



HRnetGroup

# Q3 RESULTS ANNOUNCEMENT

For the Financial Period ended 30 Sep 2018

8 Nov 2018

# 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.

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# Snapshot of Q3 2018 : 7-UPs



## Great Top Lines

**Revenue**  
**S\$105.0m**  
↑ up 7.7%  
(Q3 2017: S\$97.5m)

**Gross Profit**  
**S\$39.9m**  
↑ up 16.0%  
(Q3 2017: S\$34.4m)  
👍 Record High



## Great Profits

**NPAT**  
**S\$13.6m**  
↑ up 23.6%  
(Q3 2017: S\$11.0m)

**PATMI**  
**S\$12.6m**  
↑ up 17.8%  
(Q3 2017: S\$10.7m)

**Efficiency Ratio**  
(EBITDA/GP)  
**40.6%**  
↑ Up 2.2% points  
(Q3 2017: 38.4%)

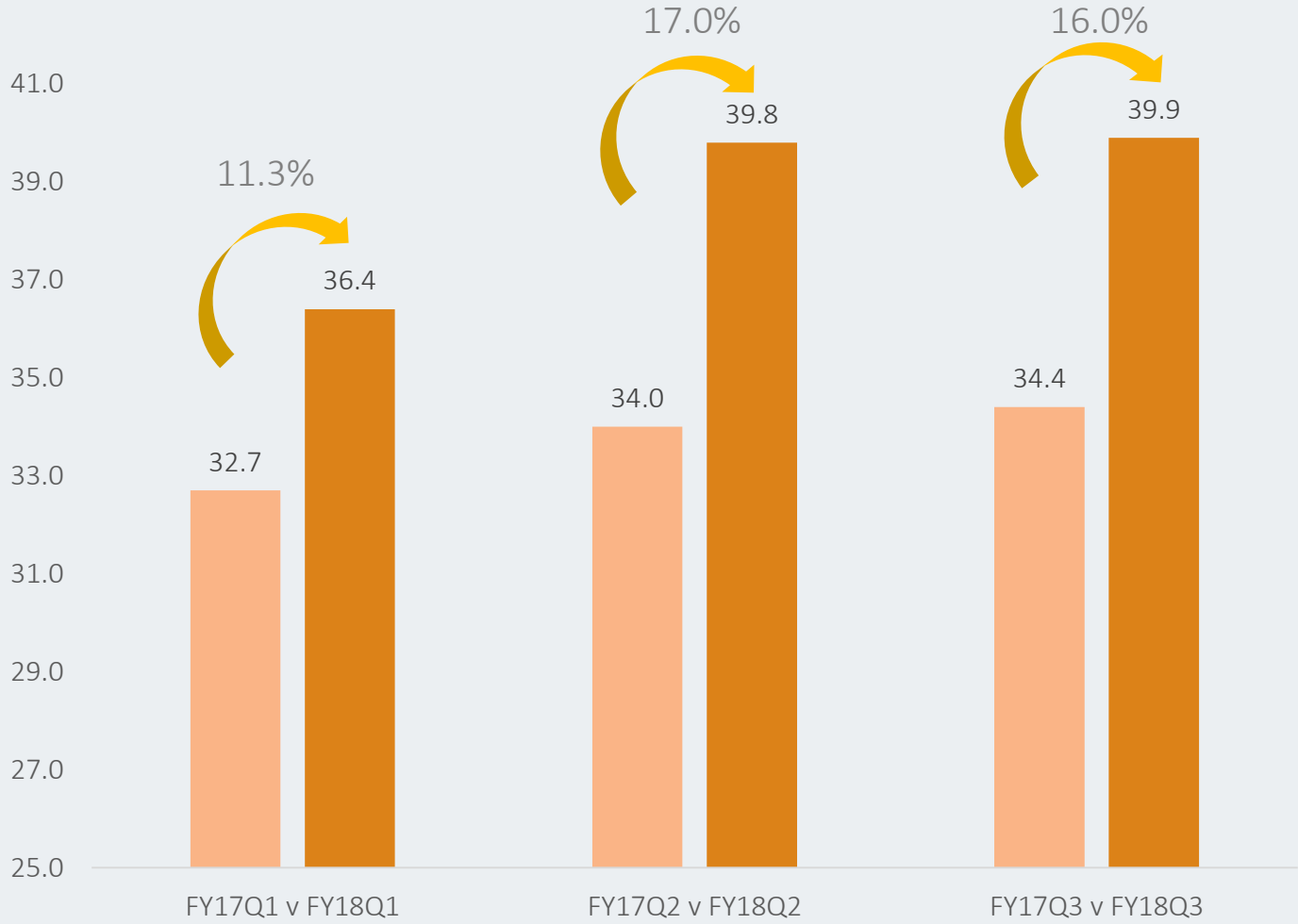


## Business Volume

**Contractor employees**  
**11,392**  
↑ up 850  
(Q3 2017: 10,542)

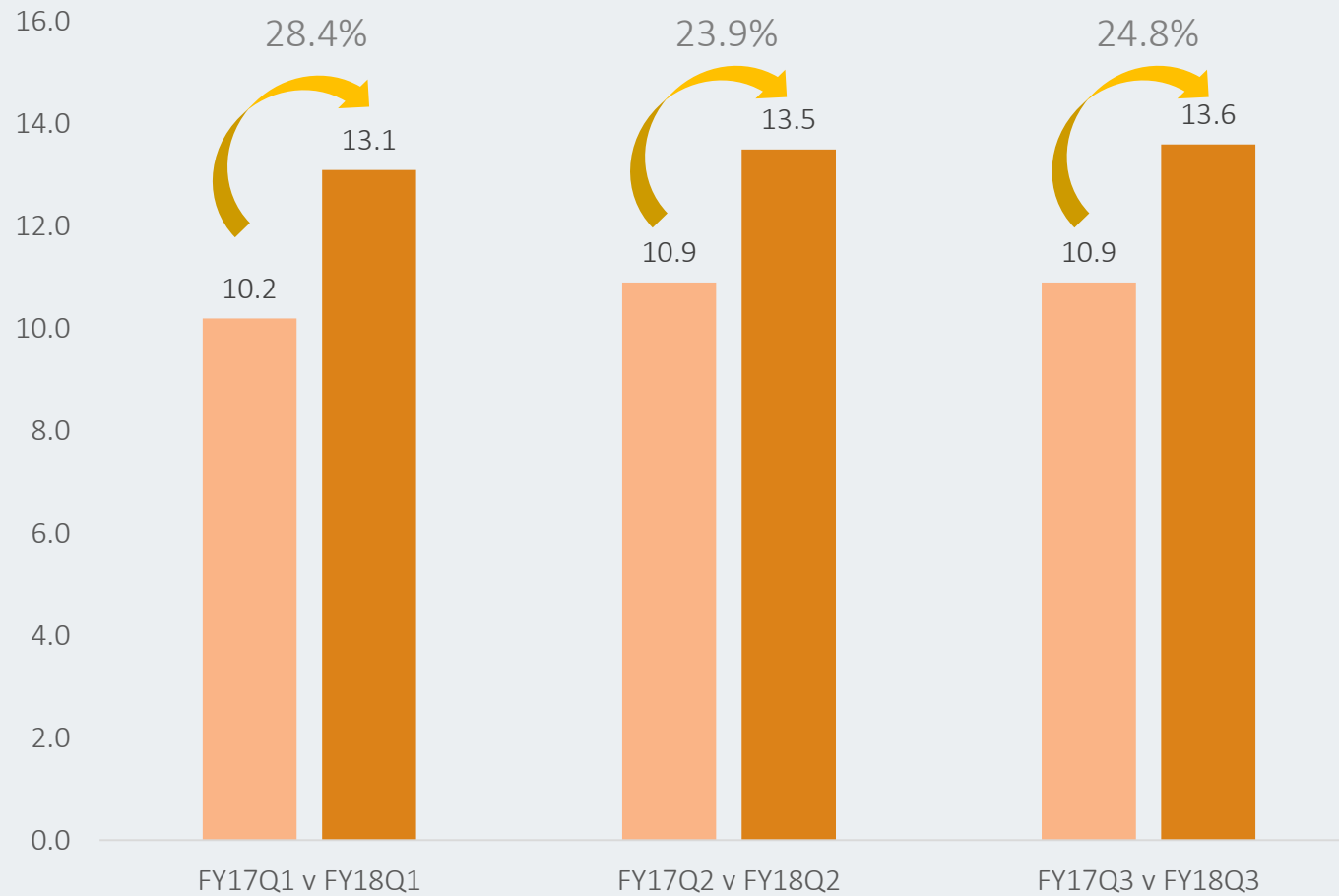
**Permanent placements**  
**2,408**  
↑ up 222  
(Q3 2017: 2,186)  
👍 Record High

# Record GP



(Value in S\$m)

# Great Profit Growth



Normalized NPAT: Refers to NPAT excluding IPO expenses and Singapore Government subsidies  
(Value in S\$m)

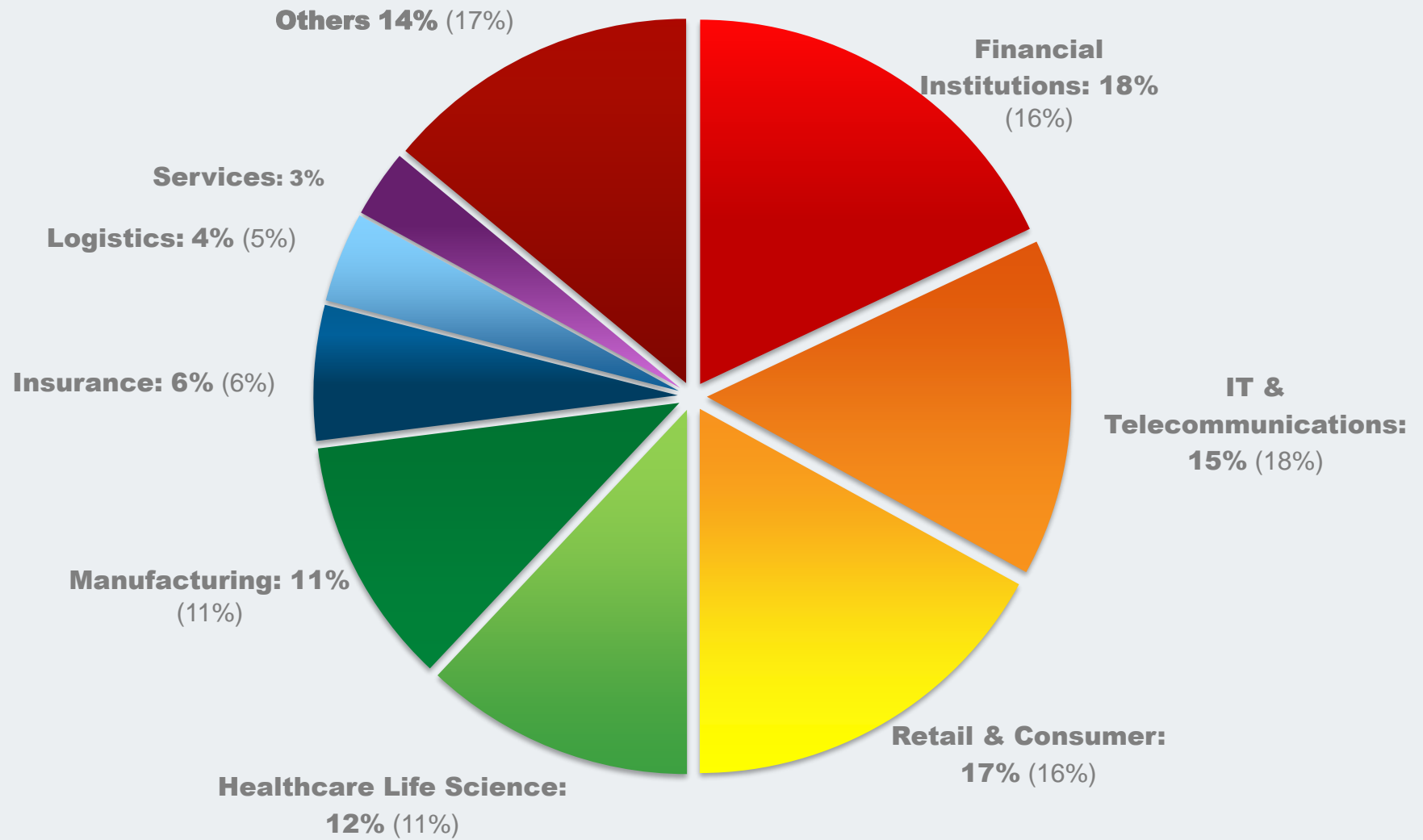
## Profit & Loss

	Q3'18 S\$m	Q3'17 S\$m	Change %
Revenue	105.0	97.5	7.7
Gross profit	39.9	34.4	16.0
Other income	1.4	1.3	7.7
Profit before tax	16.9	13.6	24.3
EBITDA	16.2	13.2	22.7
Income tax	-3.3	-2.6	26.9
<b>Profit after tax</b>	<b>13.6</b>	<b>11.0</b>	<b>23.6</b>
<b>PATMI</b>	<b>12.6</b>	<b>10.7</b>	<b>17.8</b>

### Earnings per share (EPS) cents

	Q3'18	Q3'17
Basic	1.23	1.06
Diluted	1.23	1.05

# Revenue by Sector

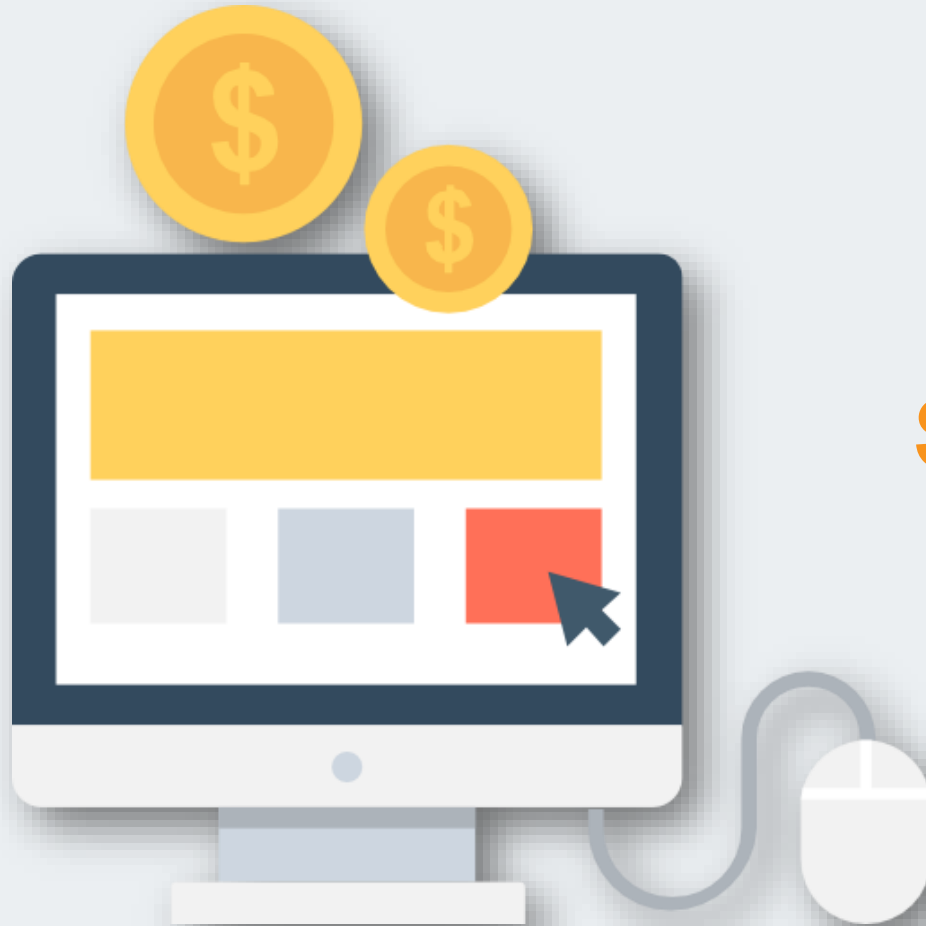


(% in brackets denotes 2017 figures)

\* 2017 figures restated

# The Digital Dimension

Internet, e-commerce, online, gaming, fintech and mobile apps



**\$\$5.0m = 5%**

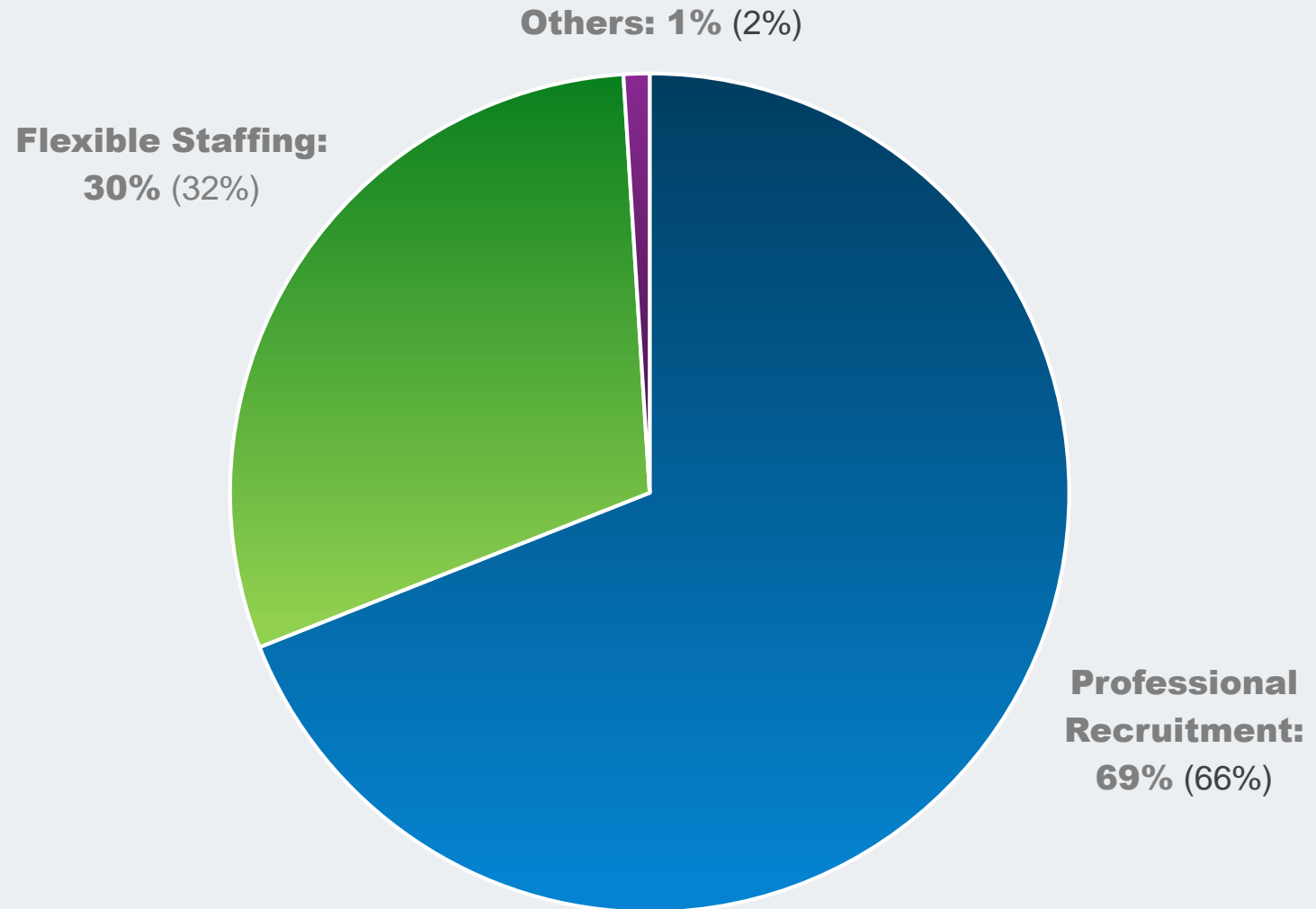
of Q3 2018 revenue

(2017: 6%)



# Gross Profit by Business Segment

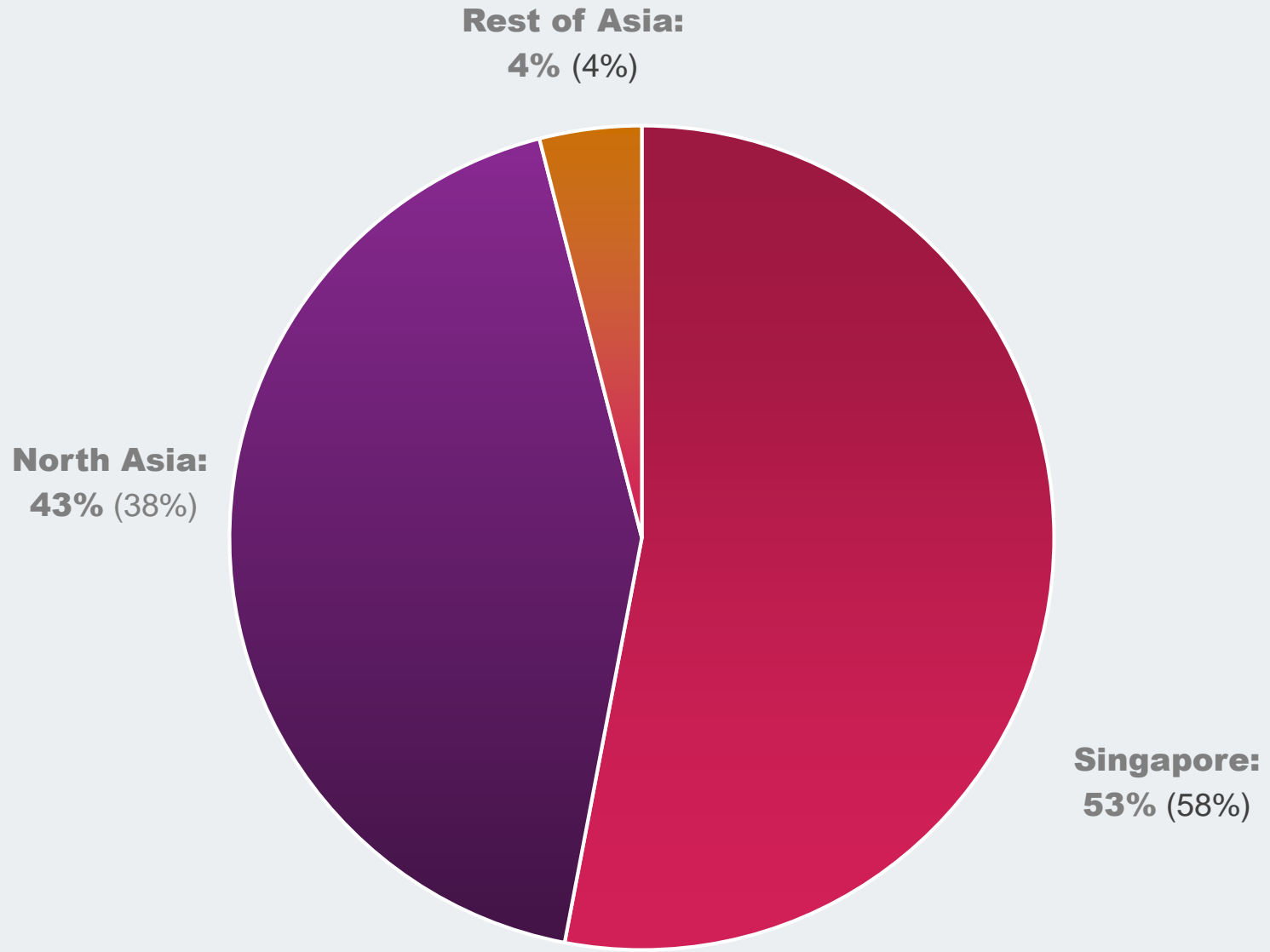
Growth with strength in Singapore & North Asia



(% in brackets denotes Q3 2017 figures)

# Gross Profit by Geography

Growth with strength in Singapore & North Asia



(% in brackets denotes Q3 2017 figures)

## Strong Balance Sheet for Expansion and M&A

	30 Sep 2018	31 Dec 2017	Change
	S\$'m	S\$'m	S\$'m
Cash	275.4	289.1	(13.7)
Trade receivables	78.9	74.6	4.3
Other Assets	50.1	11.8	38.3
<b>Total Assets</b>	<b>404.4</b>	<b>375.5</b>	<b>28.9</b>
Debt	-	-	-
Payables	65.6	54.7	10.9
Total Equity	338.8	320.8	18.0
<b>Total Liabilities &amp; Equity</b>	<b>404.4</b>	<b>375.5</b>	<b>28.9</b>
<b>NAV</b>	<b>327.4</b>	<b>312.5</b>	14.9
<b>NTA</b>	<b>313.4</b>	<b>312.3</b>	

# People Strength

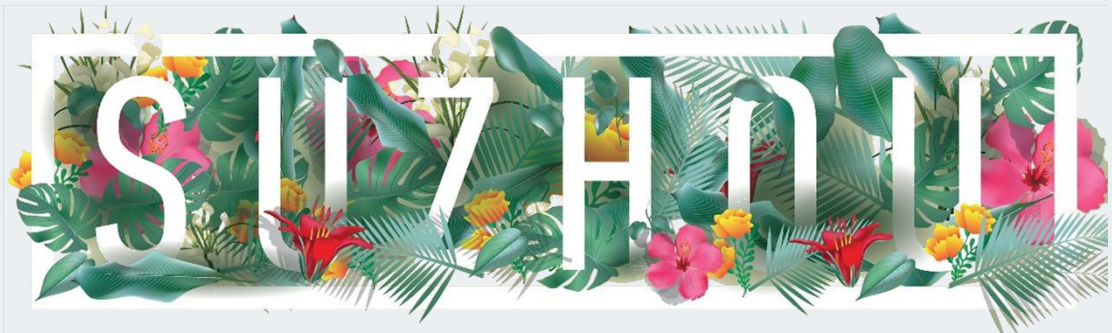
	Q3 2018	Q3 2017	
Revenue/Sales Employees (\$'000)	133.9	138.5	-3.3%
GP/Sales Employees (\$'000)	50.9	48.9	4.0%
	<u>Sep-18</u>	<u>Sep-17</u>	
Total Employees	1,080	1,012	
Perm Employees	925	818	13.0%
Temp/Contract	155	194	
Sales Employees	784	704	
% Sales Employees	84.8%	86.1%	11.4%
Productive Sales Employees	561	483	
% Productive Sales Employees	71.6%	68.6%	16.0%

coverage of  
**13**  
CITIES

With the addition of



and



Our M&A activities are now beginning to bear fruits.  
We added Jakarta and Suzhou to a total coverage of 13 cities in Asia.



**ReForce & HRnetRimbun** have been consolidated upon completion of the acquisitions from 1 September 2018



**Career Personnel** shall be consolidated upon completion of the acquisition from 2 October 2018.

This business unit is being operated by our existing co-owner Katherine Chow





## HRnetOne SHENZHEN

This business unit is headed up by our Co-Owner Maverick Tan.  
Reach out to our HRnetOne Shenzhen team to acquire your AI talents.





## RecruitFirst KUALA LUMPUR

Incorporated RecruitFirst Staffing Services Sdn Bhd and Agensi Pekerjaan RecruitFirst to start up another flexible staffing business. This business unit will be headed up by our existing co-owner Daniel Choong







## *RecruitFirst* **SHANGHAI**

Preparations are on track for the set up of our flexible staffing business in Shanghai

# HRnetGroup

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