



HRNETGROUP LIMITED¹

(Incorporated in the Republic of Singapore)

(Company Registration No. 201625854G)

**BINDING TERM SHEET TO ACQUIRE THE BUSINESS OF PT RIMBUN JOB AGENCY TO
DRIVE HRNETGROUP'S EXPANSION INTO INDONESIA**

The Board of Directors (the "**Board**") of HRnetGroup Limited (the "**Company**") and together with its subsidiaries, the "**Group**") is pleased to announce that the Company has entered into a binding term sheet (the "**Term Sheet**") on 9 November 2017 with PT Rimbun Job Agency ("**Rimbun Job**") and the shareholders of Rimbun Job (namely, Debby Rimbun and Rubby Rimbun) for the proposed establishment of a new brand – HRnet Rimbun - to provide professional recruitment services in Jakarta, Indonesia. Jakarta will be the 11th Asian growth city the Group has operations in.

The Term Sheet is subject to the entry into of a definitive shareholders' agreement ("**Shareholders' Agreement**") between the Company, Rimbun Job, and 2 other existing employees of Rimbun Job.

The other salient terms of the Term Sheet are as follows:

- (i) the Company and Rimbun Job have agreed to incorporate a PT PMA (or foreign owned company) ("**Joint Venture Company**") in Indonesia, which will acquire the existing professional recruitment business of Rimbun Job;
- (ii) in connection with such acquisition, the Company has agreed to pay a consideration to the shareholders of Rimbun Job. The consideration has not been finalised and will be determined following arms' length negotiations, taking into account, *inter alia*, the past performance of the existing professional recruitment business of Rimbun Job and the earning potential of such business;
- (iii) the shareholders of Rimbun Job have undertaken to remain employees of the Joint Venture Company for at least three years. They have also undertaken not to, amongst others, compete with the business of the Group for a period commencing from the date of the Shareholders' Agreement and ending on the third anniversary of the date they cease to be a shareholder, employee, consultant and/or director of the Joint Venture Company or any associated company of the Group;
- (iv) each of (a) the Group and (b) either Debby Rimbun or Rubby Rimbun, shall nominate a member to the board of directors of the Joint Venture Company, with the nominee of the Group having a casting vote; and

¹ The initial public offering of the Company was sponsored by Deutsche Bank AG, Singapore Branch (the "**Sole Issue Manager**"). The Sole Issue Manager assumes no responsibility for the contents of this Announcement.

- (v) the Term Sheet is conditional upon, amongst others, satisfactory due diligence by the Group.

The Company will make further announcements and, if required under Chapter 10 of the listing manual of the Singapore Exchange Securities Trading Limited, seek the approval of shareholders, as and when appropriate.

As mentioned above, the Term Sheet is subject to the entry into of a definitive Shareholders' Agreement and there is no assurance that the relevant parties will enter into such definitive Shareholders' Agreement or that any definitive transaction(s) will materialise from the Term Sheet.

By Order of the Board

Sim Yong Siang
Founding Chairman

9 November 2017

*The admission and listing of the Company on the Singapore Exchange Securities Trading Limited (the "**Listing**") was sponsored by Deutsche Bank AG, Singapore Branch. Credit Suisse (Singapore) Limited, Deutsche Bank AG, Singapore Branch, DBS Bank Ltd. and Nomura Singapore Limited were the joint bookrunners and underwriters for the Listing. Credit Suisse (Singapore) Limited, Deutsche Bank AG, Singapore Branch, DBS Bank Ltd. and Nomura Singapore Limited assume no responsibility for the contents of this Announcement.*