

HRnetGroup Limited

Condensed Financial Statements

For the six months ended 30 June 2025

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A. Performance Summary and Outlook

Strong 1H 2025 Results Signal Resilience and Strategic Strength

The Group delivered steady results for 1H 2025, with revenue increasing 3.4% to S\$295.5 million and PATMI rising 29.2% to S\$28.0 million, reflecting operational resilience and financial discipline in a fluid macro environment.

An interim dividend of 2 cents per share, representing a 67% payout of 1H 2025 NPAT, has been declared for payment on 2 September 2025.

Business Segments

Flexible Staffing (FS)

Revenue increased by S\$10.5m (4.1%) to S\$265.8m, maintaining its share of Group revenue at 89.9% and contribution to gross profit (GP) at 52.0%.

Contractor volume grew by 3.7% to 16,140, led by activity in Taipei, Jakarta, and Shanghai. GP per contractor declined 6.3%, resulting in a 2.8% reduction in FS GP to S\$31.8m.

GP Margin eased to 12.0% (1H 2024: 12.8%), largely due to higher volume contributions from lower-margin international markets, and a dip in volumes from the relatively higher-margin Singapore FS business.

Professional Recruitment (PR)

Revenue declined by S\$0.9m (3.3%) to S\$27.7m. Contribution to Group revenue and GP stood at 9.4% and 45.1% respectively (1H 2024: 10.0% and 45.5%).

GP fell 3.5%, in line with a 0.5% decline in GP per placement and a 3.0% drop in placement volume. However, senior executive search volume increased by 6.1%, and average billing per placement rose 12.2%, lifting GP for this segment by 19.0% and partially offsetting weaker performance at the mid and junior levels.

PR GPM remained fairly constant at 99.7% (1H 2024: 99.9%).

Group-level GPM declined from 22.0% to 20.7%, reflecting FS's growing share in the business mix.

Geographical Performance

Singapore

Remains the Group's largest market, contributing 63.7% of total revenue (1H 2024: 66.7%). Revenue declined 1.2% and GP contracted by 8.2%, affected by a softer hiring climate in both FS and PR.

Taipei

Delivered revenue growth of 16.9% and GP growth of 14.0%, supported by continued demand in ecommerce, semiconductors, and technology-related roles.

Mainland China

Revenue rose 12.4% on the back of FS volume gains. However, PR business in Shanghai remained subdued, limiting total contribution.

Sectoral Trends

- **Semiconductors:** Surged 29% on continued global chip demand.
- **Digital and IT Roles:** Grew 18%, supported by ecommerce and AI-driven hiring.
- **Financial Services & Manufacturing:** Continued to register growth.
- **Retail & Healthcare:** Recorded marginal declines.
- **Public Sector:** Accounted for 14.6% of revenue (1H 2024: 14.2%), with contributions from Singapore, Hong Kong S.A.R., Taipei, and Shanghai.

Operating Expenses

Increased by S\$1.3m:

- Controllable SG&A costs declined by S\$0.2m, mainly from reduced facility and depreciation charges.
- Other expenses rose S\$1.6m, due mainly to an S\$1.0m unrealised foreign exchange loss on intercompany balances (1H 2024: S\$0.5m gain).

Other Income

Rose by S\$9.3m:

- S\$7.5m uplift in Singapore government grants under the Progressive Wage Credit Scheme.
- S\$2.9m in unrealised revaluation gains (vs. S\$1.8m unrealised loss in 1H 2024).

These were partially offset by:

- Non-recurrence of a S\$2.3m reversal of prior year accruals.
- S\$0.9m reduction in interest income due to lower prevailing rates.

Financial Position & Cash Flow

The Group maintained a healthy balance sheet with total cash and CLN/T-bills¹ of S\$311.7m (2024: S\$311.4m). Cash on hand was S\$232.6m, following a net cash outflow of S\$25.7m comprising:

- S\$27.3m from operating inflows;
- S\$26.7m from investing activities (mainly CLN/T-bills purchases);
- S\$26.2m from financing outflows, which included dividend payments, lease repayments, minority buyouts, and share buybacks.

Trade receivables rose S\$1.7m on higher revenue, while debtor turnover improved to 58 days (2024: 60 days).

Other assets include gold investments, which rose by S\$1.9m, including a S\$1.0m revaluation gain.

Other current financial assets increased S\$26.5m due to net additions to CLN/T-bills. Non-current financial assets benefitted from a S\$7.4m revaluation gain on strategic holdings in Staffline Group Plc and Bamboos Health Care Holdings Ltd.

Other non-current assets included a S\$2.9m property acquisition in Jakarta for internal use.

¹ Credit Linked Notes (CLN) are DBS issued notes with Monetary Authority of Singapore (MAS) bill as credit underlying. T-bills are short-term Singapore Government Securities (SGS) issued by MAS.

Outlook on Macro Risks

The outlook for 2H remains uncertain, with evolving trade dynamics potentially influencing client hiring plans:

- Singapore's base tariff rate remains low at 10%, but global trade linkages may pose indirect risks.
- Taiwan's effective tariff rate has eased to 20%, narrowing the gap with ASEAN.
- Mainland China continues to face 30% export and 10% US import tariffs, with transshipment routes under scrutiny.

Execution Priorities on Controllables

1. Recruitment Pyramid Focus

The Group will continue to strengthen its focus on the higher-value segment of the recruitment pyramid — particularly in strategic and senior-level roles — supported by infrastructure that enables cross-border talent mobilisation.

The FS segment remains a key revenue contributor, underpinned by recurring government contracts, operational efficiency, and systems strength.

2. Deepening Co-Ownership Leadership

10 new Business Leader Co-Owners were appointed in 1H 2025, bringing the total to 45. The Group continues to see co-ownership as a strategic lever that aligns operational accountability and business performance, supporting the pursuit of long-term growth amid changing conditions.

B. Condensed consolidated statement of profit or loss and other comprehensive income

	Note	Six months ended 30 June			
		2025	2024	Change	
		S\$'000	S\$'000	S\$'000	%
Revenue	3	295,545	285,906	9,639	3.4
Sub-contractor expenses		(234,326)	(222,907)	(11,419)	5.1
Gross profit ("GP")	3	61,219	62,999	(1,780)	(2.8)
Other income		15,779	6,512	9,267	142.3
Selling, general, administrative and other expenses ("SG&A"):					
Other employee benefit expenses		(33,214)	(33,193)	(21)	0.1
Facilities and depreciation expenses		(4,899)	(5,682)	783	(13.8)
Selling expenses		(1,712)	(1,397)	(315)	22.5
Other expenses		(2,588)	(963)	(1,625)	168.7
Finance costs		(429)	(293)	(136)	46.4
		(42,842)	(41,528)	(1,314)	3.2
Profit before income tax	4	34,156	27,983	6,173	22.1
Income tax expense	5	(5,122)	(5,188)	66	(1.3)
Profit for the period ("NPAT")		29,034	22,795	6,239	27.4
Other comprehensive gain (loss) :					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Net fair value gain on investments in equity instruments designated at FVTOCI		7,437	5,118	2,319	45.3
<i>Items that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of foreign Operations		274	(1,040)	1,314	n.m.
Other comprehensive gain (loss) for the period, net of tax		7,711	4,078	3,633	89.1
Total comprehensive income for the period		36,745	26,873	9,872	36.7
Profit attributable to:					
Owners of the Company ("PATMI")		28,015	21,682	6,333	29.2
Non-controlling interests		1,019	1,113	(94)	(8.4)
		29,034	22,795	6,239	27.4
Total comprehensive income attributable to:					
Owners of the Company		35,903	25,856	10,047	38.9
Non-controlling interests		842	1,017	(175)	(17.2)
		36,745	26,873	9,872	36.7
Basic earnings per share (cents)		2.86	2.21		
Diluted earnings per share (cents)		2.86	2.21		

C. Condensed statements of financial position

	Note	Group		Company	
		30 June	31 December	30 June	31 December
		2025	2024	2025	2024
		S\$'000	S\$'000	S\$'000	S\$'000
<u>ASSETS</u>					
Current assets					
Cash and cash equivalents		232,594	258,398	56,943	77,562
Trade receivables		95,027	93,298	-	-
Other receivables and prepayments		6,936	7,313	68,568	90,767
Other assets		7,250	4,325	7,250	4,325
Other financial assets	10	95,246	68,745	55,706	29,358
Total current assets		437,053	432,079	188,467	202,012
Non-current assets					
Pledged deposits		1,079	1,182	-	-
Plant and equipment	8	2,875	2,827	-	-
Right-of-use assets		15,770	12,920	-	-
Other intangible assets		1,574	1,622	-	-
Advance deposits for property, plant and equipment		2,844	2,880	-	-
Goodwill		6,350	6,310	-	-
Subsidiaries		-	-	48,428	48,428
Other financial assets	10	27,356	19,748	25,755	18,147
Deferred tax assets		3,132	2,713	-	-
Total non-current assets		60,980	50,202	74,183	66,575
Total assets		498,033	482,281	262,650	268,587
<u>LIABILITIES AND EQUITY</u>					
Current liabilities					
Trade payables		9,737	9,623	-	-
Other payables and accruals		55,292	55,357	64,828	61,279
Leases liabilities		4,759	4,651	-	-
Income tax payable		9,417	8,978	344	366
Total current liabilities		79,205	78,609	65,172	61,645
Non-current liabilities					
Deferred tax liabilities		337	437	-	-
Leases liabilities		11,891	9,057	-	-
Total non-current liabilities		12,228	9,494	-	-
Capital, reserves and non-controlling interests					
Share capital	9	260,605	260,605	260,605	260,605
Treasury shares	9	(23,455)	(22,690)	(23,455)	(22,690)
Equity reserve		(46,308)	(46,821)	(437)	(437)
Investments revaluation reserve		(44,011)	(51,448)	(44,011)	(51,448)
Translation reserve		(4,355)	(4,806)	-	-
Retained earnings		251,160	243,999	4,776	20,912
Equity attributable to owners of the Company		393,636	378,839	197,478	206,942
Non-controlling interests		12,964	15,339	-	-
Total equity		406,600	394,178	197,478	206,942
Total liabilities and equity		498,033	482,281	262,650	268,587

D. Condensed statements of changes in equity

		Share capital	Treasury shares	Equity reserve	Investments revaluation reserve	Translation reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	Note	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Group</u>										
<u>2025</u>										
Balance as at 1 January 2025		260,605	(22,690)	(46,821)	(51,448)	(4,806)	243,999	378,839	15,339	394,178
<i>Total comprehensive income (loss) for the period</i>										
Profit for the period		-	-	-	-		28,015	28,015	1,019	29,034
Other comprehensive income (loss) for the period		-	-	-	7,437	451	-	7,888	(177)	7,711
Total		-	-	-	7,437	451	28,015	35,903	842	36,745
<i>Transactions with owners, recognised directly in equity</i>										
Dividends	6	-	-	-	-	-	(20,852)	(20,852)	-	(21,120)
Dividends paid to non-controlling shareholders		-	-	-	-	-	-	-	(268)	-
Purchase of treasury shares	9	-	(879)	-	-	-	-	(879)	-	(879)
Treasury shares reissued pursuant to share-based payment expenses	9	-	114	-	-	-	(2)	112	-	112
Capital contribution by non-controlling shareholders		-	-	-	-	-	-	-	195	195
Change in ownership interests in subsidiaries		-	-	513	-	-	-	513	(3,144)	(2,631)
Total		-	(765)	513	-	-	(20,854)	(21,106)	(3,217)	(24,323)
Balance as at 30 June 2025		260,605	(23,455)	(46,308)	(44,011)	(4,355)	251,160	393,636	12,964	406,600

D. Condensed statements of changes in equity (cont'd)

Group	Note	Share capital S\$'000	Treasury shares S\$'000	Equity reserve S\$'000	Investments revaluation reserve S\$'000	Translation reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<u>2024</u>										
Balance as at 1 January 2024		260,605	(19,709)	(47,193)	(51,660)	(4,172)	238,743	376,614	16,327	392,941
<i>Total comprehensive income (loss) for the period</i>										
Profit for the period		-	-	-	-	-	21,682	21,682	1,113	22,795
Other comprehensive income (loss) for the period		-	-	-	5,118	(944)	-	4,174	(96)	4,078
Total		-	-	-	5,118	(944)	21,682	25,856	1,017	26,873
<i>Transactions with owners, recognised directly in equity</i>										
Dividends	6	-	-	-	-	-	(20,914)	(20,914)	-	(20,914)
Dividends paid to non-controlling shareholders		-	-	-	-	-	-	-	(28)	(28)
Purchase of treasury shares	9	-	(2,851)	-	-	-	-	(2,851)	-	(2,851)
Treasury shares reissued pursuant to share-based payment expenses	9	-	248	-	-	-	(5)	243	-	243
Capital contribution by non-controlling shareholders		-	-	-	-	-	-	-	466	466
Total		-	(2,603)	-	-	-	(20,919)	(23,522)	438	(23,084)
Balance as at 30 June 2024		260,605	(22,312)	(47,193)	(46,542)	(5,116)	239,506	378,948	17,782	396,730

D. Condensed statements of changes in equity (cont'd)

<u>Company</u>	<u>Note</u>	Share capital S\$'000	Treasury shares S\$'000	Equity reserve S\$'000	Investments revaluation reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
<u>2025</u>							
Balance as at 1 January 2025		260,605	(22,690)	(437)	(51,448)	20,912	206,942
<i>Total comprehensive income for the period</i>							
Profit for the period		-	-	-	-	4,718	4,718
Other comprehensive income for the period		-	-	-	7,437	-	7,437
Total		-	-	-	7,437	4,718	12,155
<i>Transactions with owners, recognised directly in equity</i>							
Dividends	6	-	-	-	-	(20,852)	(20,852)
Purchase of treasury shares	9	-	(879)	-	-	-	(879)
Treasury shares reissued pursuant to share-based payment expenses	9	-	114	-	-	(2)	112
Total		-	(765)	-	-	(20,854)	(21,619)
Balance as at 30 June 2025		260,605	(23,455)	(437)	(44,011)	4,776	197,478

D. Condensed statements of changes in equity (cont'd)

Company	Note	Share capital S\$'000	Treasury shares S\$'000	Equity reserve S\$'000	Investments revaluation reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
<u>2024</u>							
Balance as at 1 January 2024		260,605	(19,709)	(437)	(51,660)	22,133	210,932
<i>Total comprehensive income (loss) for the period</i>							
Loss for the period		-	-	-	-	(779)	(779)
Other comprehensive income for the period		-	-	-	5,118	-	5,118
Total		-	-	-	5,118	(779)	4,339
<i>Transactions with owners, recognised directly in equity</i>							
Dividends	6	-	-	-	-	(20,914)	(20,914)
Purchase of treasury shares	9	-	(2,851)	-	-	-	(2,851)
Treasury shares reissued pursuant to share-based payment expenses	9	-	248	-	-	(5)	243
Total		-	(2,603)	-	-	(20,919)	(23,522)
Balance as at 30 June 2024		260,605	(22,312)	(437)	(46,542)	435	191,749

E. Condensed consolidated statement of cash flows

	Note	Six months ended 30 June	
		2025	2024
		S\$'000	S\$'000
Operating activities			
Profit before income tax		34,156	27,983
Adjustments for:			
Depreciation of plant and equipment		478	501
Depreciation of right-of-use assets		2,588	3,199
Amortisation of intangible assets		299	250
Gain on lease modification		(1)	(4)
Interest income		(3,183)	(4,069)
Finance costs		429	293
Dividend income		(347)	(568)
Share based payments		112	243
Loss on disposal of plant and equipment		-	8
Gain on disposal of investments		(507)	(83)
Net fair value (gain) loss on financial assets mandatorily measured at FVTPL		(1,864)	2,333
Net fair value gain on other assets		(1,016)	(522)
Allowance for doubtful receivables		267	6
Operating cash flows before movements in working capital		31,411	29,570
Trade receivables		(1,992)	(3,096)
Other receivables and prepayments		245	311
Trade payables		111	902
Other payables and accruals		(27)	(6,216)
Cash generated from operations		29,748	21,471
Interest received		3,366	2,921
Interest paid		(429)	(293)
Income tax paid		(5,401)	(5,759)
Net cash from operating activities		27,284	18,340
Investing activities			
Dividends received		338	498
Purchase of plant and equipment and intangible assets		(810)	(1,155)
Purchase of financial assets mandatorily measured at FVTPL		(45,095)	(51,347)
Purchase of financial assets mandatorily measured at amortised costs		(68,766)	(28,485)
Purchase of other asset		(1,910)	-
Proceeds from disposal of plant and equipment		-	2
Proceeds from disposal of investments		89,559	65,967
Net cash used in investing activities		(26,684)	(14,520)
Financing activities			
Dividends paid to non-controlling shareholders		(1,021)	(1,266)
Dividends paid	6	(20,852)	(20,914)
Net withdrawal (placement) of pledged deposits		111	(84)
Purchase of treasury shares	9	(879)	(2,851)
Capital contributions by non-controlling shareholders in subsidiaries		155	18
Change in ownership interests in subsidiaries		(1,339)	-
Repayment of lease liabilities		(2,464)	(3,001)
Net cash used in financing activities		(26,289)	(28,098)
Net decrease in cash and cash equivalents		(25,689)	(24,278)
Cash and cash equivalents at beginning of the period		258,398	271,586
Effect of foreign exchange rate changes		(115)	(524)
Cash and cash equivalents at end of the period		232,594	246,784

F. Notes to the condensed consolidated financial statements for the period ended 30 June 2025

1. General

HRnetGroup Limited (the "Company") (Registration No.201625854G) is incorporated in Singapore with its principal place of business and registered office at 391A Orchard Road, #23-03 Ngee Ann City Tower A, Singapore 238873. The Company is listed on the mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed consolidated financial statements as at and for the six months ended 30 June comprise the Company and its subsidiaries (collectively, the "Group").

The principal activity of the Company is that of investment holding.

The principal activities of the Group are providing services on:

- (a) Professional Recruitment; and
- (b) Flexible Staffing.

2. Basis of preparation

The condensed financial statements have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* and should be read in conjunction with the annual consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the year ended 31 December 2024.

The same accounting policies, presentation and methods of computation have been followed in these condensed financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 December 2024. The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards which have no material effect on the condensed financial statements of the Group.

2.1. Use of judgements and estimates

In preparing the condensed consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

3. Segment and revenue information

For purposes of resource allocation and assessment of segment performance, the Group's chief operating decision makers have focused on the business operating units which in turn are segregated based on the type of services supplied. This forms the basis of identifying the segments of the Group under SFRS(I) 8 Operating segments as follows:

- (a) Professional recruitment;
- (b) Flexible staffing; and
- (c) Others.

The accounting policies of the reportable segments are the same as the Group's accounting policies applied to the consolidated financial statements as at and for the year ended 31 December 2024. Segment profit represents the profit earned by each segment without allocation of other income, other employee benefit expenses, facilities and depreciation expenses, selling expenses, other expenses and finance costs. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and assessment of segment performance.

Information regarding the operations of each reportable segment is included below.

Business and geographical segment of the Group's revenue, gross profit and results, and geographical segment assets for the six months ended 30 June

The following is an analysis of the Group's revenue and results by reportable segments for the six months ended 30 June:

Group	2025				2024			
	S\$'000				S\$'000			
	Singapore	North Asia*	Rest of Asia#	Total	Singapore	North Asia*	Rest of Asia#	Total
Revenue								
Professional Recruitment	7,742	18,332	1,659	27,733	9,221	17,975	1,480	28,676
Flexible staffing	179,564	71,920	14,295	265,779	180,491	62,753	12,020	255,264
Others	1,078	881	74	2,033	873	1,058	35	1,966
	<u>188,384</u>	<u>91,133</u>	<u>16,028</u>	<u>295,545</u>	<u>190,585</u>	<u>81,786</u>	<u>13,535</u>	<u>285,906</u>
Gross Profit								
Professional Recruitment	7,717	18,261	1,659	27,637	9,200	17,955	1,479	28,634
Flexible staffing	23,005	7,572	1,263	31,840	24,555	7,100	1,112	32,767
Others	1,008	665	69	1,742	810	756	32	1,598
	<u>31,730</u>	<u>26,498</u>	<u>2,991</u>	<u>61,219</u>	<u>34,565</u>	<u>25,811</u>	<u>2,623</u>	<u>62,999</u>
Other income				15,779				6,512
Other employee benefit expenses				(33,214)				(33,193)
Facilities and depreciation expenses				(4,899)				(5,682)
Selling expenses				(1,712)				(1,397)
Other expenses				(2,588)				(963)
Finance costs				(429)				(293)
Profit before income tax				<u>34,156</u>				<u>27,983</u>
Total assets	<u>388,408</u>	<u>95,250</u>	<u>14,375</u>	<u>498,033</u>	<u>384,033</u>	<u>84,202</u>	<u>9,670</u>	<u>477,905</u>

* North Asia comprises People's Republic of China, Taiwan, Hong Kong S.A.R., Japan and South Korea.

Rest of Asia comprises Malaysia, Thailand and Indonesia.

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales.

For the purposes of monitoring segment performance and allocating resources between segments, the chief operating decision makers monitor the tangible, intangible and financial assets attributable to each segment.

Liabilities are not allocated as they are not monitored by the chief operating decision makers for the purposes of resource allocation and assessment of segment performance.

4. Profit before income tax

4.1 Significant items for the six months ended

	Group	
	2025	2024
	S\$'000	S\$'000
Interest income	3,183	4,069
Reversal of trade related accruals	-	2,284
Government grants and subsidies ⁽¹⁾	8,703	1,253
Dividend income	347	568
Foreign exchange (loss) gain	(1,044)	458
Gain on disposal of investments	507	83
Net fair value gain (loss) on financial assets mandatorily measured at FVTPL ⁽²⁾	1,864	(2,333)
Net fair value gain on other assets	1,016	522
Allowance for doubtful receivables	(267)	(6)
Amortisation of intangible assets	(299)	(250)
Depreciation of plant and equipment	(478)	(501)
Depreciation of right-of-use assets	(2,588)	(3,199)
Finance costs	(429)	(293)

(1) Relates to Progressive Wage Credit Scheme, Senior Employment Credit, Enabling Employment Credit and CPF Transition Offset given by the Singapore government, and grants, subsidies and reliefs from the various governments of geographies that the Group operates in.

(2) FVTPL refers to fair value through profit or loss.

4.2 Related party transactions

There are no significant related party transactions during the six months ended 30 June 2025.

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the six months ended 30 June was as follows:

	Group	
	2025	2024
	S\$'000	S\$'000
Short-term benefits	1,271	1,387
Post-retirement benefits	52	60
Share-based payments	112	111
	<u>1,435</u>	<u>1,558</u>

5. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss for the period ended 30 June are:

	Group	
	2025	2024
	S\$'000	S\$'000
Current tax	5,792	5,131
(Over) Underprovision of current tax in prior year	(86)	107
Deferred tax	(633)	(188)
Withholding tax	49	138
	<u>5,122</u>	<u>5,188</u>

6. Dividends

	Group	
	2025	2024
	S\$'000	S\$'000
Ordinary dividends paid		
Final dividends of 2.13 cents (2024: 2.13 cents) tax exempt (one-tier) per share paid in respect of prior financial year	<u>20,852</u>	<u>20,914</u>

7. Net asset value

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	S\$	S\$	S\$	S\$
Net asset value per ordinary share	<u>0.4021</u>	<u>0.3865</u>	<u>0.2017</u>	<u>0.2111</u>

8. Plant and equipment

During the six months ended 30 June 2025, the Group acquired assets amounting to S\$558,000 (30 June 2024: S\$1,023,000) and disposed of assets amounting to S\$NIL (30 June 2024: S\$10,000).

9. Share capital and treasury shares

Share capital

	Group and Company			
	Number of shares		Issued and paid up	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	'000	'000	S\$'000	S\$'000
Issued and paid up	1,011,407	1,011,407	260,605	260,605

Treasury shares

	Group and Company			
	Number of treasury shares		Amount	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	'000	'000	S\$'000	S\$'000
At 1 January	31,324	27,125	22,690	19,709
Treasury shares purchased	1,257	4,698	879	3,343
Treasury shares reissued pursuant to share-based payment expenses	(157)	(499)	(114)	(362)
At 30 June and 31 December	32,424	31,324	23,455	22,690

Save as disclosed, the Company did not have any outstanding convertibles and subsidiary holdings as at 30 June 2025 and 31 December 2024.

Number of shares held as treasury shares against total number of issued shares excluding treasury shares

	Group and Company	
	Number of shares	
	30 June 2025	31 December 2024
Issued shares	1,011,406,872	1,011,406,872
Treasury shares	(32,424,520)	(31,324,110)
Issued shares excluding treasury shares	978,982,352	980,082,762
Treasury shares as a percentage of issued shares excluding treasury shares (%)	3.3121	3.1961

10. Fair value of financial instrument

This note provides information about how the Group and Company determines fair value of various financial assets and financial liabilities.

Fair value of the Group and Company's financial assets that are measured at fair value on a recurring basis

Some of the Group and Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period.

The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

	Group		Company					
Financial assets / Financial liabilities	Fair value as at (S\$'000)				Fair value hierarchy	Valuation technique(s) and input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	30 June 2025	31 December 2024	30 June 2025	31 December 2024				
Financial assets mandatorily measured at fair value through profit or loss								
1) Quoted equity securities	16,104	15,776	16,104	15,776	Level 1	Quoted bid prices in an active market.	N.A.	N.A.
2) Quoted debt securities	5,884	5,712	5,884	5,712	Level 1	Quoted bid prices in an active market.	N.A.	N.A.
3) Unquoted equity securities	1,601	1,601	-	-	Level 2	Unquoted bid prices in markets that are not active.	N.A.	N.A.
4) Unquoted debt securities	10,376	-	10,376	-	Level 2	Unquoted bid prices in markets that are not active.	N.A.	N.A.
Financial assets designated at fair value through other comprehensive income								
5) Quoted equity securities	19,872	12,435	19,872	12,435	Level 1	Quoted bid prices in an active market.	N.A.	N.A.

There were no transfers between Level 1, 2 and 3 in the period. The carrying amounts of cash and cash equivalents, trade and other receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

11. Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed financial statements.

G. Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of HRnetGroup and its subsidiaries as at 30 June 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Dividend

a. Current Financial Period Reported on

On 13 August 2025, the directors declared a one-tier tax exempt interim dividend for the financial year ending 31 December 2025 of 2.0 cents per share to be paid out of registered shareholders.

b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend recommended for the corresponding period of the immediately preceding financial year? No

c. Date payable

2 September 2025.

d. Books Closure Date

26 August 2025.

3. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

4. Use of IPO Proceeds

Pursuant to the Company's IPO, the Company received gross proceeds from the IPO of approximately S\$174.1 million.

The utilisation of the gross proceeds from the Company's initial public offering as of 30 June 2025 is set out as below:

	Amount utilised
	S\$ million
Purchase of equity instrument designated at FVTOCI	64.0
Purchase of financial assets mandatorily measured at FVTPL	39.3
Acquisition and investment in subsidiaries	10.1
Start-up of subsidiaries	10.8
IPO related expenses	9.1
	133.3

5. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2025 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Sim Yong Siang
Founding Chairman

Adeline Sim Wei Ling
Chief Corporate Officer and Executive Director

Singapore
13 August 2025