

**IPO FACT SHEET**
**ManpowerGroup Greater China Limited (2180)**
**ISSUE STATISTICS**

<b>Offer Size:</b>	HK\$495m – HK\$630m
<b>Placement Tranche:</b>	50m
<b>Price:</b>	HK\$9.90 - HK\$12.60
<b>Board lot:</b>	250
<b>Entry fee:</b>	HK\$3,181.75
<b>Historical PE</b>	15.31x – 19.49x
<b>Net tangible asset per share:</b>	HK\$5.45 – HK\$6.11
<b>Market Cap (post-IPO):</b>	HK\$1,980m - HK\$2,520m
<b>Open:</b>	27 June 2019
<b>Close:</b>	12.00 noon on 3 July 2019
<b>Trading:</b>	10 Jul 2019
<b>Sponsor:</b>	Huatai Financial Holdings (Hong Kong) Limited

Year ended 31 Dec	(RMB'000)	yoy % chg
Revenue		
2017	2,006,922	23.6%
2018	2,491,494	24.1%
Profit for the year		
2017	94,562	23.1%
2018	113,295	19.8%

**BACKGROUND**

- They are the largest workforce solutions provider in the Greater China region by revenue in 2018, according to CIC.
- They provide comprehensive workforce solutions and other HR services to clients located in each market in Greater China, namely, the PRC, Hong Kong, Macau and Taiwan.
- Their largest stakeholder, ManpowerGroup Inc., is a New York Stock Exchange-listed world leader in workforce solutions and services. Based in Wisconsin, United States, MAN is a Fortune 500 company with a long operating history of over 70 years and a global network of nearly 2,600 offices in 80 countries and territories in the Americas, Europe and Asia Pacific Middle East, according to its 2018 annual report. MAN first entered the Greater China region in 1997, when it commenced operations in Hong Kong and Taiwan. It subsequently entered mainland China in 2003 and Macau in 2007.
- Today, they serve a broad range of corporate and government clients in over 130 cities in the Greater China markets, operating more than 20 offices as of December 31, 2018.
- Leveraging MAN's global reputation, they have, over two decades of dedicated work, developed deep connections with both multinational clients and local clients doing business in the Greater China region and achieved prominent brand recognition.
- As of December 31, 2018, they had served over 22,500 clients, including over 260 Fortune 500 companies and prominent local public and private employers, such as Lenovo and certain other leading Chinese technology firms.
- As a testament to their standing in the industry, they were named the Best Comprehensive HR Service Provider in Greater China (Foreign Company/Joint Venture) (大中華區最佳綜合人力資源服務機構(外資/合資)) by HRroot in 2018.
- They received the Asia-Pacific Human Resources Service Leading Enterprise Award (亞太人力資源服務領軍企業獎) from Asia Pacific Human Resources Development and Service Fair Organizing Committee in 2015, 2016 and 2018. They were also named the Industry Most Influential Brand (行業影響力品牌) by China Finance Summit in 2016, 2017 and 2018.

**BUSINESS STRATEGIES**

- Further expand their business scale and market share.
- Seek strategic mergers and acquisitions.
- Invest in R&D and strengthen their technological capabilities.

- Further invest in brand building and marketing.

### COMPETITIVE STRENGTHS

- Well recognized global brands highly trusted by multinational and local clients.
- Favorable position to capture shares in the fast-growing HR services market in the PRC.
- Deep roots in local markets, long operating history and well-established client base.
- Diversified and complementary business lines providing clients with comprehensive workforce solutions.
- Unique expertise and capability to deliver tailored solutions to clients.
- Strong historical results of operations and cash flow.
- Highly experienced and incentivized management team and an effective partnership system.

### KEY RISKS

- Their results of operations could be materially and adversely affected by volatile or uncertain conditions, and demand for their services could be disrupted by geopolitical events such as the U.S.-China trade war and the Brexit.
- If they fail to consistently deliver quality services, they may not be able to retain existing clients and attract new clients, which may adversely impact their business, financial condition and results of operations.
- They may not compete successfully in a rapidly evolving market.
- Concerns about their collection, storage, use and disclosure of personal data and other privacy-related matters could damage their reputation and deter use of their services.
- Their business depends on strong brands, and any failure to maintain, protect and enhance the brands they use would hurt their ability to retain or attract clients.
- They had significant amounts of goodwill and therefore they might be subject to the possibility of provision of impairment losses for such goodwill.
- They had significant amounts of other intangible assets and therefore they might be subject to the possibility of provision of impairment losses for such other intangible assets.

### DIVIDEND POLICY

- They currently expect to distribute approximately 35% to 45% of their annual net profit to their Shareholders as dividends after the Listing.

### USE OF PROCEEDS

	HK mn	As a percentage of gross proceeds from the Invitation
To further expand their business scale and market share.	152.3	30.0%
To invest in R&D, strengthen their technological capabilities and develop a digital workforce platform.	152.3	30.0%
To seek strategic mergers and acquisitions.	126.9	25.0%
To further invest in brand building and digital marketing.	25.4	5.0%
For general corporate purposes and working capital.	50.8	10.0%
<b>Total:</b>	<b>507.7</b>	<b>100.0%</b>

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