



PRESS RELEASE – 3Q17 HRnetGroup Results Announcement

Profits Surge 20.2% As 88GLOW Takes Effect

SINGAPORE, 13 November 2017 – HRnetGroup Limited (“和乐集团有限公司”) today releases its results for the three months ended 30 September 2017, after the Board of Directors met on 7th November 2017 to review the financial statements for the period.

Q3 Revenue continues record climb to S\$97.5 million and Gross Profit hits S\$34.4 million for the Quarter, with a steep 20.2% surge in profits attributable to owners (PATMI) to S\$10.7 million.

Overall, the Group achieved a record quarter in terms of revenue and gross profit. Revenue increased by S\$6.4 million to S\$97.5 million (7%), attributable mainly to the flexible staffing business in Singapore registering strong growth. Gross profits grew by S\$565,000 to S\$34.4million (1.7%), and profits attributable to owners (PATMI) surged S\$1.8 million to S\$10.7 million (20.2%) as a result of the 88GLOW scheme taking effect, whereby HRnetGroup increased its stake in certain operating subsidiaries.

The digital trend continues

The technology sector has shown positive and steady growth with S\$5.5 million in revenue in 3Q17, up from 1H2017 where we recorded S\$9.8m over 2 quarters. These numbers are indicative of an upward trend in this sector which we will continue to grow.

Co-Ownership schemes driving stronger performance

A key motivation in bringing HRnetGroup public was to bring in 404 Co-owners, so that every other person meeting a candidate or a client is a Co-Owner of HRnetGroup. We are already seeing the positive effects of this scheme, with revenue per employee up S\$13,200 to S\$138,500 (10%), and gross profit per employee up S\$2,300 to S\$48,900 (5%). The retention rate of our 123GROW participants is 94%, of which 92.4% are Productive Headcounts.

Expansion into Jakarta in Q1 2018

As announced on 9 November 2017, HRnetGroup will be entering into a joint venture with PT Rimbun Job Agency in Jakarta which will acquire the professional recruitment business of PT Rimbun Job Agency and operate it under the brand name HRnet Rimbun. This will mark the 11th city in the Asia-Pacific region that HRnetGroup is expanding into. The acquisition of Rimbun further cements our position as the largest Asia-based recruitment agency in Asia Pacific (ex-Japan).

“This quarter saw the 88GLOW scheme drive a 20.2% surge in profits. This 10 year scheme will continue to give us acquisition opportunities in coming years. We are also looking forward to returning to Jakarta with the acquisition of the professional recruitment business of PT Rimbun Job Agency, delivering on our plan to grow inorganically and organically as the HR for Asia.”

Ms Adeline Sim (沈伟玲), Executive Director of HRnetGroup

Issued by HRnetGroup Limited

Fadzlin Rashid
Communications & Digital Marketing Manager
Tel: 65 6730 7855
fadzlin@hrnetone.com