

STRENGTHENING OF LEADERSHIP TEAM IN MALAYSIA

The Board of Directors of HRnetGroup Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce a change in the Group’s shareholdings in two of its subsidiaries in Malaysia from the admission of new co-owners of the subsidiaries, for stronger alignment of interest and motivation towards better performance. These transactions were effected on 29 June 2018 as part of a transition process:

- a. For a consideration of MYR 46,844.00, Sarah Low Tzien-Mei (“**Sarah**”), a Senior Team Leader at Agensi Pekerjaan PeopleFirst Consulting Sdn. Bhd. (“**PFM**”) has purchased 2.8% of the Class A Preference Shares of PFM from the Group. This will result in a decrease in the Group’s holding of Class A Preference Shares in PFM from 83.2% to 80.4% in connection with the sale of such shares (“**PFM Sale Shares**”). Sarah joined PFM in 2005 and heads its engineering, healthcare, and pharmaceutical practices.
- b. For a consideration of MYR 57,860.00, Gavin Andrew Clyde (“**Gavin**”), a Business Leader at Agensi Pekerjaan HRnet One Sdn. Bhd. (“**HRM**”) has purchased 2.0% of the Class A Preference Shares of HRM from the Group. This will result in a decrease in the Group’s holding of Class A Preference Shares in HRM from 84% to 82% in connection with the sale of such shares (“**HRM Sale Shares**”). Gavin has been with HRM since 2003 and leads its chemical, real estate, and construction practices.

The consideration for the each of the above sales was arrived at taking into account the net asset value attributable by operating profits to the relevant sale shares as at 31 December 2017. The consideration was satisfied wholly in cash.

As at 31 December 2017, the book value and net tangible asset value of the PFM Sale Shares and HRM Sale Shares were MYR 41,832.84 and MYR 47,304.72 respectively.

The disclosures made in this announcement are pursuant to Rule 704(18)(d) read with Rules 1008(2), 1010(3) and Rule 1010(5), and these are considered non-discloseable transactions for purposes of Chapter 10 of the Singapore Exchange Securities Trading Limited Listing Manual.

The decrease of the Group’s shareholdings in PFM and HRM is not expected to have a material impact on the consolidated net tangible asset value or earnings per share of the Company for the financial year ending 31 December 2018.

None of the directors or the controlling shareholders or their respective associates of the Company have any interest, direct or indirect, in the above sale.

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.

By Order of the Board

Sim Yong Siang
Founding Chairman
2 July 2018