

HRnetGroup



RESULTS ANNOUNCEMENT

For the Period ended 30 September 2017

13 November 2017

Disclaimer

This presentation is based on the information we obtained or on the certain assumptions that we understand to be reasonable. However, this is not for the Company to represent or imply and guarantee to the accuracy of completeness of the contents. Further, statement in this presentation may contain forward-looking information that could be impacted by various risks and uncertainties, and that may significantly affect expected results. Therefore, it is to be noted not to entirely rely on forward-looking information.

It should also be noted that this presentation or any statement herein is not allowed to make copy or transfer without our written consent in prior.



Record Top Lines

- Revenue: \$97.5m, up 7.0%
(Q3 2016: \$91.1m)
- GP: \$34.4m, up 1.8%
(Q3 2016: \$33.8m)



Profitability & Efficiency

- PATMI: \$10.7m, up 20.2%
(Q3 2016: \$8.9m)
- Efficiency (EBITDA/GP)
Ratio: 38%
(Q3 2016: 38%)



Business Volume

- 10,542 employee
contractors
(FY2016: 10,500)
- 2,186 permanent
placements
(FY2016: 8,500)

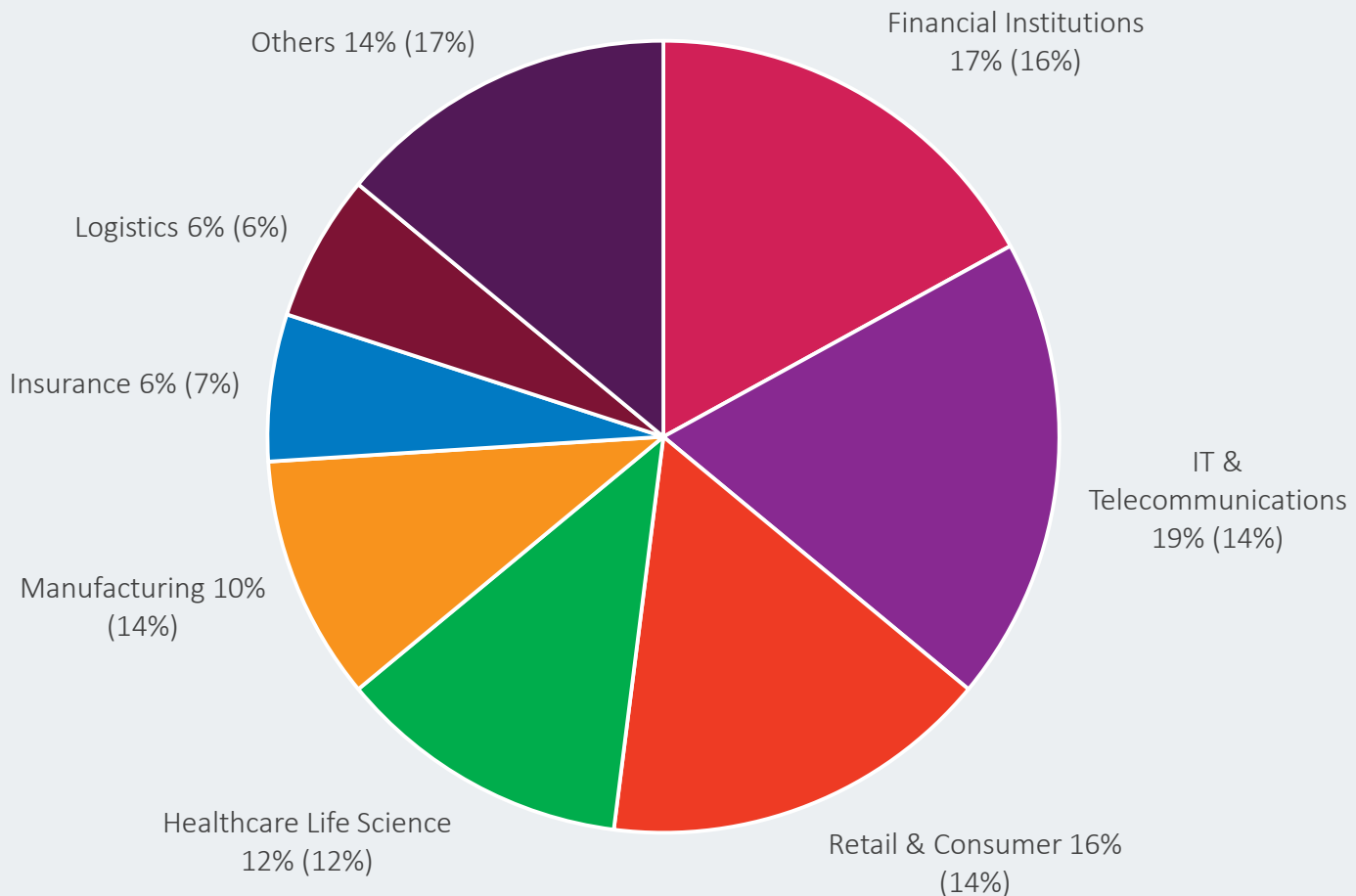
Profit & Loss

	Q3'17	Q3'16	Change
	S\$m	S\$m	%
Revenue	97.5	91.1	7.0
Gross profit	34.4	33.9	1.7
Other income	<u>1.3</u>	<u>0.8</u>	68.9
Profit before tax	13.6	12.9	5.6
Income tax	<u>(2.6)</u>	<u>(2.3)</u>	15.2
Profit after tax	11.0	10.6	3.6
PATMI	<u>10.7</u>	<u>8.9</u>	20.2



- eCommerce, online, gaming, fintech, internet, and mobile apps
- S\$5.5m = 6% in 3Q 2017 revenue
(S\$9.8m = 5% in 1H 2017)

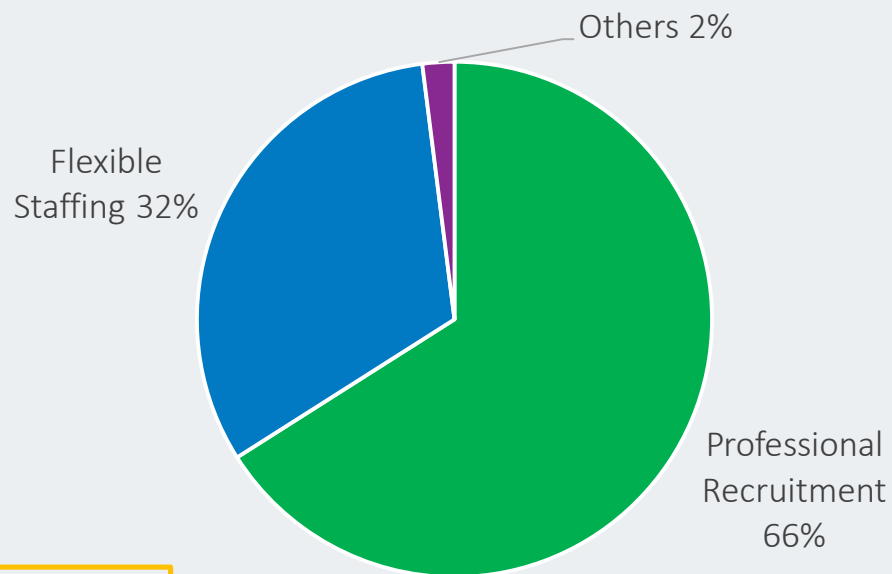
Revenue by Sector Q3



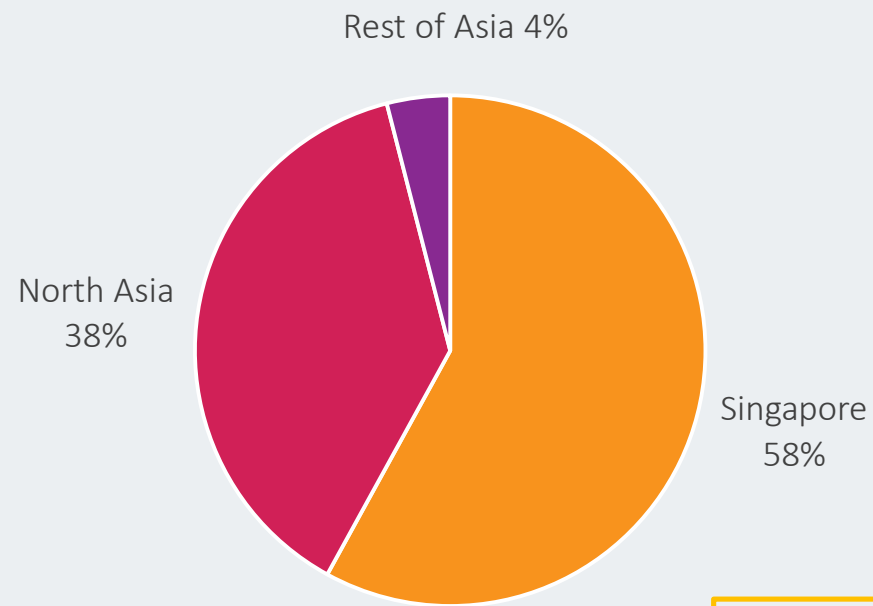
(% in brackets denotes 2016 figures)

Gross Profit by Business Segment & Geography

Balanced Growth with Strength in Singapore



2016
PR 66%
FS 32%



2016
SG 57%
NOA 39%

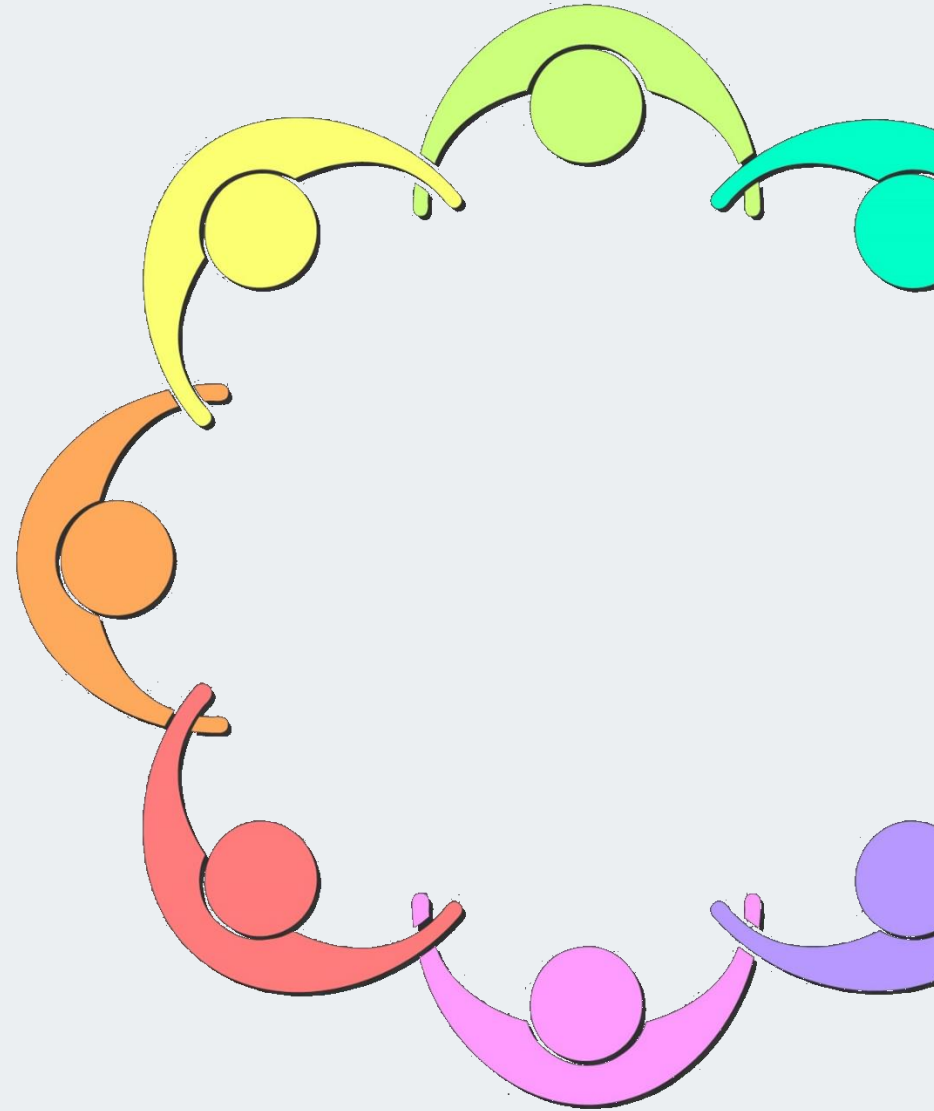
People Strength

	<u>Q3'17</u>	<u>Q3'16</u>	
Revenue/Sales Employees (\$'000)	138.5	125.3	↑ 10.5%
GP/Sales Employees (\$'000)	48.9	46.6	↑ 4.9%
<u>Co-Ownership</u>			
123Grow Co-owners Participants	404		
Retention	382	94.5%	
Productive Co-owners	353	92.4%	
	<u>Sep-17</u>	<u>Sep-16</u>	
Total Employees	1,012	1,060	
Perm Employees	818	848	
Temp/Contract	194	212	
Sales Employees	704	727	
% Sales Employees	86.1%	85.7%	
Productive Sales Employees	483	488	
% Productive Sales Employees	68.6%	67.1%	

Delivering on Our Acquisition Strategy

The Group's M&A work is on track with a variety of opportunities, all of which are focused on **Recruitment** and **HR services**, being steadily pursued with a view to:

- Leverage on each other's strengths in the market place, specializations and our infrastructure to achieve business leadership in the relevant space
- Have existing owners and/or core team members of acquisition targets to be co-owners post-acquisition
- Appoint a member of the HRnetGroup senior management team as a sponsor to induct, coach, support and facilitate new co-owners to maximise the synergies



HRnet Rimbun – Expanding into Jakarta

HRnetGroup will be acquiring the business of PT Rimbun Job Agency in Jakarta, and will launch a new brand there - HRnet Rimbun. This will mark the 11th Asian growth city that HRnetGroup has profitable operations in. The acquisition of Rimbun further cements our position as the largest Asia-based recruitment agency in Asia Pacific (ex-Japan).



HRnetGroup

HR for Asia



众里寻他千百度，暮然回首，
那人却在，灯火阑珊处。