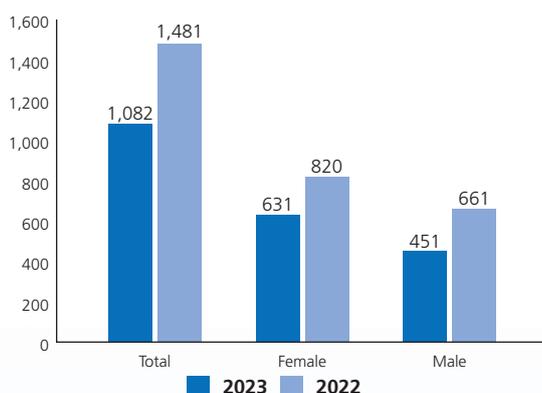
**Figure 1: Number of Employees by Country**



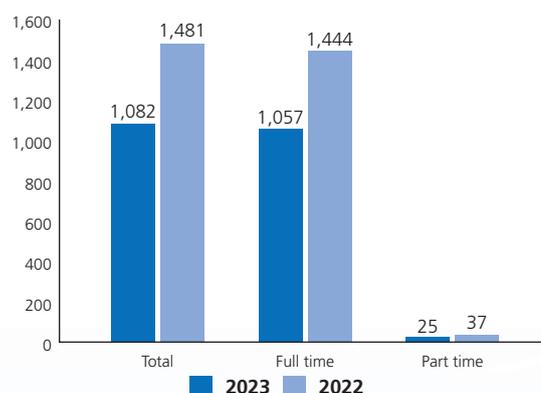
**Figure 2: Number of Internal Employees and Outsourced Employees**



**Figure 3: Number of Employees by Gender**

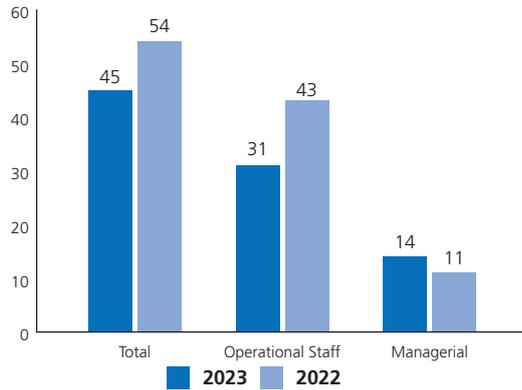


**Figure 4: Number of Employees by Employment Type**

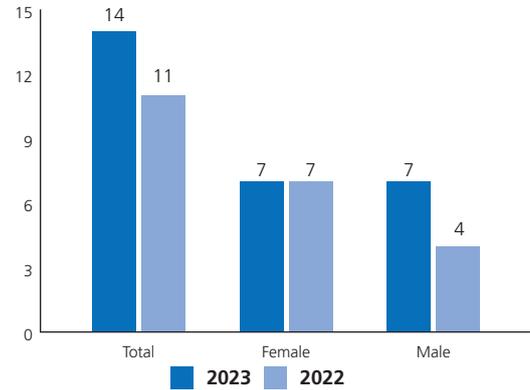


# Environmental, Social and Governance Report

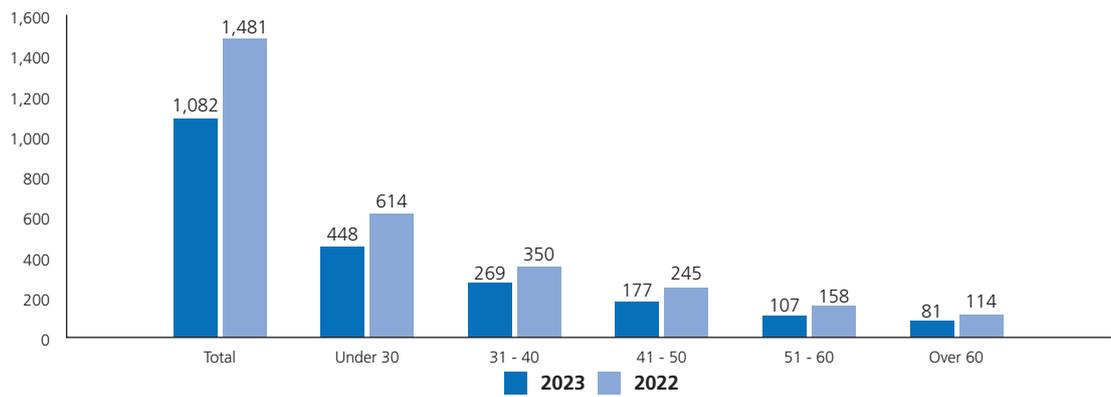
**Figure 5: Number of Internal Employees by Operation Role**



**Figure 6: Number of Managerial Employees by Gender**



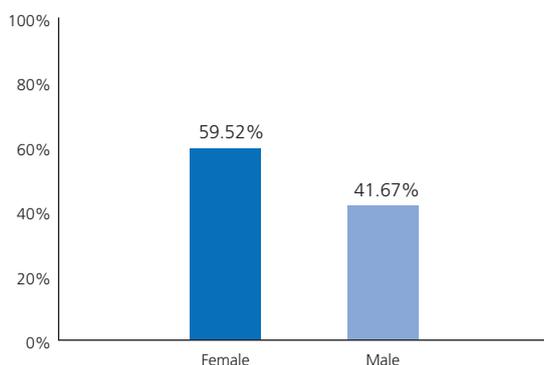
**Figure 7: Number of Employees by Age**



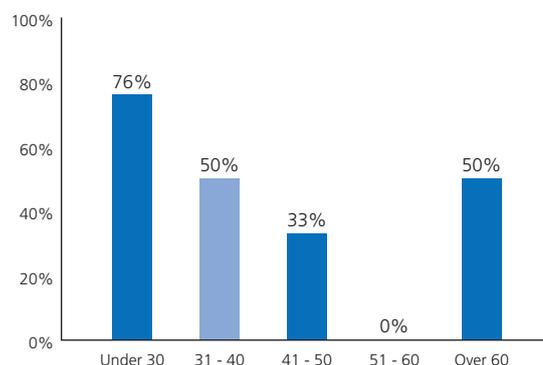
# Environmental, Social and Governance Report

Overall, the number of Internal Employees within the Group has dropped from 54 at the beginning of 2023 to 45 at the end of 2023. Below is the breakdown of the employment turnover for Internal Employees by gender, age group and geographic region during the 2023 Reporting Period:

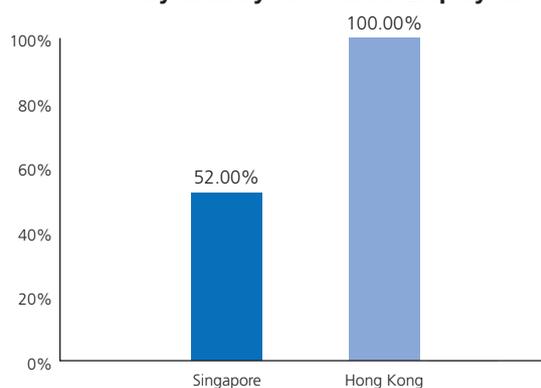
**Figure 8: Employee Turnover Rate by Gender for Internal Employees**



**Figure 9: Employee Turnover Rate by Age for Internal Employees**



**Figure 10: Employee Turnover Rate by Country for Internal Employees**



The Group honoured all obligations to our employees including the payment of salaries and wages, holidays and leave, compensation, insurance and health benefits without disputes, violations or litigation related to employment and labour for the 2023 Reporting Period as well as the 2022 Reporting Period.

# Environmental, Social and Governance Report

## B2. Health and Safety

The Group at all times provides a safe working environment in its offices to prevent employees from injuries and accidents, and adopts an “**employee-oriented**” human resources policies which aim to provide a happy, harmonious, safe and healthy working environment to minimise the risk of any occupational hazards. Work safety rules and policies, which are in all material aspects in compliance with all the relevant laws, rules and regulations relating to safety and health requirements of Singapore and Hong Kong including the Workplace Safety and Health Act (“**WSHA**”) (Chapter 354A) and Work Injury Compensation Act 2019 (“**WICA**”) of Singapore, and Occupational Safety and Health Ordinance (“**OSHO**”) (Chapter 509 of the Laws of Hong Kong) and Employees’ Compensation Ordinance (“**ECO**”) (Chapter 282 of the Laws of Hong Kong) of Hong Kong, have been implemented. The Group has assigned safety officers to regularly inspect and to alert employees to take precautionary measures to ensure that the workplace is safe. The Group has also provided regular trainings to employees to perform their jobs safely.

In accordance and in compliance with the statutory requirements of Singapore, the Group has maintained workmen compensation insurance for all the Internal Employees and Outsourced Employees employed by the Group in Singapore as stipulated by the Ministry of Manpower of Singapore. In addition, the Group has to cover the medical consultation fee for employees who worked at least 3 months with the Group and thus, we have outpatient medical insurance to cover this for all Internal Employees. Although it is not a statutory requirement, all Internal Employees employed by the Group are covered with group hospitalisation, surgical and dental policies. For contract workers, they will be covered on a case by case basis. While in Hong Kong, the Group maintains employee compensation insurance that includes work injury for our employees in Hong Kong under regulatory requirements. These policies and insurance compensation cover all qualified employees to protect their safety and health against occupational hazards, accidents and sickness. The Group has also equipped the offices with all the required safety equipment and facilities, and has passed all the governmental safety inspections.

During the 2023 Reporting Period, the Group did not have any injuries or accidents with our Internal Employees in our offices but had 5 cases of light and medium injuries suffered by our Outsourced Employees in Singapore. All these injuries were related to fainting, trip and fell during the course of work. 2023 Reporting Period also recorded one case of death which occurred after office hours and the cause of death was unknown as the Outsourced Employee had pre-existing health condition. In total, 2023 Reporting Period recorded 32 cases (including death) less than the 2022 Reporting Period (2022: 38 cases). The high number of cases in 2022 Reporting Period was mainly attributable to our Outsourced Employees in Singapore being diagnosed with COVID-19. Furthermore, the Group had zero work-related fatalities during the course of work in the past five years including the 2023 Reporting Period in any of our operations.

All of the injured and COVID-19 diagnosed employees had well been taken care of under the insurance policy. The Group did not have any disputes and litigations with employees on compensation or work-related injuries and fatalities, or non-compliance cases in relation to safety laws and regulations for the 2023 Reporting Period and the 2022 Reporting Period. For the coming year, the Group targets to maintain a clean record on health and safety.

# Environmental, Social and Governance Report

## B3. Development and Training

The Group understands that human capital plays a large part of our businesses. We support continuous learning and training on the development of our employees. We encourage our employees to proactively identify their training needs and seek development to fulfil their personal and career aspirations and provide educational sponsorship to motivate them to pursue further study.

In relation to training, we have established a series of internal training programmes to ensure all our employees have received a subsistence level of training such as all newly-hired employees will be offered orientation programmes to familiarise with the Group's structure, general working environment and work culture; on-the-job programmes and guidance from supervisors will also be provided to enhance their technical or product knowledge. As per clients' request, the Group will provide training programmes to our Outsourced Employees to prepare them to render quality services to meet our clients' standards. For senior managers, opportunities to attend external training programmes/workshops/seminars are provided to strengthen the consciousness of enterprise management.

The Group is committed to providing training to our Internal Employees as evidenced by the increase in the number of both internal and external trainings, as well as the number of employees trained and training hours.

Below is the breakdown stating the percentage of Internal Employees during the 2023 Reporting Period and the 2022 Reporting Period by gender and employee category:

	<b>Internal Training</b>	<b>External Training</b>
<b>% of employees trained by gender</b>		
<b>Male</b>		
2023	30.77%	30.77%
2022	0.00%	31.25%
<b>Female</b>		
2023	69.23%	69.23%
2022	100.00%	68.75%
<b>% of employees trained by operational role</b>		
<b>Managerial</b>		
2023	69.23%	53.85%
2022	0.00%	25.00%
<b>Operational</b>		
2023	15.38%	0.00%
2022	100.00%	50.00%
<b>General</b>		
2023	15.39%	46.15%
2022	0.00%	25.00%

# Environmental, Social and Governance Report

Below is the breakdown stating the hours of training provided to Internal Employees during the 2023 Reporting Period and the 2022 Reporting Period by gender and employee category:

	<b>Internal Training</b>	<b>External Training</b>
<b>Average training hours per employee</b>		
2023	95.23	17.47
2022	0.44	120.44
<b>Number of training hours by gender</b>		
<b>Male</b>		
2023	41.50	113.00
2022	–	2,248.00
<b>Female</b>		
2023	4,244.00	673.00
2022	24.00	4,255.50
<b>Number of training hours by operational role</b>		
<b>Managerial</b>		
2023	4,243.50	699.00
2022	–	6,174.50
<b>Operational</b>		
2023	21.00	–
2022	24.00	252.00
<b>General</b>		
2023	21.00	87.00
2022	–	77.00

Given the severe competition in the human resources industry especially in the outsourcing sector, the Group will continue to provide internal and external training programmes to our internal workforce to improve their on-the-job skills in the coming years. The Group is currently reviewing and considering reintroducing certain tailor-made fast track training programmes to our Outsourced Employees to increase their adaptability and suitability for the latest job vacancies, which will help to improve the competitiveness of our outsourcing workforce.

#### B4. Labour Standards

The Group strictly complies with all the relevant laws, rules and regulations including but not limited to the EA and CPFA of Singapore and EO and MPFSO of Hong Kong, and adopts the respective national standards as its minimum labour standard on labour protection and welfare. The Group maintains strict compliance with the laws in relation to equal employment opportunities and prevention of child or forced labour including recruitment, dismissal, promotion, leave, holidays, benefits as well as ensuring equal employment opportunities to all genders, ages, races and religions. The Group is also against any form of child or forced labour. As a legal formality, the Group maintains the private files of the employees on confidential basis.

For the 2023 Reporting Period, same as the 2022 Reporting Period, the Group honoured all its obligations towards the employees and has built a safe, healthy, harmonious and pleasant working environment in all our offices, and no labour disputes or litigations was reported.

# Environmental, Social and Governance Report

## 2.3 OPERATION PRACTICES ASPECTS

### B5. Supply Chain Management

Given the nature of our business operation, the Group only needs to purchase general office stationery and supplies, which are small in term of quantities and dollar amount compared to the total operation expenses. We therefore do not require to set up a purchase division and to formulate comprehensive purchase policies, rules and regulations. Our finance and accounting department has taken the general purchases role and normally procures those office items locally.

Although the Group does not make a large amount of purchases, it applies an open, fair and standardised process in procuring goods and services that adheres to our internal control requirements. This helps ensure fair pricing and acquisition of quality supplies and services. Furthermore, the Group tries to purchase items which are environmental friendly and from official suppliers especially the purchase of professional software. The Group does not see its purchases posing any environmental and social risks to the society at large.

### B6. Product Responsibility

Product responsibility refers to the quality of the products and services provided in relation to health and safety, advertising, labelling and privacy matters. In our case, as a human resources provider, no physical product is produced and only services are provided, the key product responsibilities are therefore on providing accurate and useful information, meeting the satisfaction and privacy matters of our clients.

For our human resources outsourcing service business, the important factors are the capability to select suitable employees and train up quality employees for the designated jobs, while for our human resources recruitment service business, the critical factors are the ability to screen and select the right potential candidates for the vacancies. The Group is committed to providing accurate and true service information to customers, and through many years of operation has developed very detailed human resources outsourcing and recruitment processes and systems, which are able to meet the requirements and to give satisfactions to our clients.

For the 2023 Reporting Period, same as the 2022 Reporting Period, the Group continued to provide and maintain good quality services to our clients.

### Intellectual Property Rights

With regard to intellectual property rights (“**IPR**”), the Group acknowledges and complies with all the relevant laws and rules. The Group has registered its own trademark in Singapore and domain name. The Group uses only original software such as Adobe creative suite, Jobscience, Microsoft 365, MYOB, Salesforce CRM, SAP, SEO powersuite and Tris portal and pays the licensing fees.

For the 2023 Reporting Period, same as the 2022 Reporting Period, there was no infringement by third parties on our IPR or by ourselves to any IPR of third parties reported.

# Environmental, Social and Governance Report

## Privacy

As a human resources services provider, the Group has obtained and possessed a substantial amount of personal data of the individual candidates and the confidential commercial information of the clients in the form of a consolidated database. Pursuant to the Personal Data (Privacy) Ordinance (“**PDPO**”) (Chapter 486 of the Laws of Hong Kong) of Hong Kong and the Personal Data Protection Act 2012 (“**PDPA**”) of Singapore, the Group is obliged to keep all such data confidential. If there is any breach of confidentiality or failure to comply with the protection, collection, use and disclosure of personal data as prescribed under the PDPA and PDPO, resulting in personal data related to individual candidates being leaked to or obtained by third parties as a result of its breach of confidentiality, individual candidates and the clients may take legal action against the Group for damages and/or compensation for the loss that may have arisen or been incurred therefrom, in addition to being subject to the penalties prescribed under the PDPA and/or PDPO. To safeguard the security and confidentiality of the data and information in its database, the Group has restricted their access only to authorised and approved personnel and stored them in physically secured environment.

For the 2023 Reporting Period, same as the 2022 Reporting Period, there was no privacy information leakage reported.

## B7. Anti-Corruption

The Group has established an “Internal Control System”, under which the audit committee of the Company (“**Audit Committee**”) is authorised by the Board to create an anti-corruption and anti-fraud process and procedure to regulate the conduct and behaviour of employees, create an atmosphere of integrity and honesty, and prevent prejudice to the Group’s interest. The internal control reviewer is responsible for counter-checking and taking up the remedial actions.

Employees are prohibited from receiving any advantages offered by customers, suppliers, colleagues or other parties while they are performing employees duties, and are prohibited from any activities involving conflicts of interest, bribery, extortion, fraud and money laundering. The employment contracts and employee handbook have laid out the Group’s expectation and the code of conduct.

With the implementation of clear policies and well-structured processes on sales, operation, database control and finance, and the adoption of a high code of conduct, and a zero-tolerance on bribery and corruption in any form or at any level in association with any aspect of the Group’s activities, the Group for the 2023 Reporting Period, same as the 2022 Reporting Period, reported no bribery nor corruption case.

In addition, whistleblowing policy and procedures have been established for reporting possible improprieties. Whistle-blowers are protected under the policy and ensured non-retaliation, and all information are kept confidential. Various independent channels have been established to facilitate identification of suspected fraud and non-compliance cases.

## B8. Community Investment

The Group continues to contribute to the society by providing training and soliciting jobs for hundreds of unskilled and semi-skilled workers, which are improving their lives.

The Group also actively supports and encourages employees and their family members to be involved in charitable, volunteering, cultural, educational and community support services activities. The employees may apply to the management for paid leave to perform those activities.

The Group encourages and educates all employees to practice green and to participate in environmental activities.

# Corporate Governance Report

The Company is committed to fulfilling its responsibilities to the Shareholders and protecting and enhancing Shareholders' value through good corporate governance.

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

## CORPORATE GOVERNANCE PRACTICES

The Company has adopted and, save for the deviation from code provision C.2.1 of the Corporate Governance Code set out in Appendix C1 to the GEM Listing Rules ("**CG Code**") as disclosed in this annual report, has complied with applicable code provisions as set out in the CG Code during the Year.

## SECURITIES TRANSACTIONS BY DIRECTORS

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

## BOARD OF DIRECTORS RESPONSIBILITIES

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

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

## COMPOSITION

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

# Corporate Governance Report

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

## EXECUTIVE DIRECTORS

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

## NON-EXECUTIVE DIRECTOR

Ms. Han Wenxian (retired on 27 June 2023)

## INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Foo Siang Tse (appointed on 24 May 2023)  
Mr. Michael Lin Daoji  
Mr. Ong Kian Guan  
Mr. Koh Shian Wei (resigned on 14 January 2023)  
Mr. Mr. Liang Qian Yuan (retired on 27 June 2023)

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

Mr. Chew Chee Kian (“**Mr. Chew**”) is an executive Director, chief executive officer of the Company, chairman and compliance officer of the Company, one of the controlling shareholders of the Company and the spouse of Ms. Yong Yuet Han.

Ms. Yong Yuet Han (“**Ms. Yong**”) is an executive director, one of the controlling shareholders of the Company and the spouse of Mr. Chew.

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

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

Throughout most time of the Year, the Company had three independent non-executive Directors, which has met the required minimum number of independent non-executive directors, and also has met the requirement that at least one of the independent non-executive Directors has appropriate professional qualifications or accounting or related financial management expertise.

The Company considers that all the independent non-executive Directors are independent and have met the independence guidelines as set out in Rule 5.09 of the GEM Listing Rules.

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

# Corporate Governance Report

## DIRECTORS' INDUCTION AND CONTINUING PROFESSIONAL DEVELOPMENT

Each newly appointed Director receives a formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure that he/she has a proper understanding of the Company's operations and business and is fully aware of his/her responsibilities under the statutes and common law, the GEM Listing Rules, legal and other regulatory requirements and the Company's business and governance policies. Each Director has confirmed that he/she can give sufficient time and attention to the Company's affairs and has regularly provided information on the number and nature of offices held in public companies or organisations and other significant commitments, including the identity of such companies or organisations and an indication of the time involved. The Directors had attended training sessions on obligations, duties and responsibilities of directors conducted by the Company's Hong Kong legal advisers.

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

Name of Directors	Type of trainings
Mr. Chew Chee Kian	A, B
Ms. Yong Yuet Han	A, B
Mr. Foo Siang Tse (appointed on 24 May 2023)	A, B
Mr. Michael Lin Daoji	A, B
Mr. Ong Kian Guan	A, B
Ms. Han Wenxian (retired on 27 June 2023)	A, B
Mr. Koh Shian Wei (resigned on 14 January 2023)	A, B
Mr. Liang Qianyuan (retired on 27 June 2023)	A, B

A: attending seminars/conferences/forums

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

## BOARD MEETINGS

During the Year, the Board held four Board meetings. The Board is scheduled to meet four times a year at approximately quarterly intervals with notice given to the Directors at least 14 days in advance. For all other Board meetings, notices were given in a reasonable time in advance. The Directors were allowed to include any other matters in the agenda that is required for discussion and resolution at the meeting. To enable the Directors to be properly briefed on issues arising at the Board meetings and to make informed decisions, an agenda and the accompanying Board papers together with all appropriate and relevant information in relation to the matters of the meetings were sent to all Directors at least three days before the intended date of each regular Board Meeting and three days or such other period as agreed before each other Board meeting. All Directors had access to the advice and services of the company secretary of the Company (the "**Company Secretary**") with a view to ensure that Board procedures and all applicable rules and regulations are followed. The Company Secretary is responsible for keeping all minutes of Board meetings. Draft and final versions of the minutes are normally circulated to the Directors for comments and record within a reasonable time after each meeting and the final version is open for the Directors' inspection. In compliance with the GEM Listing Rules, any Directors and their associates (as defined in the GEM Listing Rules) with a material interest in the transactions discussed at the Board meetings were abstained from voting on resolutions approving such transactions and were not counted in the quorum of the meetings, if any.

# Corporate Governance Report

## DIRECTORS' COMPETING BUSINESS

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

## BOARD DIVERSITY POLICY

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

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

The Board believes that gender diversity is a representing manifestation of board diversity, among all other measurable objective. Under the Board Diversity Policy, the Company aims to maintain a 30% female representation in the Board. As at the date of this annual report, one out of five Directors are female.

The Board reviews the implementation of the Board Diversity Policy to ensure the effectiveness of the policy annually.

## DIVIDEND POLICY

The Group has adopted a dividend policy with effect from 1 January 2019 in compliance with code provision F.1.1 of the CG Code. The dividend policy aims to set out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profit, as dividends to the shareholders of the Company. The Board will review the policy from time to time. Major principles under the dividend policy are set out below:

- The Board has the discretion to declare and distribute dividends to the shareholders of the Company, subject to the Articles of Association and all applicable laws and regulations and the factors set out below.
- The Board shall also take into account the following factors of the Group when considering the declaration and payment of dividends, including financial results, cash flow situation, business conditions and strategies, future operations and earnings, capital requirements and expenditure plans, interests of shareholders, any restrictions on payment of dividends and any other factors that the Board may consider relevant.
- Depending on the financial conditions of the Group and the conditions and factors as set out above, dividends may be proposed and/or declared by the Board for a financial year or period as interim dividend, final dividend, special dividend and any distribution of net profits that the Board may deem appropriate.
- Any final dividend for a financial year will be subject to shareholders' approval.
- The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate.
- Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance with the Articles of Association.

# Corporate Governance Report

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to code provision C.2.1 of the CG Code, 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.

## BOARD COMMITTEES

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

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

## AUDIT COMMITTEE

The Company established the Audit Committee ("**AC**") on 21 June 2017 with written terms of reference in compliance with the code provision D.3.3 of the CG Code. The primary duties of the AC 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 AC consists of three (2022: three) independent non-executive Directors, namely Mr. Ong Kian Guan ("**Mr. Ong**"), Mr. Michael Lin Daoji ("**Mr. Lin**") and Mr. Foo Siang Tse ("**Mr. Foo**"). Mr. Ong is the chairman of the AC. Mr. Foo, an independent non-executive Director, was appointed on 24 May 2023. Mr. Koh Shian Wei ("**Mr. Koh**") resigned on 14 January 2023 and Ms. Han Wenxian ("**Ms. Han**"), a non-executive Director, was appointed as a member of the AC on the same date to fill in the casual vacancy. Ms. Han retired at the conclusion of the annual general meeting of the Company held on 27 June 2023 (the "**AGM**") and ceased to be a member of the AC on the same date.

The AC reviewed the engagement of an external independent consultant to provide internal audit function for the Year, which comprises, inter alia, enterprise risk assessment, review the internal control system and corporate governance compliance/practice of the Group. The AC also reviewed the quarterly, half-yearly and annual results of the Group for the Year, and is of the view that such statements and reports 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.

The AC held a meeting on 27 March 2024 and reviewed the consolidated financial statements of the Group for the Year and this annual report and is of the view that such statements and report 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.

# Corporate Governance Report

## REMUNERATION COMMITTEE

The Company established the Remuneration Committee (“**RC**”) on 21 June 2017 with written terms of reference in compliance with code provision E.1.2 of the CG Code. The RC has adopted the recommendation model described in E.1.2(c)(ii) of CG code. The primary duties of our RC are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group; review performance based remuneration; and ensure none of the Directors determine their own remuneration. Our RC consists of three (2022: three) members, namely Mr. Koh, Mr. Chew and Mr. Lin. Mr. Koh was the chairman of the RC. Mr. Koh resigned on 14 January 2023 and Mr. Ong was appointed as the chairman of the RC to fill in the casual vacancy.

The remuneration policy for the Directors and senior management members was based on their experience, level of responsibility and general market conditions. Any discretionary bonus and other merit payments are linked to the profit performance of the Group and the individual performance of the Directors and senior management members.

During the Year, one RC meeting was held on 28 March 2023 and a resolution in writing was circulated to the members of the RC for approving the Directors’ remuneration in 2022. The remuneration policy of the Group were also reviewed and formulated and recommended to the Board for consideration in the same meeting.

## NOMINATION COMMITTEE

The Company established the Nomination Committee (“**NC**”) on 21 June 2017 with written terms of reference in compliance with paragraph B.3.1 of the CG Code. The primary duties of our NC are to review the structure, size and composition of the Board on regular basis; identify individuals suitably qualified to become Board members; assess the independence of independent non-executive Directors; and make recommendations to the Board on relevant matters relating to the appointment or reappointment of Directors. Our NC consists of three (2022: three) members, namely Mr. Chew, Mr. Koh and Mr. Lin. Mr. Chew is the chairman of the NC. Mr. Koh resigned on 14 January 2023 and Mr. Ong was appointed as a member of the NC to fill in the casual vacancy.

During the Year, one NC meeting was held on 28 March 2023 and among other matters, (i) reviewed the structure, size and composition of the Board; (ii) assessed the independence of the independent non-executive Directors, (iii) reviewed the Board Diversity Policy; and (iv) recommended to the Board on the re-appointment of the Directors and succession planning for Directors.

## NOMINATION POLICY

The nomination policy aims to provide the key selection criteria and principles for the Nomination Committee (“**NC**”) to identify and evaluate a candidate for recommendation to the Board for selection and appointment of a director of the Company, whether as an additional director or for replacement or otherwise.

The NC shall consider a number of the factors in assessing the suitability of a proposed candidate, including but not limited to, reputation of integrity, qualifications, commitment in respect of available time and relevant interest, the board diversity policy adopted by the Company, and whether the candidates would be considered independent with reference to the independence guidelines as set out in the GEM Listing Rules under the case of selection of independent non-executive directors.

# Corporate Governance Report

The NC may consult any source it deems appropriate in identifying or selecting suitable candidates, such as referrals from existing Directors, advertising, recommendations from an independent agency firm and proposals from shareholders of the Company with due consideration given to the criteria. It will also evaluate the suitability of the candidates by conducting interviews, background checks and third-party reference checks as it deems appropriate. Upon considering a candidate suitable for the directorship, the NC will hold a meeting and/or by way of written resolutions to, if thought fit, approve the recommendation to the Board for appointment. The NC will thereafter make the recommendation to the Board in relation to the proposed appointment and the proposed remuneration package.

## ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS

During the Year, the attendance of each member of the above committee meetings and the Board meetings are recorded as below:

Name of Directors	Number of meetings attended / Number of meetings held				
	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Annual General Meeting
<b>Executive Directors</b>					
Mr. Chew Chee Kian (Chairman and Chief Executive Officer)	4/4	N/A	1/1	1/1	1/1
Ms. Yong Yuet Han	1/4	N/A	N/A	N/A	1/1
<b>Non-executive Director</b>					
Ms. Han Wenxian <sup>1</sup>	0/2	0/2	N/A	N/A	0/1
<b>Independent Non-executive Directors</b>					
Mr. Koh Shian Wei <sup>2</sup>	N/A	N/A	N/A	N/A	N/A
Mr. Liang Qianyuan <sup>3</sup>	0/2	N/A	N/A	N/A	0/1
Mr. Foo Siang Tse <sup>4</sup>	2/2	2/2	N/A	N/A	1/1
Mr. Ong Kian Guan <sup>5</sup>	4/4	4/4	1/1	1/1	1/1
Mr. Michael Lin Daoji	3/4	3/4	1/1	1/1	1/1

Notes:

1. Appointed to the AC on 14 January 2023 and ceased to be a member of the AC upon retirement on 27 June 2023
2. Resigned on 14 January 2023
3. Retired on 27 June 2023
4. Appointed on 24 May 2023
5. Appointed to the RC and NC on 14 January 2023.

# Corporate Governance Report

## CORPORATE GOVERNANCE FUNCTIONS

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

- developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of the Directors and senior management;
- reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and the Directors; and
- reviewing the Company's compliance with the CG Code and disclosure in the corporate governance report.

## APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the executive Directors has entered into a service agreement with the Company for an initial period commencing from 21 June 2017 to 17 July 2017, the date which the shares of the Company (the "**Share(s)**") were listed on GEM (the "**Listing Date**") and one or three year(s) (as the case may be) from the Listing Date (renewable automatically for successive term of one year unless terminated in accordance with the terms of the service agreement).

Ms. Han Wenxian ("**Ms. Han**") has entered into a service agreement with the Company for a term of one year commencing from 16 November 2020, renewable automatically for successive term of one year unless terminated in accordance with the terms of the service agreement. Ms. Han retired as a non-executive Director at the conclusion of the AGM on 27 June 2023.

Mr. Koh Shian Wei ("**Mr. Koh**") has signed a letter of appointment with the Company for an initial term of three years commencing on the Listing Date (renewable automatically for successive terms of one year unless terminated in accordance with the terms of the letter of appointment). Mr. Koh resigned as an independent non-executive Director on 14 January 2023. Each of Mr. Liang Qianyuan ("**Mr. Liang**"), Mr. Ong Kian Guan, Mr. Michael Lin Daoji and Mr. Foo Siang Tse has signed a letter of appointment with the Company for a term of one year commencing from 16 November 2020, 15 December 2020, 13 August 2021 and 24 May 2023, respectively (renewable automatically for successive terms of one year unless terminated in accordance with the terms of the letter of appointment). Mr. Liang retired as an independent non-executive Director at the conclusion of the AGM on 27 June 2023.

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

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

# Corporate Governance Report

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

## REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Particulars of the Directors' remuneration for the Year are set out in Note 8 to the consolidated financial statements.

The five highest paid employees during the Year included two directors and the number of non-director highest paid employees whose remuneration fell within the following bands is as follows:

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

## INDEPENDENT AUDITORS' REMUNERATION

For the Year, Foo Kon Tan LLP ("FKT") was engaged as the Group's independent auditors to provide audit and non-audit services.

The remuneration paid/payable to FKT for the Year is set out below:

Services	Fee paid/payable S\$'000
Audit services – annual audit services	120
Non-audit services	11
Total	132

## DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

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

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

## INTERNAL CONTROL AND RISK MANAGEMENT

The Board has an overall responsibility for the establishment, maintenance and review of the Group's internal control system to safeguard shareholders' investments and the assets of the Group. The internal control system of the Group aims to facilitate effective and efficient operation which in turn minimises the risks to which the Group is exposed. The system can only provide reasonable but not absolute assurance against misstatement or losses.

# Corporate Governance Report

The Group recognises that good risk management is essential for the long-term development on the Group's business. Management is responsible for establishing, implementing, reviewing and evaluating a sound and effective internal control system underpinning the risk management framework. All employees of the Group are committed to implement the risk management framework into the daily operation.

The Company has not established a standalone internal audit department, however, the Group engaged an external consulting firm as the Group's internal control adviser, CF Partners Limited (the "**Internal Control Adviser**") to conduct a yearly review on the internal control systems which included financial, operational, compliance, procedural and risk management functions. The Directors confirm that issues identified by the Internal Control Adviser have been properly addressed and/or resolved and that the current internal control and risk management mechanisms are effective, adequate and appropriate for the Group's operations.

## COMPANY SECRETARY

With effect from 1 April 2022, the Company has appointed Mr. Lau Chung Wai as the Company Secretary.

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

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

## SHAREHOLDERS' RIGHTS

### PROCEDURES FOR PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

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

### PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EGM

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

Eligible Shareholders who wish to convene an EGM for the purpose of making proposals or moving a resolution at the EGM must deposit a written requisition (the "**Requisition**") signed by the Eligible Shareholder(s) concerned at the principal place of business of the Company in Hong Kong (Suite 506, Admiralty Centre Tower 2, 18 Harcourt Road, Admiralty, Hong Kong as at the date of this annual report) for the attention of the Company Secretary.

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

# Corporate Governance Report

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

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

## PROCEDURES FOR SHAREHOLDERS TO SEND ENQUIRIES TO THE BOARD

Shareholders may send their enquiries and concerns to the Board by addressing them to the principal place of business of the Company in Hong Kong (Suite 506, Admiralty Centre Tower 2, 18 Harcourt Road, Admiralty, Hong Kong as at the date of this annual report) by post or by email to [ir@omnibridge.com.hk](mailto:ir@omnibridge.com.hk).

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

1. matters within the Board's purview to the executive Directors;
2. matters within a Board committee's area of responsibility to the chairman of the appropriate Board committee; and
3. ordinary business matters, such as suggestions, enquiries and consumer complaints, to the appropriate management of the Company.

## VOTING BY POLL

A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every member present in person (or being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands.

## COMMUNICATION WITH THE SHAREHOLDERS

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

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

The Company reviewed the implementation and effectiveness of the measures relating to shareholders' communication and considered them to be effective.

## CONSTITUTIONAL DOCUMENTS

The M&A has been amended during the Year and it is available on the respective websites of the Stock Exchange and the Company.

# Directors and Senior Management

## CHAIRMAN, CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR

**Mr. Chew Chee Kian** (周志堅), aged 50, was appointed as an executive Director, the chairman of Board, the chief executive officer of the Company on 8 August 2016. He was last re-elected as an executive Director on 24 June 2022. He was appointed as the chairman of the Nomination Committee and a member of the Remuneration Committee on 20 August 2020. He is the founder of the Group and spouse of Ms. Yong Yuet Han. Mr. Chew is responsible for the overall business development, strategic planning and major decision-making of the Group.

Mr. Chew has over 20 years of experience in the human resources outsourcing and recruitment industry. He worked for Recruit Express Pte. Ltd, which mainly provides staffing solutions, from April 1997 to September 2001, and he last served as a team leader responsible for supervising recruitment services to corporate clients. He was a founding partner of Bridgegate Consultancy Pte Ltd., which mainly provides recruitment services to corporate clients, from November 2001 to December 2004, and he was responsible for business development. Bridgegate Consultancy Pte Ltd. was dissolved pursuant to section 344 of the Companies Act (Chapter 50) of Singapore. It is confirmed by Mr. Chew that the dissolution of Bridgegate Consultancy Pte Ltd. was voluntary by way of submitting an application to the Registrar on 29 December 2008 because it had ceased to carry on business or operation for more than three months immediately before the relevant application.

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

## EXECUTIVE DIRECTORS

**Ms. Yong Yuet Han** (熊悅涵), aged 44, was appointed as an executive Director on 8 August 2016 and was last re-elected as an executive Director on 24 June 2022. She joined the Group in August 2009. She is the spouse of Mr. Chew Chee Kian. She is responsible for the overall business development, strategic planning and major decision-making of the Group.

Ms. Yong has over 20 years of experience in human resources outsourcing and recruitment industry. She was an assistant manager of Recruit Express Pte Ltd, which is a recruitment firm, in or about June 2000 to August 2005, and she was responsible for providing recruitment services to corporate clients in information communication and technology sector. She was a regional business development manager of IQPC Worldwide Pte Ltd, which mainly organises worldwide conferences, in or about April 2005 to June 2007, and she was responsible for regional business development. She was a principal consultant of Pentasia iGaming Recruitment, which mainly provides recruitment consultancy services, from January 2007 to July 2009, and she was responsible for development of business relationship and strategic planning.

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

## NON-EXECUTIVE DIRECTOR

**Ms. Han Wenxian** (韓文賢), aged 34, was appointed as a non-executive Director on 16 November 2020. She was not re-elected as a non-executive Director and retired on 27 June 2023.

Ms. Han has been the deputy general manager of Shenzhen Kelvin Cryogenic Technology Co., Ltd\* (深圳市開邇文科技有限公司), which is a company established in China principally engaged in the business of cryogenics application, since August 2020. Ms. Han obtained a Bachelor of Laws degree from the Central Radio and Television University\* (中央廣播電視大學) (now known as the Open University of China) through distance learning in January 2014.

\* For identification purpose only

# Directors and Senior Management

## INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Koh Shian Wei** (許崐璋), aged 52, was appointed as an independent non-executive Director on 21 June 2017. He was last re-elected as an independent non-executive Director on 17 May 2021. Mr. Koh was the chairman of the RC, a member of the AC and the NC until his resignation on 14 January 2023.

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

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

**Mr. Liang Qianyuan** (梁乾原), formerly known as Liang Benlan (梁本蘭), aged 66, was appointed as an independent non-executive Director on 16 November 2020. He was not re-elected as an independent non-executive Director and retired on 27 June 2023.

Mr. Liang, has years of experience in the fields of banking and corporate advisory in China. He obtained a diploma of special training programme for government and party cadre\* (黨政幹部專修科) from Guangdong Radio and Television University\* (廣東廣播電視大學) (now known as the Open University of Guangdong) in July 1986. Mr. Liang currently is an executive director of Shenzhen City Hua Shang Zhi Jia Wealth Management Company Limited\* (深圳市華商之家財富管理有限公司), which is a company established in China. Mr. Liang was appointed as a non-executive director on 25 September 2019 of Solis Holdings Limited, the shares of which are listed on the Stock Exchange (stock code: 2227), was re-designated as an executive director and chief executive officer with effect from 13 December 2019 and retired on 19 June 2020. Mr. Liang has been a non-executive director of Core Economy Investment Group Limited, the shares of which are listed on the Stock Exchange (stock code: 0339), since 4 July 2019.

\* For identification purpose only

## Directors and Senior Management

**Mr. Ong Kian Guan (王建源)**, aged 56, was appointed as an independent non-executive Director and the chairman of the AC on 15 December 2020. On 14 January 2023, Mr. Ong was appointed the chairman of the RC and a member of the NC. He was last re-elected as an independent non-executive Director on 17 May 2021.

Mr. Ong is currently the Managing Partner and Head of Capital Market in Baker Tilly TFW LLP, one of the 10 largest accountancy and business advisory firms in Singapore. He has more than 28 years of professional experiences in financial audits of multinational corporations and public listed companies in diverse industries, initial public offerings advisory, financial due diligence and outsourced internal audit assignments. He is also currently an independent non-executive director of Eindex Corporation Limited and China XLX Fertiliser Ltd., which are listed on Singapore Exchange and Hong Kong Stock Exchange, (stock code: 1866) respectively. Mr. Ong was an independent non-executive director of MaxWin International Holdings Limited (formerly known as IAG Holdings Limited) (stock code: 8513) and RMH Holdings Limited (stock code: 8437), both listed on the Hong Kong Stock Exchange, till 30 April 2020 and 24 September 2021 respectively.

Mr. Ong graduated from the Nanyang Technological University, Singapore in May 1992 with a Bachelor's degree in Accountancy. He has been practising as a public accountant in Singapore since May 2005 and is a fellow member of the Institute of Certified Public Accountants of Singapore since January 2010 and Certified Public Accountants of Australia since June 2020.

**Mr. Michael Lin Daoji (林道基)**, aged 39, was appointed as an independent non-executive Director and a member of the AC, RC and NC on 13 August 2021. He was last re-elected as an independent non-executive Director on 24 June 2022.

Mr. Lin has over 15 years of experience in the business management in Singapore. He started his career in an advertising agency and learned how to grow a lean and multidisciplinary team managing functions like client servicing, operations and business development alongside the co-founders of the business. Since August 2007, he has been the director of Auston Institute of Management, which is a private school that offers post-secondary education in Singapore, Sri Lanka and Myanmar. Extending this operational expertise beyond regional education, he also provides a range of consultancy from fractional-CXO roles through to operations optimization through technology adoption and automation technologies.

Mr. Lin graduated from Taylor University in the United States of America in May 2005 with a Bachelor of Arts degree majoring in Psychology.

**Mr. Foo Siang Tse (符祥智)**, aged 44, was appointed as an independent non-executive Director and a member of the AC on 24 May 2023. He was last re-elected as an independent non-executive Director on 27 June 2023.

Mr. Foo is experienced in cybersecurity and public policy. He has been the Senior Partner of NCS Group, a technology services firm, leading the cybersecurity business since August 2022. Mr. Foo worked as a managing director of Temus Pte Limited, a firm providing digital transformation services, from October 2021 to August 2022 and was responsible for public sector business. He also worked in Certis CISCO Security Pte Limited, a firm offering security and consultancy services, from June 2015 to September 2022 taking up a number of roles during his services in the firm, acting as the chief executive officer for Quann Asia Pacific, a subsidiary of Certis CISCO Security Pte Limited, the senior vice president and the Group Chief Information Security Officer.

Mr. Foo graduated from University of Cambridge with a Bachelor's degree in Economics in 2000. He also graduated from Stanford University with a Master's degree in International Policy Studies in 2001 and a Master's degree in Management in 2011.

# Directors and Senior Management

## SENIOR MANAGEMENT

**Mr. Wong Chin Lam (黃展霖)**, aged 45, joined the Company in July 2016 and was appointed Chief Operating Officer in May 2022. Possessing both a Master's degree in Business Administration and a Bachelor's degree in Mechanical Engineering, he brings to the table a diverse academic background and a demonstrated excellence in technical and business fields. With over 18 years of experience in the manufacturing, supply chain, and Human Resource Outsourcing (HRO) industries, he has been pivotal in providing innovative and effective solutions to his clients, including business process reengineering and digital transformation.

As COO, Mr. Wong is responsible for overseeing the day-to-day operations of the company and ensuring that all departments work together efficiently to achieve business strategic objectives. He has been a key driver in leading critical service development projects, resulting in the expansion of the company's offerings and increased competitive advantage. Mr. Wong has overseen the development of new services and products, working closely with cross-functional teams to ensure that they align with the company's overall business strategy and meet the needs of its clients. He has played an instrumental role in driving business development and administration, organizational design, project delivery, leadership, and talent management.

In summary, Mr. Wong has played a critical role in shaping the company's success. As COO, he has led the company's business strategy, HR process reengineering, digital transformation, and key service development projects, driving growth and innovation and positioning the company for continued success in the future. His extensive experience, diverse background, and exceptional leadership skills have been essential in making him a valuable member of the company's management team.

## COMPANY SECRETARY

**Mr. Lau Chung Wai (劉仲緯)**, was appointed as the company secretary of the Company on 1 April 2022.

Mr. Lau is a director of Yanten Accounting and Tax Consultancy Limited and the sole practitioner of Yanten (Hong Kong) CPA & Co. Mr. Lau has over 18 years of experience in accounting and finance. Mr. Lau was the chief financial officer and company secretary of Da Sen Holdings Group Limited (stock code: 1580), the shares of which are listed on the Main Board of the Stock Exchange, from August 2015 to March 2019. Mr. Lau was the chief financial officer of Kwung's Holdings Limited (Stock code: 1925), the shares of which are listed on the Main Board of the Stock Exchange, from March 2019 to April 2022. Mr. Lau is also currently a company secretary of Kwung's Holdings Limited, Hygieia Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1650) and MaxWin International Holdings Limited (formerly known as IAG Holdings Limited), a company listed on the GEM of the Stock Exchange (stock code: 8513).

Mr. Lau has also been working as independent non-executive directors of Metropolis Capital Holdings Limited, a company listed on the GEM of the Stock Exchange (stock code: 8621), Fufeng Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 546), and Hongcheng Environmental Technology Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 2265), since November 2018, June 2019 and October 2021 respectively.

Mr. Lau graduated from the Hong Kong University of Science and Technology with a Bachelor of Business Administration in Accounting in November 2004. Mr. Lau was admitted as a certified public accountant of Hong Kong Institute of Certified Public Accountants ("HKICPA") in January 2008 and has become a fellow member of HKICPA since May 2015. Mr. Lau has also been a certified public accountant (practising) of HKICPA since January 2014.

## COMPLIANCE OFFICER

Mr. Chew Chee Kian is the chairman, chief executive officer of the Company, an executive Director, the chairman of the NC, a member of the RC and the compliance officer of the Company. Please refer to Mr. Chew Chee Kian's biography as disclosed in the paragraph headed "Chairman, chief executive officer and executive Director" in this section of this annual report.

# Report of the Directors

The Directors are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2023.

## LISTING

Following the Share Offer (as defined below) of 15,000,000 public offer Shares and 135,000,000 placing Shares, the Company was listed on GEM on 17 July 2017.

## PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. Its subsidiaries are principally engaged in the provision of human resources outsourcing services and human resources recruitment services. The principal activities of the Company's principal subsidiaries are set forth in Note 31 to the consolidated financial statements.

## BUSINESS REVIEW

The business review of the Group for the Year is set out in the sections headed "Chairman's statement" and "Management discussion and analysis" of this annual report.

## ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group has implemented various environmental policies. For details of such policies and relevant performance, please refer to the ESG Report in this annual report.

## RESULTS AND APPROPRIATIONS

The results of the Group for the Year and the financial position of the Company and the Group as at 31 December 2023 are set forth in the consolidated financial statements on pages 55 to 113 of this annual report.

The Board does not recommend the payment of a final dividend for the Year (2022: Nil).

## 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.

# Report of the Directors

An analysis of the amount utilised up to 31 December 2023 is set out below:

	<b>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 2023</b>	<b>Actual utilised amount up to 31 December 2023</b>		<b>Unutilised amount as at 31 December 2023</b>	<b>Expected timeline for utilising the remaining Net Proceeds</b>
	HK\$ million	HK\$ million	Notes	(Note 2) HK\$ million	(Notes 1 and 2) 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 2024
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 2024
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 2024
Working capital and other general corporate purposes	4.1	(4.1)		–	
	43.4	(32.6)		10.8	

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 2023, 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 to venture into the business process outsourcing industry in Singapore.

# Report of the Directors

4. The Group delayed the use of the Net Proceeds due to business environment and borders restriction being affected by the omicron variant and the economic conditions in 2021 and 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 2023, 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 2023 had been placed in interest-bearing deposits in banks in Singapore.

## SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five years, as extracted from the audited consolidated financial statements of the Company or the Prospectus, is set out on page 114 of this annual report. This summary does not form part of the consolidated financial statements for the Year.

## PLANT AND EQUIPMENT

Details of the movements in plant and equipment of the Group during the Year are set out in Note 12 to the consolidated financial statements.

## SHARE CAPITAL AND SHARE OPTION SCHEME

Details of the movements in share capital and share option scheme of the Company (the “**Scheme**”) during the Year are set out in Notes 21 and 22 to the consolidated financial statements, respectively.

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to the existing Shareholders.

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

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

## RESERVES

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

## DISTRIBUTABLE RESERVES

At 31 December 2023, the Group’s reserves available for distribution to equity holders comprising share premium and retained earnings amounted to approximately S\$17,668,000 (2022: approximately S\$15,825,000) calculated in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

# Report of the Directors

## MAJOR CUSTOMERS AND SUPPLIERS

As a human resources outsourcing and recruitment services provider, the Group had a large and diversified customer bases. Over 90% of the Group's customers are in the public sector comprising government agencies and non-profit organisations in Singapore. The Group did not rely on any single customer during the Year. For the Year, the five largest customers and the single largest customer of the Group accounted for approximately 54.0% (2022: approximately 67.5%) and 21.9% (2022: approximately 42.9%) of the total revenue of the Group, respectively.

Due to the nature of the business of the Group, there is no major supplier during the Year (2022: Nil).

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

## RELATED PARTIES TRANSACTIONS

Related parties transactions of the Group during the Year are disclosed in Note 27 to the consolidated financial statements. They did not constitute connected transactions or continuing connected transactions, which are required to comply with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

## CONTINUING CONNECTED TRANSACTIONS

Save as disclosed in Note 27 to the audited consolidated financial statements, there had been no other material transaction for the Year, including those disclosed as related party transactions elsewhere in the consolidated financial statements, under the definition of connected transactions or continuing connected transactions pursuant to Chapter 20 of the GEM Listing Rules. The Company confirms that it has complied with the applicable disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

## DIRECTORS' REMUNERATIONS

Details of remuneration of the Directors are set out in Note 8 to the consolidated financial statements.

## DIRECTORS' EMOLUMENT POLICY

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

## PERMITTED INDEMNITY PROVISION

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

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

# Report of the Directors

## DIRECTORS

The Directors during the Year and as at the date of this annual report were as follows:

### CHAIRMAN, CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR:

Mr. Chew Chee Kian

### EXECUTIVE DIRECTORS:

Ms. Yong Yuet Han

Ms. Lo Wing Yan Emmy (resigned on 31 March 2022)

### NON-EXECUTIVE DIRECTOR:

Ms. Han Wenxian (retired on 27 June 2023)

### INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Foo Siang Tse (appointed on 24 May 2023)

Mr. Michael Lin Daoji

Mr. Ong Kian Guan

Mr. Koh Shian Wei (resigned on 14 January 2023)

Mr. Liang Qianyuan (retired on 27 June 2023)

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

Article 84(1) of the Articles of Association provides that at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

## BIOGRAPHIES OF DIRECTORS

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

# Report of the Directors

## CHANGES OF DIRECTORS AND INFORMATION OF DIRECTORS

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

<b>Name of Director</b>	<b>Details of Changes</b>
Ms. Han Wenxian	Retired as a non-executive Director on 27 June 2023 and ceased to be a member of the AC on the same date as disclosed in the Company's announcement dated 27 June 2023.
Mr. Liang Qianyuan	Retired as an independent non-executive Director on 27 June 2023 as disclosed in the Company's announcement dated 27 June 2023.

## CHANGES OF DIRECTORS' EMOLUMENTS

As approved by the RC of the Company and the Board, the annual emoluments for certain Directors have been adjusted as follows with effect from 1 July 2023:

	HK\$
Mr. Ong Kian Guan	200,000
Mr. Michael Lin Daoji	180,000

## DIRECTORS' SERVICE CONTRACTS

Each of Mr. Chew Chee Kian and Ms. Yong Yuet Han entered into a service agreement with the Company on 21 June 2017 for an initial period commencing from 21 June 2017 to the Listing Date and one or three year(s) (as the case may be) from the Listing Date (renewable automatically for successive terms of one year unless terminated in accordance with the terms of the service agreement). Ms. Han Wenxian entered into a service agreement with the Company for a term of one year commencing from 16 November 2020 (renewable automatically for successive terms of one year unless terminated in accordance with the terms of the service agreement). Their emolument were determined by the Board by reference to their experience, responsibilities and duties with the Company and shall be reviewed annually by the RC. Each of them is subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association. Ms. Han retired as a non-executive Director on 27 June 2023.

Mr. Koh Shian Wei signed a letter of appointment with the Company for an initial term of three years commencing on the Listing Date (renewable automatically for successive terms of one year unless terminated in accordance with the terms of the letter of appointment). Each of Mr. Liang Qianyuan, Mr. Ong Kian Guan, Mr. Michael Lin Daoji and Mr. Foo Siang Tse signed a letter of appointment with the Company for a term of one year commencing on 16 November 2020, 15 December 2020, 13 August 2021 and 24 May 2023, respectively. Their emolument were determined by the Board by reference to their experience, responsibilities and duties with the Company and shall be reviewed annually by the RC. All independent non-executive Directors are subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association. Mr. Koh resigned as an independent non-executive director on 14 January 2023 and Mr. Liang retired as an independent non-executive director on 27 June 2023.

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

# Report of the Directors

## 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 2023, 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.

Save as disclosed above, as at 31 December 2023, 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.

# Report of the Directors

## 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 2023, the following persons/entities other than a Director or the chief executive of the Company had interests or short positions in the Shares and underlying Shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued voting shares of the Company or any other members of the Group:

### LONG POSITION IN THE SHARES

Name	Capacity/Nature of interest	Number of Shares held	Percentage of issued share capital of the Company
Omnipartners Holdings Limited	Beneficial owner (Note)	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.

Save as disclosed above, as at 31 December 2023, the Directors were not aware of any persons who/entities which had any interest or short position in the securities in the Company that would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the Register required to be kept under section 336 of the SFO.

### SHARE OPTION SCHEME

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

As at 31 December 2023, a total of 60,000,000 Shares, representing 10% of the issued Shares, were available for issue under the Scheme.

No share option has been granted since the adoption of the Scheme and there was no share option outstanding as at 31 December 2023.

Principal terms of the Scheme are set out below:

#### 1. PURPOSE

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

# Report of the Directors

## 2. PARTICIPANTS OF THE SCHEME

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

- (i) any directors (whether executive or non-executive and whether independent or not) and any employee (whether full time or part time) of the Group;
- (ii) any consultants or advisers (in the areas of legal, technical, financial or corporate managerial) of the Group; any provider of goods and/or services to the Group; any customer of the Group; or any holder of securities issued by any member of the Group; and
- (iii) any other person, who at the sole discretion of the Board, has contributed to the development and growth of the Group.

## 3. LIFE OF THE SCHEME

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

## 4. SUBSCRIPTION PRICE

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

- (i) the closing price per Share as stated in the Stock Exchange’s daily quotation sheet on the offer date for the grant of the option (which is deemed to be the date of grant if the offer for the grant of the option is accepted by the Eligible Person), which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the closing prices per Share as stated in the Stock Exchange’s daily quotation sheets for the five business days (any days on which securities are traded on the Stock Exchange) immediately preceding the offer date; or
- (iii) the nominal value of the Share.

## 5. ACCEPTANCE OF OFFERS

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

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

## 6. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

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

# Report of the Directors

## 7. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PERSON

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

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

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

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

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

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

## COMPETING INTERESTS

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

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 annual report; and (ii) the controlling shareholders will make confirmation on compliance with their undertaking under the Deed of Non-competition in our annual report.

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

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

# Report of the Directors

## SUFFICIENCY OF PUBLIC FLOAT

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

## CONTRACTS OF SIGNIFICANCE

Save as disclosed in Note 27 to the consolidated financial statements, no transactions, arrangements or contracts of significance in relation to the Group's business in which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted during or at the end of the Year.

## MANAGEMENT CONTRACTS

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

## INDEPENDENT AUDITORS

On 17 January 2023, HLB Hodgson Impey Cheng Limited resigned as auditors of the Company and Foo Kon Tan LLP was appointed by directors of the Company to fill in the casual vacancy so arising. Save as disclosed above, there have been no other changes of auditors in the past three years.

A resolution for the reappointment of Foo Kon Tan LLP as auditors of the Company will be proposed at the forthcoming annual general meeting.

## REVIEW BY AUDIT COMMITTEE

The AC comprises three members, comprising three independent non-executive Directors, namely Mr. Ong Kian Guan (chairman of the AC), Mr. Michael Lin Daoji and Mr. Foo Siang Tse. The AC has reviewed with the management the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matters, including review of the audited consolidated financial statements of the Group for the Year.

On behalf of the Board

**Chew Chee Kian**

*Chairman*

Hong Kong, 27 March 2024

# Independent Auditors' Report

## TO THE MEMBERS OF OMNIBRIDGE HOLDINGS LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### OPINION

We have audited the consolidated financial statements of Omnibridge Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 55 to 58 which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance, consolidated changes in equity and consolidated cash flows for the year then ended on that date in accordance with International Financial Reporting Standards (“**IFRSs**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (“**ISAs**”). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (“**IESBA Code**”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

# Independent Auditors' Report

## KEY AUDIT MATTERS

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

### Key audit matter

Revenue recognition for human resources outsourcing services and human resources recruitment services.

*Refer to Note 5 to the consolidated financial statements.*

The Group recognised human resources outsourcing services and human resources recruitment services revenue of S\$60.9 million and S\$0.6 million, respectively for the year ended 31 December 2023.

Revenue from provision of human resources outsourcing services mainly relates to services provided to Singapore Government agencies in sourcing and employing suitable candidates on a contract basis. Revenue from provision of human resources outsourcing services is recognised on a gross basis over time because the Group has primary responsibility for fulfilling the contract to ensure the suitability of the candidates and the customer simultaneously receives and consumes the services the Group provides. There is a risk that human resources outsourcing services revenue may be recognised prior to or after the contractor employee provides the service, resulting in revenue being recognised in the incorrect period.

Revenue from provision of human resources recruitment services mainly relates to services provided to the private sector in assessing and procuring qualified candidates to be employed to suit the customers' business needs. Revenue from provision of human resources recruitment services is recognised at a point in time because the service fee is based on fixed fee per recruitment contract and the recruitment contract only includes a single performance obligation. There is a risk that human resources recruitment services revenue is recognised for placements that did not occur. In addition, if the placement is not taken up by the candidate as agreed, it could result in the reversal of previously recorded revenue.

### How our audit addressed the key audit matter

Our procedures in relation to this key audit matter on revenue recognition included:

- Obtained an understanding of the revenue processes, evaluated the design and implementation, and tested the operating effectiveness of relevant controls relating to revenue recognition;
- Reviewed the appropriateness of accounting policy for revenue recognition in conjunction with our review of the terms and conditions in the sale agreements and evaluated whether the performance obligations are appropriately satisfied at a point in time or over time and revenue is appropriately presented on a gross basis;
- Performed evaluation of relevant design and operating effectiveness of controls over the revenue recognition and test of details on human resources outsourcing services and verified that the revenue relates to service provided by the contractor employee in the current year; and
- Performed test of details on human resources recruitment services to verify that the Group has satisfied the performance obligation demonstrated by the right to payment, evidenced by the candidate's commencement of work or signed letter of appointment between the candidate and the customer.

We have also assessed and reviewed the adequacy and appropriateness of the disclosures made in the financial statements.

# Independent Auditors' Report

## OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon.

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

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

## RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

# Independent Auditors' Report

## AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is Chin Sin Beng.

### **Foo Kon Tan LLP**

*Public Accountants and Chartered Accountants*

Singapore, 11 April 2024

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

	Notes	2023 S\$'000	2022 S\$'000
Revenue	5	61,528	94,864
Cost of services	7	(56,481)	(86,797)
Gross profit		5,047	8,067
Other income	5	3,437	170
Staff costs	7	(4,296)	(4,805)
Administrative expenses		(368)	(477)
Depreciation of plant and equipment		(101)	(140)
Depreciation of right-of-use asset		(555)	(580)
Other operating expenses		(890)	(813)
Allowance for expected credit losses on financial assets, net		(23)	(132)
<b>PROFIT FROM OPERATIONS</b>		<b>2,251</b>	1,290
Finance costs	6	(22)	(56)
<b>PROFIT BEFORE TAX</b>	7	<b>2,229</b>	1,234
Income tax expense	10	(386)	(299)
<b>PROFIT FOR THE YEAR</b>		<b>1,843</b>	935
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation of foreign operations		18	33
Other comprehensive income for the year, net of tax of nil		18	33
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>1,861</b>	968
<b>PROFIT FOR THE YEAR ATTRIBUTABLE TO:</b>			
Owners of the Company		1,843	935
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:</b>			
Owners of the Company		1,861	968
Earnings per share			
– Basic and diluted (Singapore cents)	11	0.31	0.16

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

# Consolidated Statement of Financial Position

As at 31 December 2023

	Notes	2023 S\$'000	2022 S\$'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	12	95	94
Right-of-use assets	13	965	505
		<b>1,060</b>	599
<b>CURRENT ASSETS</b>			
Trade receivables	14	8,590	11,730
Prepayments, deposits and other receivables	15	406	560
Other financial assets	16	2,462	2,279
Fixed deposits	17	750	731
Cash and cash equivalents	17	15,059	13,222
		<b>27,267</b>	28,522
<b>CURRENT LIABILITIES</b>			
Accrued labour costs		4,949	5,738
Other payables and accruals	18	1,804	4,117
Lease liabilities	19	376	489
Tax payables		365	367
		<b>7,494</b>	10,711
<b>NET CURRENT ASSETS</b>		<b>19,773</b>	17,811
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>20,833</b>	18,410
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	19	608	46
Deferred tax liabilities	20	6	6
		<b>614</b>	52
<b>NET ASSETS</b>		<b>20,219</b>	18,358
<b>EQUITY</b>			
Share capital	21	1,053	1,053
Reserves	25	19,166	17,305
<b>TOTAL EQUITY</b>		<b>20,219</b>	18,358

Approved and authorised for issue by the board of directors on 27 March 2024 and signed on its behalf by:

**Chew Chee Kian**  
Executive Director

**Yong Yuet Han**  
Executive Director

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

## Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

	Share capital S\$'000	Share premium S\$'000	Other reserves S\$'000	Exchange reserves S\$'000	Retained earnings S\$'000	Total S\$'000
As at 1 January 2022	1,053	10,715	1,650	(203)	4,175	17,390
Profit for the year	–	–	–	–	935	935
Other comprehensive income for the year	–	–	–	33	–	33
Total comprehensive income for the year	–	–	–	33	935	968
As at 31 December 2022 and 1 January 2023	1,053	10,715	1,650	(170)	5,110	18,358
Profit for the year	–	–	–	–	<b>1,843</b>	<b>1,843</b>
Other comprehensive income for the year	–	–	–	<b>18</b>	–	<b>18</b>
Total comprehensive income for the year	–	–	–	<b>18</b>	<b>1,843</b>	<b>1,861</b>
<b>As at 31 December 2023</b>	<b>1,053</b>	<b>10,715</b>	<b>1,650</b>	<b>(152)</b>	<b>6,953</b>	<b>20,219</b>

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

# Consolidated Statement of Cash Flows

For the year ended 31 December 2023

	2023 S\$'000	2022 S\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,229	1,234
<b>Adjustments for:</b>		
Allowance for expected credit losses on financial assets, net (Note 7)	23	132
Depreciation of plant and equipment (Note 12)	101	140
Depreciation of right-of-use assets (Note 13)	555	580
Finance costs (Note 6)	22	56
Dividend income (Note 5)	(127)	(48)
Interest income (Note 5)	(66)	(27)
Net fair value loss on other financial assets (Note 7)	17	121
Loss on disposal of plant and equipment (Note 7)	-	9
Operating cash flows before movements in working capital	2,754	2,197
Decrease in trade receivables	3,152	5,900
Decrease/(increase) in prepayments, deposits and other receivables	130	(163)
Decrease in accrued labour costs	(789)	(918)
Decrease in other payables and accruals	(2,305)	(253)
Cash generated from operating activities	2,942	6,763
Income tax paid	(388)	(349)
<b>Net cash generated from operating activities</b>	<b>2,554</b>	<b>6,414</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment (Note 12)	(102)	(14)
Purchase of other financial assets	(200)	(2,400)
Dividend income received	127	44
Interest income received	54	24
<b>Net cash used in investing activities</b>	<b>(121)</b>	<b>(2,346)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Fixed deposits pledged as security for credit facilities	(19)	(731)
Repayments of principal element of lease liabilities	(566)	(578)
Repayments of lease interest (Note 6)	(17)	(15)
Factoring service and discount charge paid (Note 6)	(5)	(41)
<b>Net cash used in financing activities</b>	<b>(607)</b>	<b>(1,365)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,826</b>	<b>2,703</b>
Cash and cash equivalents at the beginning of the year	13,222	10,486
Effect of foreign exchange rate changes	11	33
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Note 17)</b>	<b>15,059</b>	<b>13,222</b>

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

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 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 Suite 506, Admiralty Centre Tower 2, 18 Harcourt Road, Admiralty, Hong Kong with effect from 8 August 2022 and the principal place of business of the Group is at 298 Tiong Bahru Road, #12-03 Central Plaza, Singapore 168730.

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

On 1 January 2023, the Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board (“**IASB**”), which are mandatorily effective for the annual periods beginning on or after 1 January 2023 for the preparation of the consolidated financial statements:

IFRS 17	Insurance Contracts
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform – Pillar Two Model Rules

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

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

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

### 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:

Amendments to IAS 1	Classification of Liabilities as Current or Non-current <sup>1</sup>
Amendments to IAS 1	Non-current Liabilities with Covenants <sup>1</sup>
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback <sup>1</sup>
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements <sup>1</sup>
Amendments to IAS 21	Lack of Exchangeability <sup>2</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2024.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025.

<sup>3</sup> Effective date to be determined.

The Group is still in the process of evaluating the impact of the application of these new and amendments to IFRSs. It is not expected that there will be a material impact to the Group’s consolidated financial statements on initial application.

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with IFRSs, which collectively includes all International Accounting Standards (“IAS”) and related interpretations, as issued by the IASB. For the purpose of preparation of the consolidated financial statements information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”) and by the Hong Kong Companies Ordinance.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### BASIS OF PREPARATION

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 Share-based Payment, leasing transactions that are accounted for in accordance with IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 Inventories or value in use in IAS 36 Impairment of assets.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### BASIS OF CONSOLIDATION

The principal accounting policies are set out below.

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

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

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### BASIS OF CONSOLIDATION *(Continued)*

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

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

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

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

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

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

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an investment-by-investment basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### **BASIS OF CONSOLIDATION** *(Continued)*

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

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss. Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

### **REVENUE FROM CONTRACTS WITH CUSTOMERS**

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a service (or a bundle of services) that is distinct or a series of distinct services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance;
- the Group's performance creates or enhances an asset that the customer controls; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)* REVENUE FROM CONTRACTS WITH CUSTOMERS *(Continued)*

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with IFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

For contracts that contain more than one performance obligation, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The Group recognises revenue from the following sources which was recognised over the terms of the services contracts as the work is performed:

### (a) Provision of human resources outsourcing services

Service attributable mainly to Singapore Government agencies in sourcing and employing suitable candidates that match the Company's client job requirement to perform job duties under client's direct instructions. The clients are usually billed on monthly basis for the service fee calculated based on pre-agreed amount or unit rate per employee. The Group has primary responsibility for fulfilling the contract to ensure the suitability of the candidates. The Group is subject to the risk associated with employment of the staff.

Revenue for provision of human resources outsourcing services is recognised on a gross basis over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance while labour costs paid to the Group's employees are recognised as cost.

### (b) Provision of human resources recruitment services

Service attributable to private sector in assessing and procuring qualified candidates to be employed to suit the Company's clients' business need. The service fee is based on a fixed fee per recruitment.

The recruitment contracts generally include only a single performance obligation. The revenue related to recruitment services is recognised at a point in time when services are rendered.

### (c) Provision of other human resources support services

Revenue from referral services and payroll processing services is recognised at a point in time when the services are rendered.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### LEASES

#### THE GROUP AS A LESSEE

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low-value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic is more representative of the time pattern in which economic benefits from the leased assets are consumed.

#### LEASE LIABILITIES

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security in relation to the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group recognises those lease payments in profit or loss in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented as a separate line item in the consolidated statement of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### LEASES *(Continued)*

#### LEASE LIABILITIES *(Continued)*

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

#### RIGHT-OF-USE ASSETS

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset as follows:

Office premises	3 years
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If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line item in the statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### LEASES *(Continued)*

#### LEASE MODIFICATIONS

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increase by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

### FOREIGN CURRENCIES

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("**functional currency**"). The financial statements are presented in Singapore Dollars ("**SGD**"). The functional currency of the Company is SGD.

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

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

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### EMPLOYEE BENEFITS

#### SHORT-TERM EMPLOYEE BENEFITS

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

#### DEFINED CONTRIBUTION PLANS

The Group contributes to defined contribution plans, including the Central Provident Fund (“**CPF**”) in Singapore and the Mandatory Provident Fund (“**MPF**”) in Hong Kong, for the benefit of eligible employees. These contributions are recognised as an expense in the period in which they become payable in accordance with the scheme.

### TAXATION

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

#### (A) CURRENT INCOME TAX

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting period.

#### (B) DEFERRED TAX

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

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

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

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### TAXATION *(Continued)*

#### (B) DEFERRED TAX *(Continued)*

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

For the purpose of measuring deferred tax for leasing transaction in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption. Temporary differences arising from subsequent revision to the carrying amounts of right-of-use assets and lease liabilities, resulting from remeasurement of lease liabilities and lease modifications, that are not subject to initial recognition exemption are recognised on the date of remeasurement or modification.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

#### (C) CURRENT AND DEFERRED TAX FOR THE YEAR

Current and deferred tax are recognised in profit or loss.

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

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

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

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

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)* **PLANT AND EQUIPMENT**

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

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

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

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

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

### **IMPAIRMENT OF PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS**

At the end of each reporting period, the Group reviews the carrying amounts of its plant and equipment and right-of-use assets with finite useful lives to determine whether there is any indication that those assets have incurred an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

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

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)* **IMPAIRMENT OF PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS *(Continued)***

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

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

### **PROVISIONS**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

### **FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)* FINANCIAL INSTRUMENTS *(Continued)*

### FINANCIAL ASSETS

#### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- amortised cost;
- fair value through other comprehensive income (“**FVOCI**”); and
- fair value through profit or loss (“**FVPL**”).

The classification depends on the Group’s business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group reclassifies investments in debt instruments when, and only when, its business model for managing those assets changes.

The Group does not hold any financial assets at FVOCI.

#### (ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset.

#### *Debt instruments*

Debt instruments mainly comprise trade and other receivables, cash and cash equivalents and quoted debt investment funds. There are certain subsequent measurement categories, depending on the Group’s business model for managing the asset and the cash flow characteristics of the asset:

- **Amortised cost:** Investments in debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest method.
- **FVPL:** Investments in debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in “other gains and losses”.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### FINANCIAL INSTRUMENTS *(Continued)*

#### FINANCIAL ASSETS *(Continued)*

(iii) Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of a third party, if the trade receivables do not contain a significant financing component. Other receivables generally arise from transactions outside the normal operating activities of the Group. Trade and other receivables are subsequently measured at amortised cost using the effective interest method, less loss allowance.

(iv) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Group are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)* FINANCIAL INSTRUMENTS *(Continued)*

### IMPAIRMENT OF FINANCIAL ASSETS

The Group recognises a loss allowance for expected credit losses (“**ECL**”) on investments in debt instruments that are measured at amortised cost or at FVOCI, contract assets, as well as on loan commitments and financial guarantee contracts (if any). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables and contract assets. The ECL on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within twelve months after the reporting date.

(a) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group’s debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group’s core operations.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### FINANCIAL INSTRUMENTS *(Continued)*

#### IMPAIRMENT OF FINANCIAL ASSETS *(Continued)*

(a) Significant increase in credit risk *(Continued)*

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default,
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a debt instrument to have low credit risk when it has internal or external credit rating of 'investment grade' in accordance with the globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria can identify significant increase in credit risk before the amount becomes past due.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### FINANCIAL INSTRUMENTS *(Continued)*

#### IMPAIRMENT OF FINANCIAL ASSETS *(Continued)*

(b) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(c) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event (see (ii) above);
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### FINANCIAL INSTRUMENTS *(Continued)*

#### IMPAIRMENT OF FINANCIAL ASSETS *(Continued)*

(d) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any recoveries made are recognised in profit or loss.

(e) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date. For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- nature of financial instruments (i.e. the Group's trade and other receivables, and amounts due from customers are each assessed as a separate group, while loans to related parties are assessed for ECL on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### FINANCIAL INSTRUMENTS *(Continued)*

#### FINANCIAL LIABILITIES AND EQUITY

##### Classification as debt or equity

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

##### Equity instruments

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

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

##### Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVPL.

##### Financial liabilities at amortised cost

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

##### Derecognition of financial liabilities

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

### RELATED PARTY TRANSACTIONS

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
  - (i) has control or joint control over the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)* RELATED PARTY TRANSACTIONS *(Continued)*

- (b) An entity is related to the Group and the Company if any of the following conditions applies:
- (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiaries is related to the others);
  - (ii) one entity is an associate or joint venture of the other entity (on an associate or joint venture of a member of a group which the other entity is a member);
  - (iii) both entities are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
  - (viii) the entity or any member of a group of which it is a part, provides key management personnel services to the Company or the parent of the Company.

### KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Company. Directors and certain senior managerial personnel are considered key management personnel.

### CASH AND CASH EQUIVALENTS

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

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

In the consolidated statement of financial position, cash and bank balances comprise cash (i.e. cash on hand and fixed deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### CASH AND CASH EQUIVALENTS *(Continued)*

Bank balances for which use by the Group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. If the contractual restrictions to use the cash extend beyond 12 months after the reporting date, the related amounts are classified as non-current in the consolidated statement of financial position.

### FIXED DEPOSITS

Fixed deposits represent funds placed with financial institutions for a specified term at fixed interest rates. These deposits are recognised initially at cost, which is equivalent to the amount deposited. Fixed deposits are classified as either current or non-current assets depending on their maturity dates. Current fixed deposits are those that mature within 12 months from the reporting date, while non-current fixed deposits mature after 12 months. Interest income earned on fixed deposits is recognised in profit or loss over the term of the deposit using the effective interest method.

### GOVERNMENT GRANTS

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful life of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Government grants relating to compensation of expenses are deducted from the related expenses. Other government grants are presented under "other income".

### DIVIDENDS

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

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

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

### KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### (A) IMPAIRMENT OF PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

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

At the reporting date, the Group does not identify any impairment indicator on its plant and equipment and right-of-use assets.

#### (B) PROVISION OF ALLOWANCE FOR ECL ON TRADE RECEIVABLES

The Group uses provision matrix to calculate ECL for the trade receivables. The provision rates are based on internal credit ratings as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, trade receivables with significant balances and credit impaired are assessed for ECL individually.

The carrying amount of the Group's trade receivables is disclosed in Note 14. A decrease of 10% in the estimated future cash inflows, the Group's profit will be decreased by S\$859,000 (2022: \$1,173,000).

#### (C) PROVISION OF ALLOWANCE FOR ECL ON OTHER RECEIVABLES AND DEPOSITS

The Group assessed the credit exposure of other receivables and deposits to be insignificant considering the historical default rates and historical collection trends and measured the impairment losses based on 12-month expected loss basis, except for amount of S\$449,000 (2022: S\$360,000), which was measured at an amount equal to lifetime ECLs as a result of the credit risk has significantly increased subsequent to its initial recognition.

The carrying amount of the Group's other receivables and deposits is disclosed in Note 15. A decrease of 10% in the estimated future cash inflows, the Group's profit will be decreased by S\$21,000 (2022: S\$26,000).

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 5. REVENUE AND OTHER INCOME

An analysis of revenue and other income are as follows:

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Revenue from contracts with customers:		
Human resources outsourcing services	<b>60,851</b>	93,639
Human resources recruitment services	<b>587</b>	1,178
Other human resources support services (Note)	<b>90</b>	47
	<b>61,528</b>	94,864

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

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Timing of revenue recognition		
Over time	<b>60,851</b>	93,639
At a point in time	<b>677</b>	1,225
	<b>61,528</b>	94,864

All revenue contracts are for period of one year or less.

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
<b>Other income</b>		
Service income	–	69
Interest income	<b>66</b>	27
Dividend income	<b>127</b>	48
Sundry income	–	2
Government grants	<b>3,244</b>	24
	<b>3,437</b>	170

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 6. FINANCE COSTS

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Interest on lease liabilities	<b>17</b>	15
Factoring service and discount charge	<b>5</b>	41
	<b>22</b>	56

## 7. PROFIT BEFORE TAX

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

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Cost of services:		
Salaries and bonuses	<b>48,445</b>	72,331
Defined contribution retirement plan	<b>6,606</b>	11,455
Short-term benefits	<b>1,430</b>	3,011
	<b>56,481</b>	86,797
Directors' emoluments (Note 8)	<b>753</b>	938
Other staff costs (excluding directors' emoluments):		
Salaries and bonuses	<b>2,999</b>	3,292
Defined contribution retirement plan	<b>319</b>	376
Short-term benefits	<b>225</b>	199
	<b>4,296</b>	4,805
Total staff costs	<b>60,777</b>	91,602
Auditors' remuneration:		
– Audit service	<b>120</b>	120
– Non-audit services	<b>11</b>	12
Expenses relating to short-term lease	<b>11</b>	60
Loss on disposal of plant and equipment	<b>–</b>	9
Net fair value loss on other financial assets	<b>17</b>	121
Net allowance for/(reversal of allowance for) ECL on financial assets:		
– Trade receivables	<b>(12)</b>	38
– Other receivables	<b>35</b>	94
	<b>23</b>	132

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 8. DIRECTORS' EMOLUMENTS

Directors' emoluments for the years ended 31 December 2023 and 2022, disclosed pursuant to the GEM Listing Rules, sections 383(1)(a), (b), (c), and (f) of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation (Chapter 622G of the laws of Hong Kong), are as follows:

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Directors' fees	<b>145</b>	166
Other emoluments:		
Salaries, allowances and benefits in kind	<b>464</b>	518
Discretionary bonuses	<b>127</b>	221
Defined contribution retirement plan	<b>17</b>	33
	<b>608</b>	772
	<b>753</b>	938

Details for the emoluments of each director of the Company for the years ended 31 December 2023 and 2022 are as follows:

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Defined contribution retirement plan	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>2023</b>					
<b>Executive Directors:</b>					
Mr. Chew	34	296	93	17	440
Ms. Yong	34	168	34	15	251
Ms. Lo Wing Yan Emmy (" <b>Ms. Lo</b> ") (Note (a))	-	-	-	(15)	(15)
<b>Non-executive Director:</b>					
Ms. Han Wenxian (" <b>Ms. Han</b> ") (Note (b))	8	-	-	-	8
<b>Independent Non-executive Directors:</b>					
Mr. Liang Qianyuan (" <b>Mr. Liang</b> ") (Note (c))	8	-	-	-	8
Mr. Ong Kian Guan (" <b>Mr. Ong</b> ") (Note (d))	33	-	-	-	33
Mr. Michael Lin Daoji (" <b>Mr. Lin</b> ") (Note (e))	28	-	-	-	28
Mr. Foo Siang Tse (" <b>Mr. Foo</b> ") (Note (f))	-	-	-	-	-
	<b>145</b>	<b>464</b>	<b>127</b>	<b>17</b>	<b>753</b>

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 8. DIRECTORS' EMOLUMENTS (Continued)

	Directors' fees S\$'000	Salaries, allowances, and benefits in kind S\$'000	Discretionary bonuses S\$'000	Defined contribution retirement plan S\$'000	Total S\$'000
<b>2022</b>					
<b>Executive Directors:</b>					
Mr. Chew	–	296	128	17	441
Ms. Yong	–	168	44	15	227
Ms. Lo Wing Yan Emmy (" <b>Ms. Lo</b> ") (Note (a))	–	54	49	1	104
<b>Non-executive Director:</b>					
Ms. Han Wenxian (" <b>Ms. Han</b> ") (Note (b))	32	–	–	–	32
<b>Independent Non-executive Directors:</b>					
Mr. Liang Qianyuan (" <b>Mr. Liang</b> ") (Note (c))	32	–	–	–	32
Mr. Ong Kian Guan (" <b>Mr. Ong</b> ") (Note (d))	32	–	–	–	32
Mr. Michael Lin Daoji (" <b>Mr. Lin</b> ") (Note (e))	27	–	–	–	27
Mr. Koh Shian Wei (" <b>Mr. Koh</b> ") (Note (g))	43	–	–	–	43
	166	518	221	33	938

Notes:

- (a) Ms. Lo was appointed as an executive director of the Company on 19 September 2016 and resigned as an executive director of the Company on 31 March 2022.
- (b) Ms. Han was appointed as a non-executive director of the Company on 16 November 2020 and retired on 27 June 2023.
- (c) Mr. Liang was appointed as an independent non-executive director of the Company on 16 November 2020 and retired on 27 June 2023.
- (d) Mr. Ong was appointed as an independent non-executive director of the Company on 15 December 2020.
- (e) Mr. Lin was appointed as an independent non-executive director of the Company on 13 August 2021.
- (f) Mr. Foo was appointed as an independent non-executive director of the Company on 24 May 2023.
- (g) Mr. Koh was appointed as an independent non-executive director of the Company on 21 June 2017 and resigned as an independent non-executive director of the Company on 14 January 2023.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 8. DIRECTORS' EMOLUMENTS *(Continued)*

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

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

The remuneration shown above represents remuneration received and receivable from the Group by these directors in their capacity as employees to the Group and/or in their capacity as directors of the Company during the years ended 31 December 2023 and 2022 respectively. Mr. Foo has waived his emoluments of approximately S\$19,000 during the year ended 31 December 2023.

## 9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year ended 31 December 2023 included two (2022: three) executive directors of the Company, details of whose emoluments are set out in Note 8 above. The emoluments of the remaining three (2022: two) individuals, who are neither a director nor chief executive, for the years are analysed as follows:

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Salaries, allowances and benefits in kind	<b>447</b>	307
Discretionary bonuses	<b>40</b>	47
Defined contribution retirement plan	<b>31</b>	26
	<b>518</b>	380

The number of non-director and non-chief executive highest paid employees whose emoluments fell within the following bands presented in Hong Kong Dollars ("HK\$") for the years ended 31 December 2023 and 2022 is as follows:

	<b>2023</b>	2022
	<b>Number of individuals</b>	Number of individuals
Nil to HK\$1,000,000	<b>1</b>	1
HK\$1,000,001 to HK\$1,500,000	<b>2</b>	1
	<b>3</b>	2

During the year ended 31 December 2023, no emoluments were paid by the Group to the three (2022: two) highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the three (2022: two) highest paid individuals have waived any remuneration during the year.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 10. 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 2023 and 2022.

The Singapore statutory income tax rate is calculated at 17% during the years ended 31 December 2023 and 2022. 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.

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Current tax – Singapore:		
– Charge for the year	<b>365</b>	367
– Under/(over) provision in prior year	<b>21</b>	(44)
Deferred tax – Current year (Note 20)	–	(24)
Income tax expense	<b>386</b>	299

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:

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Profit before tax	<b>2,229</b>	1,234
Tax at the applicable income tax rate	<b>383</b>	213
Overprovision in prior year	<b>21</b>	(44)
Income not subject to tax	<b>(119)</b>	(8)
Expenses not deductible for tax	<b>26</b>	51
Effect of partial tax exemption	<b>(17)</b>	(17)
Tax losses not recognised	<b>92</b>	104
Income tax expense	<b>386</b>	299

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 10. INCOME TAX EXPENSE *(Continued)*

In Singapore, the partial tax exemption scheme allows for (i) 75% tax exemption on the first S\$10,000 (2022: S\$10,000) of normal chargeable income; and a further 50% tax exemption on the next S\$190,000 (2022: S\$190,000) of normal chargeable income.

Income not subject to tax in 2023 relate mainly to certain government grants income which are not taxable in nature.

At the end of the reporting period, the Group has unused tax losses of approximately S\$5,404,000 (2022: S\$4,845,000) arising from Singapore and 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.

## 11. EARNINGS PER SHARE

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Profit for the year attributable to the owners of the Company	<b>1,843</b>	935
	<b>'000</b>	'000
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (Note)	<b>600,000</b>	600,000

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\$1,843,000 (2022: S\$935,000) and the weighted average number of 600,000,000 (2022: 600,000,000) ordinary shares in issue during the year ended 31 December 2023.

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

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 12. PLANT AND EQUIPMENT

	<b>Leasehold improvement</b>	<b>Computers and equipment</b>	<b>Furniture and fixtures</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cost</b>				
As at 1 January 2022	271	1,021	169	1,461
Additions	–	14	–	14
Disposals	–	(17)	(1)	(18)
As at 31 December 2022 and 1 January 2023	271	1,018	168	1,457
Additions	74	16	12	102
Disposals	(118)	(101)	–	(219)
As at 31 December 2023	227	933	180	1,340
<b>Accumulated depreciation</b>				
As at 1 January 2022	140	973	119	1,232
Depreciation	75	28	37	140
Disposals	–	(8)	(1)	(9)
As at 31 December 2022 and 1 January 2023	215	993	155	1,363
Depreciation	62	24	15	101
Disposals	(118)	(101)	–	(219)
As at 31 December 2023	159	916	170	1,245
<b>Net book values</b>				
<b>As at 31 December 2023</b>	68	17	10	95
As at 31 December 2022	56	25	13	94

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 13. RIGHT-OF-USE ASSETS

	<b>Office premises</b> S\$'000
<b>Cost</b>	
As at 1 January 2022	1,862
Additions	141
Termination of lease	(353)
Exchange realignment	9
As at 31 December 2022 and 1 January 2023	1,659
Additions	1,015
Termination of lease	(1,602)
Exchange realignment	(2)
As at 31 December 2023	1,070
<b>Accumulated depreciation</b>	
As at 1 January 2022	891
Depreciation	580
Termination of lease	(326)
Exchange realignment	9
As at 31 December 2022 and 1 January 2023	1,154
Depreciation	555
Termination of lease	(1,602)
Exchange realignment	(2)
As at 31 December 2023	105
<b>Net book values</b>	
<b>As at 31 December 2023</b>	<b>965</b>
As at 31 December 2022	505

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 14. TRADE RECEIVABLES

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Trade receivables	<b>8,663</b>	11,815
Less: Allowance for ECL	<b>(73)</b>	(85)
	<b>8,590</b>	11,730

Trade receivables are non-interest-bearing and generally have a credit period of 30-60 days.

As at 31 December 2023, S\$8,565,000 (2022: S\$11,709,000) of trade receivables are denominated in Singapore dollars. The remaining balances of S\$25,000 (2022: S\$21,000) are denominated in Hong Kong dollars.

An aged analysis of the trade receivables, net of allowance for ECL, as at 31 December 2023 and 2022, based on the due date, is as follows:

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Neither past due nor impaired (Note)	<b>6,197</b>	9,016
Less than 30 days past due	<b>2,060</b>	2,228
31 to 60 days past due	<b>213</b>	308
61 to 90 days past due	<b>107</b>	112
More than 90 days past due	<b>13</b>	66
Total	<b>8,590</b>	11,730

Details of impairment assessment of trade receivables for the years ended 31 December 2023 and 2022 are set out in Note 32.

Note: As at 31 December 2023, S\$2,183,000 (2022: S\$2,083,000) of the balance represents the Group's unconditional right to consideration, in which invoices have not been issued.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 15. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Prepayments	<b>201</b>	296
Deposits	<b>204</b>	240
Other receivables (Note)	<b>450</b>	384
	<b>855</b>	920
Less: Allowance for ECL	<b>(449)</b>	(360)
	<b>406</b>	560

As at 31 December 2023, S\$307,000 (2022: S\$510,000) of prepayments, deposits and other receivables are denominated in Singapore dollars. The remaining balances of S\$99,000 (2022: S\$50,000) are denominated in Hong Kong dollars.

Details of impairment assessment of other receivables for the years ended 31 December 2023 and 2022 are set out in Note 32.

Note: As at 31 December 2023, there are amounts due from related companies of approximately S\$Nil (2022: approximately S\$17,000) included in other receivables of the Group. The amounts due from related companies are non-trade in nature and are unsecured, interest-free and repayable on demand. The nature and relationship with the related companies are disclosed in Note 27.

## 16. OTHER FINANCIAL ASSETS

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Financial assets measured at FVPL:		
– Quoted debt investment funds	<b>2,462</b>	2,279

The investments above relate to quoted debt investment funds that offer the Group the opportunity for returns mainly through fair value gains. The fair values of these quoted debt investment funds are based on the quoted closing market prices on the last market day of the financial year.

As at 31 December 2023, the quoted debt investment funds are denominated in Singapore dollars.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 17. CASH AND CASH EQUIVALENTS

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Cash at bank	<b>14,190</b>	12,213
Fixed deposit – short term	<b>1,619</b>	1,740
	<b>15,809</b>	13,953
Less: fixed deposits pledged	<b>(750)</b>	(731)
Cash and cash equivalents in the consolidated statement of cash flows	<b>15,059</b>	13,222

Fixed deposits and cash and cash equivalents denominated in foreign currencies are as follows

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Hong Kong dollars	<b>224</b>	405
Singapore dollars	<b>15,582</b>	13,548
United States dollars	<b>3</b>	–
	<b>15,809</b>	13,953

As at 31 December 2023, short-term fixed deposits with maturity of more than three months amounted to approximately S\$730,000 (2022: S\$731,000), with carrying interest range from 2.2% – 3.3% per annum (2022: 0.20% – 2.9%). These fixed deposits are pledged to a bank to secure credit facilities.

Cash at banks carried interest range from 0.001% – 0.75% per annum for the year ended 31 December 2023 (2022: 0.001% – 0.30% per annum).

As at 31 December 2023, the Group had charges on the fixed deposits of approximately S\$750,000 (2022: S\$731,000).

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 18. OTHER PAYABLES AND ACCRUALS

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Other payables (Note)	–	2,432
GST payables (net)	<b>1,077</b>	863
Contract liabilities	<b>11</b>	–
Other accrued expenses	<b>716</b>	822
	<b>1,804</b>	4,117

Note: As at 31 December 2022, other payables mainly included the Job Support Scheme and Job Growth Incentives received from the Singapore Government of approximately S\$658,000 and S\$1,759,000, respectively, on behalf of its clients.

As at 31 December 2023, other payables and accruals of S\$1,334,000 (2022: S\$3,702,000) are denominated in Singapore dollars. The remaining balances of S\$470,000 (2022: S\$415,000) are denominated in Hong Kong dollars.

Significant changes in the contract liabilities during the year are as follows:

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Increases due to cash received, excluding amounts recognised as revenue during the year	<b>11</b>	–

## 19. LEASE LIABILITIES

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Undiscounted lease payments due:		
- Year 1	<b>409</b>	495
- Year 2	<b>362</b>	47
- Year 3	<b>271</b>	–
	<b>1,042</b>	542
Less: Unearned interest cost	<b>(58)</b>	(7)
Lease liabilities	<b>984</b>	535
Less: Amount due for settlement within 12 months shown under current liabilities	<b>(376)</b>	(489)
Amount due for settlement after 12 months shown under non-current liabilities	<b>608</b>	46

The Group leases office premises for administrative use purpose and the leases typically run for a period of 3 years. The Group's lease liabilities are secured by the lessors' title to the leased assets.

The weighted average incremental borrowing rate applied to lease liabilities is 4.4% (2022: 2.4%).

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 19. LEASE LIABILITIES *(Continued)*

Interest expense on lease liabilities of S\$17,000 (2022: S\$15,000) is recognised within “finance costs” in profit or loss.

Rental expenses relating to short-term lease of S\$11,000 (2022: S\$60,000) that are not capitalised in lease liabilities are recognised within “administrative expenses” in profit or loss. As at 31 December 2023, the Group’s short-term lease commitments at the reporting date are not substantially dissimilar to those giving rise to the Group’s short-term lease expense for the year.

Total cash outflows for all leases during the year comprised:

	<b>2023</b>	2022
	<b>S\$’000</b>	S\$’000
Repayments of principal element of lease liabilities and lease interest	<b>583</b>	593
Rental expenses relating to short-term lease	<b>11</b>	60
	<b>594</b>	653

Lease liabilities of S\$939,000 (2022: S\$425,000) are denominated in Singapore dollars. The remaining balances of S\$45,000 (2022: S\$110,000) are denominated in Hong Kong dollars.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 20. DEFERRED TAX LIABILITIES

The following is the analysis of the deferred tax balances for financial reporting purposes:

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Deferred tax assets	<b>8</b>	10
Deferred tax liabilities	<b>(14)</b>	(16)
	<b>(6)</b>	(6)

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

	<b>Provision for unutilised leave</b>	<b>Accelerated tax depreciation</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000
As at 1 January 2022	12	(42)	(30)
Credited/(charged) to profit or loss during the year (Note 10)	(2)	26	24
As at 31 December 2022 and 1 January 2023	10	(16)	(6)
Credited/(charged) to profit or loss during the year (Note 10)	–	–	–
As at 31 December 2023	10	(16)	(6)

## 21. SHARE CAPITAL

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

	<b>Number of shares</b>	<b>Amount</b>	
		HK\$'000	S\$'000
Ordinary share of HK\$0.01 each			
Authorised:			
As at 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	1,500,000,000	15,000	2,632
Issued and fully paid:			
As at 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	600,000,000	6,000	1,053

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 22. SHARE OPTION SCHEME

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

As at 31 December 2023 and 2022, a total of 60,000,000 Shares, representing 10% of the issued Shares, were available for issue under the Scheme.

No share option has been granted since the adoption of the Scheme and there was no share option outstanding as at 31 December 2023 and 2022.

Principal terms of the Scheme are set out below:

### 1. PURPOSE

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

### 2. PARTICIPANTS OF THE SCHEME

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

- i. any directors (whether executive or non-executive and whether independent or not) and any employee (whether full time or part time) of the Group;
- ii. any consultants or advisers (in the areas of legal, technical, financial or corporate managerial) of the Group; any provider of goods and/or services to the Group; any customer of the Group; or any holder of securities issued by any member of the Group; and
- iii. any other person, who at the sole discretion of the Board, has contributed to the development and growth of the Group.

### 3. LIFE OF THE SCHEME

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

### 4. SUBSCRIPTION PRICE

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

- i. the closing price per share as stated in the Stock Exchange’s daily quotation sheet on the offer date for the grant of the option (which is deemed to be the date of grant if the offer for the grant of the option is accepted by the Eligible Person), which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- ii. the average of the closing prices per Share as stated in the Stock Exchange’s daily quotation sheets for the five business days (any days on which securities are traded on the Stock Exchange) immediately preceding the offer date; or
- iii. the nominal value of the Share.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 22. SHARE OPTION SCHEME *(Continued)*

### 5. ACCEPTANCE OF OFFERS

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

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

### 6. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

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

### 7. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PERSON

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

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

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

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

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

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

## 23. DIVIDENDS

The directors of the Company do not propose any payment of final dividend for the years ended 31 December 2023 and 2022.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 24. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Notes	2023 S\$'000	2022 S\$'000
<b>ASSETS</b>			
<b>Non-current asset</b>			
Investment in a subsidiary		2	2
<b>CURRENT ASSETS</b>			
Prepayments and other receivables		42	23
Amounts due from subsidiaries		1,185	2,933
Cash and cash equivalents		591	199
		<b>1,818</b>	3,155
<b>CURRENT LIABILITIES</b>			
Accruals		462	442
Amounts due to subsidiaries		2	87
		<b>464</b>	529
<b>NET CURRENT ASSETS</b>		<b>1,354</b>	2,626
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,356</b>	2,628
<b>NET ASSETS</b>		<b>1,356</b>	2,628
<b>EQUITY</b>			
Share capital	21	1,053	1,053
Reserves	25	303	1,575
<b>TOTAL EQUITY</b>		<b>1,356</b>	2,628

The financial statement was approved and authorised for issue by the board of directors of the Company on 27 March 2024 and are signed on its behalf by:

**Chew Chee Kian**  
Executive Director

**Yong Yuet Han**  
Executive Director

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 25. RESERVES

### (A) MOVEMENT IN COMPONENTS OF EQUITY

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity.

### (B) SHARE PREMIUM

Share premium represents the difference between the nominal value and the issuing value of the shares.

### (C) OTHER RESERVES

Other reserves represent the difference between the nominal value of the share capital issued by the Company and the nominal value of the share capital of subsidiaries acquired upon the corporate reorganisation of the Group in preparation for the Listing.

### (D) EXCHANGE RESERVES

The exchange reserves represent foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

### (E) MOVEMENT IN COMPONENTS OF EQUITY OF THE COMPANY

	<b>Share premium</b>	<b>Exchange reserves</b>	<b>Accumulated losses</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000
As at 1 January 2022	10,715	(92)	(8,419)	2,204
Loss and total comprehensive loss for the year	–	8	(637)	(629)
As at 31 December 2022 and 1 January 2023	10,715	(84)	(9,056)	1,575
Loss and total comprehensive loss for the year	–	(24)	(1,248)	(1,272)
As at 31 December 2023	10,715	(108)	(10,304)	303

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 26. RETIREMENT BENEFIT PLANS

The Group operates the MPF scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000 (2022: HK\$30,000). Contributions to the plan vest immediately. MPF amounting to S\$15,000 (2022: S\$21,000) is included in accrued labour costs as stated in the consolidated statement of financial position.

The CPF is a comprehensive social security system that enables working citizens and permanent residents of Singapore to set aside funds for retirement. The Group is required to pay monthly to the CPF in respect of each employee, who is either a citizen or permanent resident of Singapore, contributions at the contribution rates prescribed under the Central Provident Fund Act 1953 ("**CPFA**").

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

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

Section 9(1) of the CPFA provides that, where the amount of the contributions which an employer is liable to pay in respect of any month is not paid within the prescribed period for payment, the employer shall be liable to pay interest on the amount for every day the amount remains unpaid commencing from the first day of the month succeeding the month in respect of which the amount is payable and the interest shall be calculated at the rate of 1.5% per month or the sum of S\$5.00, whichever is the greater.

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

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 27. MATERIAL RELATED PARTY TRANSACTIONS

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

Name of related company	Nature	Relationship with the Group	Notes	2023 S\$'000	2022 S\$'000
Recurring:					
Agensi Pekerjaan BGC Group (Malaysia) Sdn. Bhd. ("BGC Malaysia")	Referral fee expenses	Common director and shareholder	(i),(iv)	(5)	(5)
BGC Malaysia	Service income (Note 5)	Common director and shareholder	(i),(iv)	-	16
BGC Outsourcing Sdn. Bhd. ("BGC Outsourcing Malaysia")	Service income (Note 5)	Common director and shareholder	(ii),(iv)	-	15
BGC Outsourcing Malaysia	Service support fee	Common director and shareholder	(ii),(iv)	(403)	(419)
CS Intelligence Pte. Ltd. ("CS Intelligence")	Service income (Note 5)	Common director and shareholder	(iii),(iv)	-	38
CS Intelligence	Outsource income	Common director and shareholder	(iii),(iv)	29	46

Notes:

- Mr. Chew is the director of BGC Malaysia and the Company and BGC Malaysia is owned as to 49.1% by Mr. Chew.
- Mr. Chew is the director of BGC Outsourcing Malaysia and the Company and BGC Outsourcing Malaysia is owned as to 49% by Mr. Chew.
- Mr. Chew is the director of CS Intelligence and the Company and CS Intelligence is owned as to 100% by Mr. Chew.
- 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.

## (B) COMPENSATION OF KEY MANAGEMENT PERSONNEL

Key management personnel compensation comprised:

	2023 S\$'000	2022 S\$'000
Salaries, allowances and benefits in kind	789	825
Discretionary bonuses	154	268
Defined contribution retirement plan	48	59
	<b>991</b>	1,152

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 28. CAPITAL MANAGEMENT

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

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

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

	<b>As at 31 December</b>	
	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Total borrowings	<b>984</b>	535
Total equity (Note)	<b>20,219</b>	18,358
Gearing ratio	<b>4.9%</b>	2.9%

Note: Total equity includes share capital and reserves at the end of each reporting period.

## 29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	<b>Lease liabilities</b>
	S\$'000
	(Note 19)
As at 1 January 2022	999
Changes from financing cash flows:	
Repayments of principal element of lease liabilities	(578)
Repayments of lease interest	(15)
Other changes:	
Interest on lease liabilities (Note 6)	15
New lease entered	141
Lease termination	(27)
As at 31 December 2022 and 1 January 2023	535
Changes from financing cash flows:	
Repayments of principal element of lease liabilities	(566)
Repayments of lease interest	(17)
Other changes:	
Interest on lease liabilities (Note 6)	17
New lease entered	1,015
As at 31 December 2023	984

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 30. MAJOR NON-CASH TRANSACTIONS

During the year, the Group entered into new lease agreements for the leased properties with the terms of 3 years. On the lease commencement, the Group recognised right-of-use assets of S\$1,015,000 (2022: S\$141,000) and lease liabilities of S\$1,015,000 (2022: S\$141,000).

## 31. PRINCIPAL SUBSIDIARIES

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

Name of company	Place and date of incorporation	Issued and fully paid share capital	Equity interest and voting power directly attributable to the Company		Principal activity
			2023	2022	
<b>Directly held:</b>					
Omniconnect Holdings Limited ("Omniconnect") <sup>(i)</sup>	The British Virgin Islands (the "BVI"), 8 August 2016	Ordinary share US\$1	100%	100%	Investment holdings
<b>Indirectly held:</b>					
BGC Group Pte. Ltd. ("BGC Group") <sup>(ii)</sup>	Singapore, 18 March 2005	Ordinary shares S\$2,000,000	100%	100%	Provision of human resources outsourcing services and recruitment services in Singapore
A Very Normal Company Pte. Ltd. ("AVNC") <sup>(ii)</sup>	Singapore, 29 July 2009	Ordinary shares S\$150,000	100%	100%	Provision of human resources outsourcing services and recruitment services in Singapore
BGC Group (HK) Limited ("BGC HK") <sup>(i)</sup>	Hong Kong, 10 December 2008	Ordinary shares HK\$2	100%	100%	Provision of human resources outsourcing services and recruitment services in Hong Kong

Notes:

- i. Audited by Foo Kon Tan LLP for the purpose of Group consolidation.
- ii. Audited by Foo Kon Tan LLP.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 32. FINANCIAL INSTRUMENTS

### (A) CATEGORIES OF FINANCIAL INSTRUMENTS

	2023	2022
	S\$'000	S\$'000
<b>Financial assets</b>		
Financial assets at amortised cost:		
– Trade receivables	<b>8,590</b>	11,730
– Deposits and other receivables	<b>205</b>	264
– Fixed deposits	<b>750</b>	731
– Cash and cash equivalents	<b>15,059</b>	13,222
Financial assets measured at FVPL:		
– Quoted debt investment fund	<b>2,462</b>	2,279
	<b>27,066</b>	28,226
<b>Financial liabilities</b>		
Financial liabilities at amortised cost:		
– Accrued labour costs	<b>4,949</b>	5,738
– Other payables and accruals (Note)	<b>716</b>	3,254
– Lease liabilities	<b>984</b>	535
	<b>6,649</b>	9,527

Note: Excludes GST payables (net) and contract liabilities.

### (B) FINANCIAL RISK MANAGEMENT AND FAIR VALUES

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

The Group's major financial instruments include trade receivables, other receivables, deposits, other financial assets, fixed deposits, cash and cash equivalents, accrued labour costs, other payables and accruals and lease liabilities. Details of these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 32. FINANCIAL INSTRUMENTS *(Continued)*

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

#### FOREIGN CURRENCY RISK

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which certain monetary assets and monetary liabilities are denominated in a currency other than the respective functional currencies of Group entities. The currencies in which these transactions primarily are denominated are the Hong Kong dollar.

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

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities as at 31 December 2023 and 2022 are as follows:

	Liabilities		Assets	
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Hong Kong dollars	535	542	283	476

Sensitivity analysis for foreign currency risk

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

	2023	2022
	Increase/ (decrease) in pre-tax profit S\$'000	Increase/ (decrease) in pre-tax profit S\$'000
Hong Kong dollars		
– strengthened 5% (2022: 5%)	(13)	(3)
– weakened 5% (2022: 5%)	13	3

#### INTEREST RATE RISK

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

Bank balances are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate arising from variable-rate bank balance is insignificant.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 32. FINANCIAL INSTRUMENTS *(Continued)*

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

#### PRICE RISK

The Group is exposed to equity securities price risk from investment classified as financial assets at FVPL. The market values of these investments are affected, amongst others, changes in market prices as a result of global economic conditions, macro and micro economic factors affecting the country where the investments are quoted, and factors specific to the investee corporations.

At the reporting date, the price risk profile of investments classified as financial assets at FVPL was as follows:

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Financial assets measured at FVPL:		
– Quoted debt investment funds	<b>2,462</b>	2,279

#### Sensitivity analysis for price risk

If movements in financial markets result in a 5% (2022: 5%) appreciation/depreciation in the value of the quoted equity securities, all other variables being held constant, the Group's profit or loss surplus would have been higher/lower by S\$123,000 (2022: S\$114,000).

#### CREDIT RISK

The credit risk of the Group mainly arises from trade receivables, deposits and other receivables, other financial assets, fixed deposits and cash and cash equivalents. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets.

In respect of cash deposited at banks, the credit risk is considered to be low as the counterparties are reputable banks. The existing counterparties do not have defaults in the past. Therefore, ECL rate of cash at bank is assessed to be close to zero and no provision was made as of 31 December 2023 and 2022.

The Group applies the simplified approach to provide for ECL which permits the use of the lifetime ECL provision for all trade receivables. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics. The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL. It considers available reasonable and supportive forwarding-looking information.

As at 31 December 2023 and 2022, trade receivables that are individually significant have been separately assessed for impairment. The Group makes periodic assessments on the recoverability of the receivables based on the background and reputation of the customers, historical settlement records and past experience.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 32. FINANCIAL INSTRUMENTS *(Continued)*

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

#### CREDIT RISK *(Continued)*

Majority of the Group's revenue is received from individual customers in relation to rendering of human resource services. The Group's trade receivables arise from rendering of human resources services. As at the end of the year, the top three debtors and the largest debtor accounted for approximately 41.3% and 19.9% (2022: approximately 56.4% and 39.6%), of the Group's trade receivables balance. In view of the history of business dealings with the debtors and the sound collection history of the receivables due from them, management believes that there is no material credit risk inherent in the Group's outstanding receivable balance due from these debtors save for the debtors related to the impaired trade receivable disclosed below. Management makes periodic assessment on the recoverability of the trade and other receivables based on historical payment records, the length of overdue period, the financial strength of the debtors and whether there are any disputes with the debtors.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 to 60 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The management makes periodic individual assessment on the recoverability of other receivable based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. Therefore, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

	ECL rate	Gross carrying amount	Loss allowance
	%	S\$'000	S\$'000
<b>31 December 2023</b>			
Neither past due nor impaired	0.00	6,197	-
Less than 30 days past due	0.00	2,060	-
31 to 60 days past due	0.00	213	-
61 days to 90 days past due	0.00	107	-
More than 90 days past due	84.88	86	(73)
		<b>8,663</b>	<b>(73)</b>

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 32. FINANCIAL INSTRUMENTS *(Continued)*

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

#### CREDIT RISK *(Continued)*

31 December 2022	ECL rate %	Gross carrying amount allowance S\$'000	Loss allowance S\$'000
Neither past due nor impaired	0.08	9,023	(7)
Less than 30 days past due	0.32	2,235	(7)
31 to 60 days past due	2.32	315	(7)
61 days to 90 days past due	5.87	119	(7)
More than 90 days past due	46.39	123	(57)
		11,815	(85)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach:

	<b>Lifetime ECL (not credit- impaired)</b> S\$'000
As at 1 January 2022	47
Allowance for ECL recognised	42
Reversal of allowance for ECL recognised	(4)
As at 31 December 2022 and 1 January 2023	85
Allowance for ECL recognised	31
Reversal of allowance for ECL recognised	(43)
As at 31 December 2023	73

Other receivables as at 31 December 2023 and 2022 were assessed individually for credit impairment. During the year ended 31 December 2023, approximately S\$35,000 allowance for ECL was recognised by the Group (2022: S\$94,000).

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 32. FINANCIAL INSTRUMENTS *(Continued)*

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

#### CREDIT RISK *(Continued)*

The following table shows the reconciliation of loss allowances that has been recognised for other receivables:

	<b>Lifetime ECL (not credit impaired)</b>	<b>Lifetime ECL (credit impaired)</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000
As at 1 January 2022	164	156	320
Allowance for ECL recognised	40	54	94
Amounts written off	(54)	–	(54)
As at 31 December 2022 and 1 January 2023	150	210	360
Allowance for ECL recognised	30	5	35
Re-instate amounts written off	54	–	54
As at 31 December 2023	234	215	449

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period greater than 90 days past due.

Impairment losses on trade and other receivables are presented as net impairment losses within profit from operations. Subsequent recoveries of amounts previously written off are credited against the same line item.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 32. FINANCIAL INSTRUMENTS *(Continued)*

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

#### LIQUIDITY RISK

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

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

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

	Weighted average effective interest rate %	On demand or within one year S\$'000	More than one year but less than two years S\$'000	More than two years but less than five years S\$'000	Total undiscounted cash flow S\$'000	Carrying amount S\$'000
<b>31 December 2023</b>						
<b>Financial liabilities:</b>						
Accrued labour costs	-	4,949	-	-	4,949	4,949
Other payables and accruals (Note)	-	716	-	-	716	716
Lease liabilities	4.4	409	362	271	1,042	984
		<b>6,074</b>	<b>362</b>	<b>271</b>	<b>6,707</b>	<b>6,649</b>
<b>31 December 2022</b>						
<b>Financial liabilities:</b>						
Accrued labour costs	-	5,738	-	-	5,738	5,738
Other payables and accruals (Note)	-	3,254	-	-	3,254	3,254
Lease liabilities	2.4	495	47	-	542	535
		<b>9,487</b>	<b>47</b>	<b>-</b>	<b>9,534</b>	<b>9,527</b>

Note: Excludes GST payables (net) and contract liabilities.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 32. FINANCIAL INSTRUMENTS *(Continued)*

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

#### DEFINITION OF FAIR VALUE

IFRSs define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The following table shows the Level within the hierarchy of financial asset measured at fair value on a recurring basis.

- (a) Financial asset measured at fair value:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000
31 December 2023				
Financial asset measured at FVPL				
- Quoted debt investment funds	2,462	–	–	2,462
31 December 2022				
Financial asset measured at FVPL				
- Quoted debt investment funds	2,279	–	–	2,279

The fair values of these quoted debt investment funds are based on the quoted closing market prices on the last market day of the financial year.

- (b) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value.

This comprised trade receivables, deposits and other receivables, fixed deposits, cash and cash equivalents, accrued labour costs, other payables and accruals (excluding GST payable and contract liabilities). The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2023

## 33. 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 because 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 2023 and 2022 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 2023 and 2022, revenue generated from one customer (2022: one customer) of the Group, individually accounted for more than 10% of the Group's total revenue. Save as indicated below, no other single customer contributed 10% or more to the Group's revenue for the years ended 31 December 2023 and 2022.

Revenue from major customer(s), which contributed to 10% or more of the Group's revenue is set out below:

	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Client A (Note (i))	<b>13,476</b>	40,670

Notes:

(i) Revenue from human resources outsourcing services.

## 34. AUTHORISATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board on 27 March 2024.

## Five-Year Financial Summary

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

	<b>2023</b> <b>S\$'000</b>	<b>Year ended 31 December</b>			
		2022 S\$'000	2021 S\$'000	2020 S\$'000	2019 S\$'000
<b>RESULTS</b>					
REVENUE	<b>61,528</b>	94,864	84,984	51,676	36,745
Cost of services	<b>(56,481)</b>	(86,797)	(77,562)	(45,816)	(31,029)
Gross profit	<b>5,047</b>	8,067	7,422	5,860	5,716
Other income	<b>3,437</b>	170	1,500	905	170
Staff Costs	<b>(4,296)</b>	(4,805)	(4,676)	(4,100)	(4,408)
Administrative expenses	<b>(368)</b>	(477)	(572)	(630)	(636)
Depreciation of plant and equipment	<b>(101)</b>	(140)	(158)	(108)	(194)
Depreciation of right-of-use asset	<b>(555)</b>	(580)	(586)	(484)	(1,026)
Other operating expenses	<b>(890)</b>	(813)	(940)	(928)	(684)
Allowance for expected credit losses on financial assets, net	<b>(23)</b>	(132)	(37)	(100)	(47)
Finance costs	<b>(22)</b>	(56)	(66)	(33)	(83)
PROFIT/(LOSS) BEFORE TAXATION	<b>2,229</b>	1,234	1,887	382	(1,192)
Income tax expense	<b>(386)</b>	(299)	(399)	(150)	(27)
PROFIT/(LOSS) FOR THE YEAR	<b>1,843</b>	935	1,488	232	(1,219)
Attributable to:					
Owners of the Company	<b>1,843</b>	935	1,488	232	(1,219)
<b>ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS</b>					
TOTAL ASSETS	<b>28,327</b>	29,121	29,838	32,034	20,206
TOTAL LIABILITIES	<b>(8,108)</b>	(10,763)	(12,448)	(16,170)	(4,602)
TOTAL EQUITY	<b>20,219</b>	18,358	17,390	15,864	15,604