



HRNETGROUP LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 201625854G)

**ANNOUNCEMENT PURSUANT TO RULES 704(17)(b) AND 704(30) OF
THE LISTING MANUAL OF THE SINGAPORE EXCHANGE
SECURITIES TRADING LIMITED (THE "LISTING MANUAL")**

The Board of Directors of HRnetGroup Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce the following:

- (a) that, pursuant to Rule 704(17)(b) of the Listing Manual, the Group had acquired quoted securities through several transactions during the period from 10 July 2019 to the date of this announcement that resulted in the Group's aggregate cost of investment exceeding 25% of the Company's latest audited consolidated net tangible assets (the "**Acquisitions**"), further details of which are set out below:

	Before the Acquisitions	After the Acquisitions
Aggregate cost of the Group's quoted investments (S\$' million)	34.70	80.57 ⁽²⁾
Aggregate cost of the Group's quoted investments as a percentage of the latest audited consolidated net tangible assets of the Company as at 31 December 2018 ⁽¹⁾	10.89%	25.29%
Total market value of the Group's quoted investments (S\$' million)	36.58	69.49
Amount of any provision for diminution in value of quoted investments (S\$' million)	NIL	NIL

Notes:

- (1) The audited consolidated net tangible assets of the Company as at 31 December 2018 was S\$318.6 million.
- (2) Of the aggregate cost of the Group's quoted investments of approximately S\$80.6 million, the Group's investment in Staffline Group plc ("**Staffline**") amounted to S\$46.1 million. The Group's 24.89% voting right in Staffline makes it an associated company and is in line with the Group's furtherance of strategic interest in the global human resource space.

- (b) that, pursuant to Rule 704(30) of the Listing Manual, an aggregate of approximately S\$55.7 million of the gross proceeds of approximately S\$174.1 million raised from the Company's initial public offering had been utilised as follows:
- (i) approximately S\$46.1 million for the payment of the cash consideration for the acquisition of shares representing voting rights in Staffline as well as the related acquisition costs (namely, brokers' commission and professional fees);

- (ii) approximately S\$8.9 million for the purchase of other marketable securities; and
- (iii) approximately S\$0.7 million for startup of subsidiaries.

The above uses were in accordance with the intended use of proceeds of the Company's initial public offering and in accordance with the amount allocated as stated in the prospectus dated 8 June 2017 registered by the Company with the Monetary Authority of Singapore.

Following the above uses, the Company would have disbursed an aggregate of approximately S\$100.9 million of the proceeds to date, and the amount of unutilised proceeds is approximately S\$73.2 million.

BY ORDER OF THE BOARD

Sim Wei Ling, Adeline
(Mrs Tan Wei Ling, Adeline)
Executive Director
1 August 2019