

HRnetGroup Limited

Condensed Financial Statements

For the six months and full year ended 31 December 2025

Table of Contents

A.	Performance Summary and Outlook	1 - 2
B.	Condensed consolidated statement of profit or loss and other comprehensive income	3
C.	Condensed statements of financial position	4
D.	Condensed statements of changes in equity	5 - 8
E.	Condensed consolidated statement of cash flows	9
F.	Notes to the condensed consolidated financial statements	10 - 16
G.	Other Information Require by Listing Rule Appendix 7.2	17 - 20

A. Performance Summary and Outlook

FY2025 Financial Results Double-Digit Growth in Earnings and Dividends

The Board of Directors of HRnetGroup Limited reports a 14.3% increase in NPAT to S\$52.9m, on 3.0% revenue growth to S\$584.0m.

The Directors propose a 10% higher Final Dividend of 2.2 cents per share. Full year total dividend of 4.2 cents represents a yield of 5.6%¹, a 78% payout of NPAT, and 79% of free cash flow.

Operations

2H2025 vs 2H2024: Revenue increased 2.6% and GP rose 4.2%. SG&A declined 0.7%, resulting in 14.3% growth in operating profit.

2H2025 vs 1H2025: GP increased 0.7% and SG&A fell 7.0%, lifting operating profit by 18.7%, despite 2H revenue being lower by 2.4% in line with seasonal patterns.

Business Mix

The Group operates two core segments: Flexible Staffing (FS) and Professional Recruitment (PR).

1. FS contributed 89.7% of Group revenue and increased 3.2% to S\$524.1m. Average monthly contractors increased 5.6% to 16,421 as increases in Taiwan, Indonesia and Mainland China offset the reduction in Singapore.

FS GP was stable at S\$63.8m, with an average GP margin of 12.2% (FY2024: 12.6%). GP/Contractor in Singapore held steady, while international markets experienced some pricing pressure.

2. PR contributed 9.6% of revenue and 45.2% of GP, with a GP margin of 99.6%. Revenue increased 1.6% to S\$55.8m and GP rose 1.3% to S\$55.6m. Placement volume increased 4.6% to 4,766.

Senior executive search led with 16.2% GP growth, as placements increased by 7.2% and GP/Placement improved 8.4%. Stronger activity in Taiwan, Mainland China, Korea, Thailand and Malaysia offset softer conditions in Singapore.

The blended GP margin fell from 21.6% to 21.0% as FS continued to exceed PR in relative contribution.

Other Income

Other income rose S\$6.9m to S\$22.3m, driven by:

- S\$9.3m in fair value net gains on financial assets and gold, S\$2.3m in government grants mainly from prior-year PWCS receipts, and a S\$0.8m gain from disposal of financial assets.

partially offset by

- lower interest income of S\$2.7m and the absence of S\$2.3m in trade-related accrual reversals recorded in FY2024.

Operating Expenses

Cost discipline remained tight. SG&A increased only S\$1.1m, mainly due to:

- higher employee costs of S\$1.1m from increased headcount, incentives and bonuses, and realised/unrealised foreign exchange losses of S\$1.0m from a stronger SGD.

partially offset by

- reduction of S\$1.4m in facilities and depreciation expenses, following office consolidation and lease optimisation initiatives.

¹ Based on closing price of S\$0.75 per share on 31 December 2025

Financial Position and Cash Flow

1. The Group maintained a strong balance sheet. Cash and cash equivalents increased to S\$262.9m by S\$4.5m due to:
 - Operating activities' net inflow of S\$56.5m;
 - less: Investing activities' net outflow S\$7.5m, driven by S\$30.8m net investments in CLNs², S\$4.5m property, plant and equipment, S\$2.9m gold; partially offset by S\$21.3m net disposals of T-bills², S\$8.7m other financial assets and S\$0.7m dividends received; and
 - less: Financing activities' net outflow S\$43.6m, mainly from S\$42.0m dividend payments, S\$3.3m net acquisition of subsidiaries' interests, and S\$4.9m lease repayments, partially offset by S\$7.1m from treasury share placement.
2. Other receivables and prepayments declined S\$1.1m due to lower interest receivables.
3. Other assets comprised gold holdings which increased S\$5.3m from higher gold holdings and revaluation gains.
4. Other financial assets (current) declined S\$4.9m following the disposal of marketable securities, partially offset by revaluation gains.
5. Property, plant and equipment increased S\$2.8m following the capitalisation of the Jakarta office property which was accounted for as advanced deposits last year.
6. Financial assets measured at FVTOCI increased S\$6.5m due to fair value gains in Staffline and Bamboos.

Industry Trends, Competitive Conditions and Outlook

Over the past eight years, the Group has delivered steadier revenue growth and profitability than most global peers, avoiding the volatility, weaker post-pandemic recovery, and multi-year losses seen across the sector.

Hiring remains selective, and competition in mid-level recruitment continues to be intense. To navigate this environment, the Group is focused on the following strategies.

1. Pivoting Professional Recruitment towards senior executive search, where placement volumes and GP/Placement is higher.
2. Expanding Flexible Staffing which provides a strong and stable revenue and GP base. This capitalizes on the Group's balance sheet strength for contractor headcount growth across international markets.
3. Cultivating recurring revenue streams such as Octomate, a workforce-management platform generating implementation fees and scalable 3–5-year subscription income. It is gaining traction with government and multinational clients.

² 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.

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

	Note	Group					
		Six months ended 31 December			Year ended 31 December		
		2025	2024	Change	2025	2024	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%	
Revenue	3	288,465	281,090	2.6	584,010	566,996	3.0
Sub-contractor expenses		(226,788)	(221,879)	2.2	(461,114)	(444,786)	3.7
Gross profit ("GP")	3	61,677	59,211	4.2	122,896	122,210	0.6
Other income		6,534	8,932	(26.8)	22,313	15,444	44.5
Selling, general, administrative and other expenses ("SG&A"):							
Other employee benefit expenses		(31,874)	(30,749)	3.7	(65,088)	(63,942)	1.8
Facilities and depreciation expenses		(5,109)	(5,725)	(10.8)	(10,008)	(11,407)	(12.3)
Selling expenses		(1,438)	(1,635)	(12.0)	(3,150)	(3,032)	3.9
Other expenses		(1,069)	(1,684)	(36.5)	(3,657)	(2,647)	38.2
Finance costs		(370)	(330)	12.1	(799)	(623)	28.3
		(39,860)	(40,123)	(0.7)	(82,702)	(81,651)	1.3
Profit before income tax	4	28,351	28,020	1.2	62,507	56,003	11.6
Income tax expense	5	(4,467)	(4,536)	(1.5)	(9,589)	(9,724)	(1.4)
Profit for the year ("NPAT")		23,884	23,484	1.7	52,918	46,279	14.3
Other comprehensive (loss) income :							
<i>Items that will not be reclassified subsequently to profit or loss</i>							
Net fair value (loss) gain on investments in equity instruments designated at FVTOCI		(963)	(4,906)	(80.4)	6,474	212	n.m.
<i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations		(1,324)	370	n.m.	(1,050)	(670)	56.7
Other comprehensive (loss) income for the year, net of tax		(2,287)	(4,536)	(49.6)	5,424	(458)	n.m.
Total comprehensive income for the year		21,597	18,948	14.0	58,342	45,821	27.3
Profit attributable to:							
Owners of the Company ("PATMI")		23,175	22,836	1.5	51,190	44,518	15.0
Non-controlling interests		709	648	9.4	1,728	1,761	(1.9)
		23,884	23,484	1.7	52,918	46,279	14.3
Total comprehensive income attributable to:							
Owners of the Company		20,641	18,240	13.2	56,544	44,096	28.2
Non-controlling interests		956	708	35.0	1,798	1,725	4.2
		21,597	18,948	14.0	58,342	45,821	27.3
Basic earnings per share (cents)		2.37	2.33		5.21	4.53	
Diluted earnings per share (cents)		2.37	2.33		5.21	4.53	

C. Condensed statements of financial position

	Note	Group		Company	
		31 December	31 December	31 December	31 December
		2025	2024	2025	2024
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets					
Cash and cash equivalents		262,944	258,398	74,698	77,562
Trade receivables		93,872	93,298	-	-
Other receivables and prepayments		6,183	7,313	84,995	90,767
Other assets		9,655	4,325	9,655	4,325
Other financial assets	10	73,658	68,745	43,895	29,358
Total current assets		446,312	432,079	213,243	202,012
Non-current assets					
Pledged deposits		989	1,182	-	-
Property, plant and equipment	8	5,670	2,827	-	-
Right-of-use assets		13,767	12,920	-	-
Other intangible assets		1,455	1,622	-	-
Other non-current assets		-	2,880	-	-
Goodwill		6,350	6,310	-	-
Subsidiaries		-	-	48,428	48,428
Other financial assets	10	26,502	19,748	24,902	18,147
Deferred tax assets		2,739	2,713	-	-
Total non-current assets		57,472	50,202	73,330	66,575
Total assets		503,784	482,281	286,573	268,587
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables		9,348	9,623	-	-
Other payables and accruals		57,035	55,357	64,993	61,279
Leases liabilities		4,710	4,651	-	-
Income tax payable		8,303	8,978	318	366
Total current liabilities		79,396	78,609	65,311	61,645
Non-current liabilities					
Deferred tax liabilities		306	437	-	-
Leases liabilities		10,003	9,057	-	-
Total non-current liabilities		10,309	9,494	-	-
Capital, reserves and non-controlling interests					
Share capital	9	260,605	260,605	260,605	260,605
Treasury shares	9	(16,136)	(22,690)	(16,136)	(22,690)
Equity reserve		(48,840)	(46,821)	(542)	(437)
Investments revaluation reserve		(44,974)	(51,448)	(44,974)	(51,448)
Translation reserve		(5,942)	(4,806)	-	-
Retained earnings		257,403	243,999	22,309	20,912
Equity attributable to owners of the Company		402,116	378,839	221,262	206,942
Non-controlling interests		11,963	15,339	-	-
Total equity		414,079	394,178	221,262	206,942
Total liabilities and equity		503,784	482,281	286,573	268,587

D. Condensed statements of changes in equity

<u>Group</u>	<u>Note</u>	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
2025										
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 year</i>										
Profit for the year		-	-	-	-	-	51,190	51,190	1,728	52,918
Other comprehensive income (loss) for the year					6,474	(1,120)	-	5,354	70	5,424
Total		-	-	-	6,474	(1,120)	51,190	56,544	1,798	58,342
<i>Transactions with owners, recognised directly in equity</i>										
Dividends	6	-	-	-	-	-	(40,435)	(40,435)	(1,307)	(41,742)
Purchase of treasury shares	9	-	(891)	-	-	-	-	(891)	-	(891)
Treasury shares reissued pursuant to share-based payment expenses	9	-	213	-	-	-	(8)	205	-	205
Sale of treasury shares	9	-	7,232	(105)	-	-	-	7,127	-	7,127
Capital contribution by non-controlling shareholders		-	-	-	-	-	-	-	231	231
Transactions with non-controlling shareholders		-	-	(1,446)	-	(16)	2,657	1,195	(1,195)	-
Change in ownership interests in subsidiaries		-	-	(468)	-	-	-	(468)	(2,903)	(3,371)
Total		-	6,554	(2,019)	-	(16)	(37,786)	(33,267)	(5,174)	(38,441)
Balance as at 31 December 2025		260,605	(16,136)	(48,840)	(44,974)	(5,942)	257,403	402,116	11,963	414,079

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

<u>Group</u>	<u>Note</u>	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
2024										
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 year</i>										
Profit for the year		-	-	-	-	-	44,518	44,518	1,761	46,279
Other comprehensive income (loss) for the year		-	-	-	212	(634)	-	(422)	(36)	(458)
Total		-	-	-	212	(634)	44,518	44,096	1,725	45,821
<i>Transactions with owners, recognised directly in equity</i>										
Dividends	6	-	-	-	-	-	(39,255)	(39,255)	(1,548)	(40,803)
Purchase of treasury shares	9	-	(3,343)	-	-	-	-	(3,343)	-	(3,343)
Treasury shares reissued pursuant to share-based payment expenses	9	-	362	-	-	-	(7)	355	-	355
Non-controlling interests arising from acquisition and capital contribution		-	-	-	-	-	-	-	468	468
Change in ownership interests in subsidiaries		-	-	372	-	-	-	372	(1,633)	(1,261)
Total		-	(2,981)	372	-	-	(39,262)	(41,871)	(2,713)	(44,584)
Balance as at 31 December 2024		260,605	(22,690)	(46,821)	(51,448)	(4,806)	243,999	378,839	15,339	394,178

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
2025							
Balance as at 1 January 2025		260,605	(22,690)	(437)	(51,448)	20,912	206,942
<i>Total comprehensive income for the year</i>							
Profit for the year		-	-	-	-	41,840	41,840
Other comprehensive income for the year		-	-	-	6,474	-	6,474
Total		-	-	-	6,474	41,840	48,314
<i>Transactions with owners, recognised directly in equity</i>							
Dividends	6	-	-	-	-	(40,435)	(40,435)
Purchase of treasury shares	9	-	(891)	-	-	-	(891)
Treasury shares reissued pursuant to share-based payment expenses	9	-	213	-	-	(8)	205
Sale of treasury shares	9	-	7,232	(105)	-	-	7,127
Total		-	6,554	(105)	-	(40,443)	(33,994)
Balance as at 31 December 2025		260,605	(16,136)	(542)	(44,974)	22,309	221,262

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>2024</u>							
Balance as at 1 January 2024		260,605	(19,709)	(437)	(51,660)	22,133	210,932
<i>Total comprehensive income for the year</i>							
Profit for the year		-	-	-	-	38,041	38,041
Other comprehensive income for the year		-	-	-	212	-	212
Total		-	-	-	212	38,041	38,253
<i>Transactions with owners, recognised directly in equity</i>							
Dividends	6	-	-	-	-	(39,255)	(39,255)
Purchase of treasury shares	9	-	(3,343)	-	-	-	(3,343)
Treasury shares reissued pursuant to share-based payment expenses	9	-	362	-	-	(7)	355
Total		-	(2,981)	-	-	(39,262)	(42,243)
Balance as at 31 December 2024		260,605	(22,690)	(437)	(51,448)	20,912	206,942

E. Condensed consolidated statement of cash flows

	Note	Group	
		2025 S\$'000	2024 S\$'000
Operating activities			
Profit before income tax		62,507	56,003
Adjustments for:			
Depreciation of property, plant and equipment		1,075	1,043
Depreciation of right-of-use assets		5,128	6,244
Amortisation of intangible assets		672	519
Gain on lease modification		(10)	(4)
Interest income		(5,343)	(8,012)
Finance costs		799	623
Dividend income		(586)	(914)
Share-based payment expenses		206	355
Loss on disposal of plant and equipment		-	8
Gain on disposal of investments		(837)	(83)
Net fair value (gain) loss on financial assets mandatorily measured at FVTPL		(2,545)	4,311
Net fair value gain on other assets		(3,420)	(997)
Allowance for doubtful receivables		100	60
Operating cash flows before movements in working capital		57,746	59,156
Trade receivables		(666)	1,149
Other receivables and prepayments		3,036	(2,875)
Trade payables		(280)	835
Other payables and accruals		1,635	(2,096)
Cash generated from operations		61,471	56,169
Interest received		6,338	7,553
Interest paid		(798)	(623)
Income tax paid		(10,535)	(11,498)
Net cash from operating activities		56,476	51,601
Investing activities			
Dividends received		693	894
Purchase of property, plant and equipment and intangible assets		(4,473)	(2,173)
Proceeds from disposal of plant and equipment		-	3
Purchase of financial assets mandatorily measured at FVTPL		(65,591)	(60,968)
Proceeds from disposal of financial assets mandatorily measured at FVTPL		43,461	78,601
Purchase of financial assets measured at amortised cost		(100,429)	(92,255)
Proceeds from disposal of financial assets measured at amortised cost		121,735	63,140
Purchase of other assets		(2,898)	-
Net cash used in investing activities		(7,502)	(12,758)
Financing activities			
Dividends paid to non-controlling shareholders		(1,525)	(1,749)
Dividends paid	6	(40,435)	(39,255)
Net withdrawal of pledged deposits		196	27
Purchase of treasury shares	9	(891)	(3,343)
Proceeds from sale of treasury shares	9	7,127	-
Capital contributions by non-controlling shareholders in subsidiaries		191	21
Change in ownership interests in subsidiaries		(3,333)	(1,305)
Repayment of lease liabilities		(4,931)	(5,866)
Net cash used in financing activities		(43,601)	(51,470)
Net increase (decrease) in cash and cash equivalents		5,373	(12,627)
Cash and cash equivalents at beginning of the year		258,398	271,586
Effect of foreign exchange rate changes		(827)	(561)
Cash and cash equivalents at end of the year		262,944	258,398

F. Notes to the condensed consolidated financial statements for the year ended 31 December 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 year ended 31 December 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) Flexible Staffing; and
- (b) Professional Recruitment.

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 were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024. The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are those relating to trade related accruals. Management determines trade related accruals by considering historical data and forward-looking information, which is the key assumptions in measuring the expected amount of trade related accruals.

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) Flexible staffing;
- (b) Professional recruitment; 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 segment revenue, gross profit and results

The following are analysis of the Group's revenue and results by reportable segments for the six months and the year ended 31 December, respectively:

Group	Six months ended 31 December							
	2025				2024			
	\$'000				\$'000			
	Singapore	North Asia*	Rest of Asia#	Total	Singapore	North Asia*	Rest of Asia#	Total
Revenue								
Flexible staffing	169,266	73,775	15,259	258,300	174,627	65,803	12,261	252,691
Professional Recruitment	8,574	17,723	1,758	28,055	9,585	15,391	1,285	26,261
Others	1,091	922	97	2,110	968	1,125	45	2,138
	<u>178,931</u>	<u>92,420</u>	<u>17,114</u>	<u>288,465</u>	<u>185,180</u>	<u>82,319</u>	<u>13,591</u>	<u>281,090</u>
Gross Profit								
Flexible staffing	22,482	8,203	1,294	31,979	22,781	7,357	1,172	31,310
Professional Recruitment	8,545	17,623	1,757	27,925	9,563	15,374	1,284	26,221
Others	973	721	79	1,773	895	752	33	1,680
	<u>32,000</u>	<u>26,547</u>	<u>3,130</u>	<u>61,677</u>	<u>33,239</u>	<u>23,483</u>	<u>2,489</u>	<u>59,211</u>
Other income				6,534				8,932
Other employee benefit expenses				(31,874)				(30,749)
Facilities and depreciation expenses				(5,109)				(5,725)
Selling expenses				(1,438)				(1,635)
Other expenses				(1,069)				(1,684)
Finance costs				(370)				(330)
Profit before income tax				<u>28,351</u>				<u>28,020</u>

3. Segment and revenue information (cont'd)

Group	Year ended 31 December							
	2025				2024			
	\$'000				\$'000			
	Singapore	North Asia*	Rest of Asia#	Total	Singapore	North Asia*	Rest of Asia#	Total
Revenue								
Flexible staffing	348,830	145,695	29,554	524,079	355,119	128,556	24,281	507,956
Professional Recruitment	16,316	36,055	3,417	55,788	18,805	33,366	2,765	54,936
Others	2,169	1,803	171	4,143	1,841	2,183	80	4,104
	<u>367,315</u>	<u>183,553</u>	<u>33,142</u>	<u>584,010</u>	<u>375,765</u>	<u>164,105</u>	<u>27,126</u>	<u>566,996</u>
Gross Profit								
Flexible staffing	45,487	15,775	2,557	63,819	47,337	14,456	2,284	64,077
Professional Recruitment	16,262	35,884	3,416	55,562	18,763	33,328	2,763	54,854
Others	1,981	1,386	148	3,515	1,705	1,508	66	3,279
	<u>63,730</u>	<u>53,045</u>	<u>6,121</u>	<u>122,896</u>	<u>67,805</u>	<u>49,292</u>	<u>5,113</u>	<u>122,210</u>
Other income				22,313				15,444
Other employee benefit expenses				(65,088)				(63,942)
Facilities and depreciation expenses				(10,008)				(11,407)
Selling expenses				(3,150)				(3,032)
Other expenses				(3,657)				(2,647)
Finance costs				(799)				(623)
Profit before income tax				<u>62,507</u>				<u>56,003</u>
Total assets	<u>392,066</u>	<u>96,766</u>	<u>14,952</u>	<u>503,784</u>	<u>378,181</u>	<u>90,428</u>	<u>13,672</u>	<u>482,281</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, Indonesia and Vietnam.

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

	Group			
	Six months ended		Year ended	
	31 December		31 December	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Net fair value gain (loss) on financial assets mandatorily measured at FVTPL ⁽¹⁾	681	(1,979)	2,545	(4,311)
Gain on disposal of investments	330	-	837	83
Government subsidies ⁽²⁾	471	5,585	9,174	6,839
Reversal of trade related accruals	-	-	-	2,284
Interest income	2,160	3,944	5,343	8,012
Dividend income	239	346	586	914
Net fair value gain on other assets	2,404	475	3,420	997
Depreciation of right-of-use assets	(2,540)	(3,045)	(5,128)	(6,244)
Depreciation of property, plant and equipment	(597)	(542)	(1,075)	(1,043)
Amortisation of intangible assets	(373)	(269)	(672)	(519)
Foreign exchange gain (loss)	349	(201)	(695)	257
Write back (Allowance) for doubtful receivables	167	(54)	(100)	(60)
Finance costs	(370)	(330)	(799)	(623)

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

(2) Relates to Progressive Wage Credit Scheme and other subsidies given by the Singapore government, and grants, subsidies and reliefs from the various governments of geographies that the Group operates in.

4.2 Related party transactions

There are no significant related party transactions during the six months and the year ended 31 December 2025.

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the six months and the year ended 31 December was as follows:

	Group			
	Six months ended		Year ended	
	31 December		31 December	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Short-term benefits	1,438	1,373	2,709	2,760
Share-based payments	51	47	103	107
Post-retirement benefits	94	52	206	163
	<u>1,583</u>	<u>1,472</u>	<u>3,018</u>	<u>3,030</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 six months and the year ended 31 December are:

	Group			
	Six months ended 31 December		Year ended 31 December	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Current tax	4,184	5,517	9,976	10,648
Withholding tax	126	77	175	214
Deferred tax	412	(954)	(221)	(1,141)
(Over) Under provision of current tax in prior year	(255)	(104)	(341)	3
	<u>4,467</u>	<u>4,536</u>	<u>9,589</u>	<u>9,724</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	20,852	20,914
Interim dividends of 2.00 cents (2024: 1.87 cents) tax exempt (one-tier) per share paid in respect of the financial year	19,583	18,341

7. Net asset value

	Group		Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	S\$	S\$	S\$	S\$
Net asset value per ordinary share	<u>0.4065</u>	<u>0.3865</u>	<u>0.2237</u>	<u>0.2111</u>

8. Plant and equipment

During the year ended 31 December 2025, the Group acquired assets amounting to S\$3,967,000 (31 December 2024: S\$1,778,000) and disposed of assets amounting to S\$NIL (31 December 2024: S\$11,000).

9. Share capital and treasury shares

Share capital

	Group and Company			
	Number of shares		Issued and paid up	
	31 December 2025	31 December 2024	31 December 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	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	'000	'000	S\$'000	S\$'000
At 1 January	31,324	27,125	22,690	19,709
Treasury shares purchased	1,275	4,698	891	3,343
Treasury shares reissued pursuant to share-based payment expenses	(294)	(499)	(213)	(362)
Sale of treasury shares	(9,997)	-	(7,232)	-
At 31 December	22,308	31,324	16,136	22,690

Save as disclosed, the Company did not have any outstanding convertibles and subsidiary holdings as at 31 December 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	
	31 December 2025	31 December 2024
Issued shares	1,011,406,872	1,011,406,872
Treasury shares	(22,308,091)	(31,324,110)
Issued shares excluding treasury shares	989,098,781	980,082,762
Treasury shares as a percentage of issued shares excluding treasury shares (%)	2.2554	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).

Financial assets / Financial liabilities	Group		Company		Fair value hierarchy	Valuation technique(s) and input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	Fair value as at (S\$'000)							
	31 December 2025	31 December 2024	31 December 2025	31 December 2024				
Financial assets mandatorily measured at fair value through profit or loss								
1) Quoted equity securities	9,899	15,776	9,899	15,776	Level 1	Quoted bid prices in an active market.	N.A.	N.A.
2) Quoted debt securities	5,993	5,712	5,993	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	31,056	-	31,056	-	Level 2	Unquoted bid prices in markets that are not active.	N.A.	N.A.
5) Commodity-linked financial assets	1,040	-	1,040	-	Level 1	Quoted bid prices in an active market.	N.A.	N.A.
Financial assets designated at fair value through other comprehensive income								
6) Quoted equity securities	18,908	12,435	18,908	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 and 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 31 December 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 year then ended and certain explanatory notes have not been audited or reviewed.

2. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

3. Dividend

a. Current Financial Period Reported on

For the financial year ended 31 December 2025, a one-tier tax exempt interim dividend of 2.00 cents per ordinary share was paid to registered shareholders on 02 September 2025.

The Directors are pleased to propose the payment of a one-tier tax exempt final dividend of 2.20 cents per ordinary share, in respect of the financial year ended 31 December 2025, subject to the approval of shareholders at the forthcoming Annual General Meeting of the Company.

b. Corresponding Period of the Immediate Preceding Financial Year

For the financial year ended 31 December 2024, a one-tier tax exempt interim dividend of 1.87 cents and final dividend of 2.13 cents per ordinary share were paid to registered shareholders.

c. Date payable

Subject to approval by the shareholders at the forthcoming Annual General Meeting, the payment date of the proposed dividend will be announced at a later date.

d. Books Closure Date

Subject to approval by the shareholders at the forthcoming Annual General Meeting, the books closure date will be announced at a later date.

4. Interested person transactions

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

5. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to Part A.

6. A breakdown of sales

Breakdown of Revenue and Results

	Group		
	2025	2024	Change
	S\$'000	S\$'000	%
First Half			
Revenue reported for the first half-year	295,545	285,906	3.4
Profit after tax reported for the first half-year	29,034	22,795	27.4
Second Half			
Revenue reported for the second half-year	288,465	281,090	2.6
Profit after tax reported for the second half-year	23,884	23,484	1.7

7. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	2025	2024
	S\$'000	S\$'000
Ordinary shares (tax exempt one-tier)		
- Interim	19,583	18,341
- Final#	21,760	20,852
Total Annual Dividend	41,343	39,193

The proposed final tax exempt one-tier dividends in respect of 2025 is subject to shareholders' approval at the forthcoming Annual General Meeting of the company.

8. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Sim Yong Siang	73	<p>Brother of Sim Joo Siang (Executive Director and Deemed Substantial Shareholder of HRnetGroup Limited, Director of Recruit Express Pte Ltd).</p> <p>Father of Sim Wei Ling, Adeline (Director, Deemed Substantial Shareholder, Chief Corporate Officer and Executive Director of HRnetGroup Limited).</p> <p>Husband of Sim Nelly Nee Tan Kheng Eng (Deemed Substantial Shareholder of HRnetGroup Limited, Director of HRnet One Pte Ltd).</p> <p>Father of Sim Wei Wen, Aviel (Deemed Substantial Shareholder of HRnetGroup Limited).</p>	<p>Founding Chairman and Executive Director of the Company since 21 September 2016, Director of HRnet One Pte Ltd since 9 April 1992, Recruit Express Pte Ltd since 22 February 1996.</p>	None
Sim Joo Siang	69	<p>Brother of Sim Yong Siang (Founding Chairman, Executive Director and Deemed Substantial Shareholder of HRnetGroup Limited, Director of HRnet One Pte Ltd).</p> <p>Uncle of Sim Wei Ling, Adeline (Director, Deemed Substantial Shareholder, Chief Corporate Officer and Executive Director of HRnetGroup Limited).</p> <p>Brother-in-law of Sim Nelly Nee Tan Kheng Eng (Deemed Substantial Shareholder of HRnetGroup Limited, Director of HRnet One Pte Ltd).</p> <p>Uncle of Sim Wei Wen, Aviel (Deemed Substantial Shareholder of HRnetGroup Limited).</p>	<p>Executive Director of the Company since 21 September 2016, Director of Recruit Express Pte Ltd since 1 April 1999.</p>	None
Sim Wei Ling, Adeline	46	<p>Daughter of Sim Yong Siang (Founding Chairman, Executive Director and Deemed Substantial Shareholder of HRnetGroup Limited, Director of HRnet One Pte Ltd, Recruit Express Pte Ltd).</p> <p>Niece of Sim Joo Siang (Executive Director and Deemed Substantial Shareholder of HRnetGroup Limited, Director of Recruit Express Pte Ltd).</p> <p>Daughter of Sim Nelly Nee Tan Kheng Eng (Deemed Substantial Shareholder of HRnetGroup Limited, Director of HRnet One Pte Ltd).</p> <p>Sister of Sim Wei Wen, Aviel (Deemed Substantial Shareholder of HRnetGroup Limited).</p>	<p>Executive Director of the Company since 16 May 2019, Chief Corporate Officer of the Company since 1 April 2022.</p>	None

9. 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 31 December 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	11.1
Acquisition of non-controlling interests in subsidiaries (Note 1)	11.4
IPO related expenses	9.1
	<hr/> 145.0 <hr/>

Note 1: The Group acquired Co-Owners' interests in subsidiaries under the Co-Ownership framework upon resignation, cessation of active contributions, or stake paring, to preserve control, ensure business continuity, and facilitate stake allocation to incoming co-owners.

The amount represents cumulative considerations previously disclosed under Rule 706A, including FY2025 acquisitions totalling S\$3.67 million, which marked a significant step-change in scale.

These acquisitions are aligned with the stated use of IPO proceeds for business expansion and/or opportunistic acquisitions.

10. 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 year ended 31 December 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
25 February 2026