ManpowerGroup®

MANPOWERGROUP GREATER CHINA LIMITED
万宝盛华大中华有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2180)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022

The board (the "**Board**") of directors (the "**Directors**") of ManpowerGroup Greater China Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2022 (the "**Reporting Period**").

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group.

2022 FINANCIAL HIGHLIGHTS

	Year ended 31 December		
	2022 **(*RMB'000*)**	2021 (*RMB'000*)	Change in percentage %
Revenue	**4,588,460**	3,968,874	15.6
Growth rate of Mainland China flexible staffing revenue	**23%**	41%	(18)
Profit attributable to owners of the Company	**118,606**	139,169	(14.8)
Adjusted profit attributable to owners of the Company	**131,771**	145,686	(9.6)
Average revenue generated per employee	**3,315**	2,998	10.6
Number of full time employees	**1,384**	1,324	4.5

BUSINESS REVIEW

The macroeconomic environment was challenging for the past year. Despite headwind from regional geopolitical conflicts and the long tail of the COVID-19 pandemic, the Group delivered a solid performance under tough conditions thanks to its deep understanding of business and clients, together with experienced leadership team.

During the Reporting Period, the Group achieved a total revenue of RMB4,588 million, representing an increase of approximately 15.6% compared to the same period of 2021 despite a 10.3% year over year decrease from recruitment and solutions segment due to the impact of COVID-19 and weak macroeconomy. Flexible staffing business segment grew by approximately 17.8% on a year over year basis to RMB4,344 million, of which the flexible staffing revenue from Mainland China achieved growth of 23.3% on a year over year basis despite the extremely challenging environment of three-month lockdown in Shanghai in early 2022 and a massive COVID-19 outbreak in Mainland China towards the year end of 2022. Hong Kong maintained a stable revenue growth of 2.4% in 2022 under the extremely difficult market condition, especially for the first half of the year due to unprecedented COVID-19 outbreak and weak economic growth. Taiwan achieved solid revenue growth of 14.2% year over year on the back of government projects. During the Reporting Period, net profit attributable to owners of the Company decreased to RMB118.6 million, representing a negative growth of approximately 14.8% year over year. Adjusted net profit attributable to owners of the Company, after taking into account of the stock option expenses and restricted share units expenses and the impairment loss on goodwill and other intangible assets, decreased to RMB131.8 million by approximately 9.6% on a year over year basis. A final dividend for the year ended 31 December 2022 of HK$0.12 per ordinary share (equivalent to RMB0.11 per ordinary share, representing approximately 20% of the Group's earnings per share) has been proposed by the Directors, in addition to the interim dividend of HK$1.6 per share paid out in September last year, to reward long-term investors.

In addition, the Group continued to expand its service offerings in Mainland China, particularly the flexible staffing business with State-Owned Enterprises (the "**SOE**") clients. During the Reporting Period, the Group has been building its Information Technology Outsourcing business and has further extended its product portfolio in the view of providing comprehensive services in a fast-growing market. In line with the use of proceeds stated in the prospectus of the Company dated 27 June 2019 (the "**Prospectus**"), the Group has expanded the scale of its flexible staffing business during the year. The total number of associates placed during the Reporting Period increased by 2.5% from approximately 48,000 as the end of 2021 to 49,200 by the end of 2022 thanks to upscale of talent skills and job positions, which leads to a higher average salary, and lower proportion of temporary positions due to the COVID-19 impact. The total number of associates placed in Mainland China grew by approximately 10%.

The Group continued to expand its team capacity under difficult market situation. In a view of accelerating expansion into under-penetrated regions in southern, central, and western China, the Group has increased its team capacity in Wuhan and Chengdu, while at the same time, expanded its teams in Shanghai and Hangzhou as well so as to bolster its strong market position in tier-one cities. In addition, the Group remained committed to growing its existing accounts, with revenue contribution from its top 5 clients increasing by approximately 24.0% and accounting for approximately 40.0% of its total revenue for the Reporting Period. Moreover, net cashflow from operation activities recorded a strong growth of 167% on a year-over-year basis to RMB266.2 million while the turnover days of trade receivable remained stable at 51.9 days compared with 50.1 days of last year, which demonstrated the Group's outstanding cash flow management and prudent risk control in a difficult market.

By the end of 2022, the Group's recruiting service product 天天U才 had recorded around 51,700 Monthly Active User (MAU) with approximately 14,500 positions posted; the collaborative platform 天天U單 had posted around 19,900 positions during the year; the Group's employee value-adding platform 天天U福 had registered over 35,100 members. As of the end 2022, the Group's talent pool has reached a total number of around 6.3 million.

The Group's efforts in providing customised and professional services to its clients in the Greater China region have been recognised with a number of awards, including "2022 Human Resources Pioneer Organization Award" (「2022人力資源先鋒機構」) by TopHR, "China Recruitment and Staffing Supplier Value Award White Collar & Service Industry (「靈活用工HR臻選服務機構–白領崗位」) by HREC, and "2022 Digital Human Resources Technology Award" (「2022數字人力資源科技獎」) by HR Tech China.

OUTLOOK & STRATEGY

Cautiously Optimistic for Upcoming Year

The year of 2023 began with a challenging international and domestic environment, including continuous and possibly escalating regional geopolitical tension, uncertain global economic outlook, and the pressure of rebalancing the Chinese economy under the dual circulation policy. Looking to the future, the Group is cautiously optimistic with the confidence of the resilience of its people, the robustness of the business model, and the diversification within the business.

In terms of business performance in different regions, the Group expects continuous stable growth momentum in flexible staffing business in Mainland China with extended product portfolio. The outlook of Taiwan market will be neutral and could be impacted by the geopolitical tension in the region. Hong Kong market has shown signs of recovery on the back of the reopening of borders with Mainland China, loosening of COVID-19 restrictions, and picking up of economic activities in the city. The Group believes its Hong Kong business has potential to contribute more profit in the medium term especially given the recovery of its outdoor marketing business.

Flexible Staffing Remains Our Strategic Focus in 2023

The Group's strategic focus in 2023 will remain on flexible staffing in Mainland China with industry focus on several key fast-growing industries such as new energy. The Group believes that it will continue to benefit from the industry growth momentum on the back of a strong global brand and leading market position.

On the organic growth front, the Group will further expand under-penetrated regions in southern and central China while at the same time shoring up its market leading position in tier-one cities to gain more market share and achieve greater economies of scale. Furthermore, the Group is proactively expanding its client base into the SOE sector and financial services sector, and further widening its business offerings to increase its market share in Mainland China. The Group's strategic investment in associate companies across Mainland China has made steady progress in the last 2 years. The cooperation with regional and local leading human resources companies and leaders has been helping the Group broaden its market reach, expand client base and take advantage of the synergy between the parties.

Going forward, the Group will actively seek opportunities of strategic acquisition and cooperation in order to strengthen its leadership position in the workforce solutions market. The focus of the Group's merger and acquisition and cooperation strategy will remain on businesses and opportunities with the potential to broaden the Group's flexible staffing product offerings and create synergy between its different business lines.

Further Investment in Our People and Internal Infrastructure

The Group is determined to continue to invest in its employees and foster a productive and collaborative workplace, and make sure each member of our team is held accountable.

Last but not the least, in view of the importance of data protection and compliance, the Group has put great emphasis on data security training and internal operating technology infrastructure upgrading to make sure a safe data environment for its clients, associates and candidates.

KEY OPERATING METRICS

The Group provides comprehensive workforce solutions under three business lines, namely (i) flexible staffing; (ii) recruitment solutions (including headhunting and recruitment process outsourcing (the "**RPO**") services); and (iii) other HR services, serving corporate and government clients across the Greater China Region. The following table sets forth the Group's key operating metrics for the years indicated:

	2022	2021	Change in percentage %
Flexible staffing			
Number of associates placed during the year	**49,200**	48,000	2.5
Number of candidates in flexible talent database *(in thousands)*	**2,158**	1,780	21.2
Recruitment solutions			
Number of placements placed during the year	**4,383**	6,248	(29.8)
Number of candidates in recruitment services database *(in thousands)*	**3,392**	3,230	5.0
Number of recruiters	**301**	273	10.3
Overall			
Number of full time employees	1,384	1,324	4.5

FINANCIAL REVIEW

Revenue

In 2022, the Group derived its revenue primarily from (i) workforce solution services, including flexible staffing, and recruitment solutions, including headhunting and RPO; and (ii) other HR services, including HR consultancy services, training and development, career transition, payroll services as well as government solutions. The following table sets out a breakdown of the Group's revenue by business line for the years indicated:

	For the year ended 31 December		
	2022	2021	Change in percentage
	RMB'000	*RMB'000*	*%*
Workforce solutions services			
Flexible staffing	**4,343,596**	3,688,572	17.8
Recruitment solutions	**222,592**	248,266	(10.3)
Other HR services	**22,272**	32,036	(30.5)
Total	**4,588,460**	3,968,874	15.6

The revenue of the Group increased by approximately 15.6% from RMB3,968.9 million for the year ended 31 December 2021 to RMB4,588.5 million for the year ended 31 December 2022. This increase was attributable to the increase in revenue generated from flexible staffing by approximately by 17.8% from RMB3,688.6 million for the year ended 31 December 2021 to RMB4,343.6 million for the year ended 31 December 2022, primarily due to the increase in number of associates placed and the higher average salary during the Reporting Period.

Such increase was partially offset by (i) the decrease in revenue generated from recruitment solutions by approximately 10.3% from RMB248.3 million for the year ended 31 December 2021 to RMB222.6 million for the year ended 31 December 2022, primarily due to the decrease in the number of successful placements during the Reporting Period; and (ii) the decrease in revenue generated from other HR services by approximately by 30.5% from RMB32.0 million for the year ended 31 December 2021 to RMB22.3 million for the year ended 31 December 2022, primarily due to the decrease in revenue generated from HR consultancy services of Right Management and government solution services. Both decreases were impacted by the falling demand of hiring and consultancy services as a result of the outbreak of COVID-19 in China.

During the Reporting Period, the Group operated in the Greater China Region with the PRC contributing the largest part of the Group's total revenue. The following table sets out a breakdown of the Group's revenue by geographic location for the years indicated:

	For the year ended 31 December		
	2022	2021	Change in percentage
	RMB'000	*RMB'000*	*%*
The PRC	**2,943,683**	2,464,036	19.5
Hong Kong and Macau	**637,180**	622,435	2.4
Taiwan	**1,007,597**	882,403	14.2
Total	**4,588,460**	3,968,874	15.6

Cost of services

The Group's cost of services increased by approximately 19.0% from RMB3,330.6 million for the year ended 31 December 2021 to RMB3,964.5 million for the year ended 31 December 2022. This increase was generally in line with the Group's flexible staffing revenue growth, which business accounted most of the cost.

Gross profit and gross profit margin

Gross profit represents revenue less cost of services. The Group's gross profit decreased by approximately 2.2% from RMB638.2 million for the year ended 31 December 2021 to RMB623.9 million for the year ended 31 December 2022 primarily due to the decrease in gross profit generated from recruitment solutions and other HR services.

The Group's gross profit margin decreased from approximately 16.1% for the year ended 31 December 2021 to approximately 13.6% for the year ended 31 December 2022 primarily due to the decrease in gross profit margin in flexible staffing and the decrease in revenue in recruitment solutions and other HR services, both of which were high margin businesses.

The following table sets out the Group's gross profit margin by business line for the years indicated:

	For the year ended 31 December		
	2022	2021	Change
	%	%	%
Workforce solutions services			
Flexible staffing	**9.4**	10.8	–1.4
Recruitment solutions	**89.9**	87.5	2.4
Other HR services	**62.5**	72.8	–10.3
Overall	**13.6**	16.1	–2.5

Selling and administrative expenses

The Group's selling and administrative expenses primarily include (i) salaries and benefits; (ii) office expenses; (iii) others, including travelling, marketing and advertising expense; and (iv) share option and restricted share units expenses.

The Group's selling expenses increased by approximately 3.8% from RMB353.5 million for the year ended 31 December 2021 to RMB366.7 million for the year ended 31 December 2022, primarily due to the increase of staff cost as a result of the expansion of the Group's business and increase in investment of human capital.

The Group's administrative expenses increased by approximately 7.5% from RMB95.2 million for the year ended 31 December 2021 to RMB102.3 million for the year ended 31 December 2022, primarily due to (i) increase in expenses in relation to share options and restricted share units granted; and (ii) investment in information technology.

The Group's selling expenses accounted for approximately 8.9% and 8.0% of its total revenue for the years ended 31 December 2021 and 2022, respectively, while the Group's administrative expenses accounted for approximately 2.4% and 2.2% of its total revenue for the years ended 31 December 2021 and 2022, respectively.

Other income

The Group's other income primarily includes interest income on bank deposits, dividend income from equity instruments at fair value through other comprehensive income and government grants. The Group's other income increased by approximately 29.7% from RMB12.4 million for the year ended 31 December 2021 to RMB16.1 million for the year ended 31 December 2022, which was primarily attributable to the increase in interest income on bank deposits.

Other gains and losses

The Group's other gains and losses consist of impairment losses, net exchange gains and net fair value change in financial assets at fair value through profit or loss ("**FVTPL**"). The Group recorded other gains of RMB3.2 million for the year ended 31 December 2021 and RMB6.6 million for the year ended 31 December 2022, which was primarily attributable to the net exchange gains earned from the appreciation of USD dollars to Taiwan dollars.

Share of profit of associates

The Group's share of profit of associates amounted to RMB4.9 million for the year ended 31 December 2022.

Income tax expense

The Group's income tax expense primarily consists of China enterprise income tax payable, Hong Kong profits tax payable, Macau complementary tax payable and Taiwan income tax payable by its subsidiaries in the respective locations.

The Group's income tax expense decreased by approximately 5.9% from RMB43.2 million for the year ended 31 December 2021 to RMB40.6 million for the year ended 31 December 2022.

The Group's effective income tax rate for the year ended 31 December 2022 was approximately 23.1%, compared to approximately 22.1% for the year ended 31 December 2021.

Profit for the year attributable to owners of the Company

As a result of the foregoing, the Group's profit for the year attributable to owners of the Company decreased by approximately 14.8% from RMB139.2 million for the year ended 31 December 2021 to RMB118.6 million for the year ended 31 December 2022.

Adjusted profit for the year attributable to owners of the Company

The Group's adjusted profit for the year attributable to owners of the Company (excluding expenses in relation to stock options and restricted share units granted and impairment losses on goodwill and other intangible assets) decreased by approximately 9.6% from RMB145.7 million for the year ended 31 December 2021 to RMB131.8 million for the year ended 31 December 2022.

Non-GAAP (Generally-accepted accounting principles) financial measure

Adjusted profit attributable to owners of the Company is a non-GAAP measure used by the management of the Group to provide additional information on its operating performance and is not a standard measure under International Financial Reporting Standards ("**IFRSs**"). Adjusted profit attributable to owners of the Company takes out the expense in relation to stock options and restricted share units granted during the year and the impairment losses on goodwill and other intangible assets, which are not indicators for evaluating the actual performance of the Group's business. The management of the Group believes that such a non-GAAP measure provides additional information to investors and others in understanding and evaluating the consolidated results of operations in the same manner as the management of the Group. The following table sets forth a reconciliation between the profit for the year and the adjusted profit for the year:

	For the year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
Profit for the year attributable to owners of the Company	**118,606**	139,169
Adjustment for:		
Impairment losses on goodwill and other intangible assets	**2,742**	–
Expenses in relation to share options and restricted share units granted	**10,423**	6,517
Adjusted profit for the year attributable to owners of the Company	**131,771**	145,686

The definitions of adjusted profit should not be considered in isolation or be construed as an alternative to profit for the year or any other standard measure under IFRSs or as an indicator of operating performance. Adjusted profit of the Group may not be comparable to similarly titled measures used by other companies.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

The Group expects to continue meeting its operating capital, capital expenditure and other capital needs with proceeds from the listing of the shares of the Company (the "**Shares**") on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with the stock code 2180 (the "**Listing**") and cash generated from operations. The Group currently does not have any plans for material additional external debt or equity financing and will continue to evaluate potential financing opportunities based on its need for capital resources and market conditions.

Net current assets

As at 31 December 2022, the Group's net current assets amounted to RMB926.7 million (31 December 2021: RMB1,112.2 million). Specifically, the Group's total current assets decreased from RMB1,731.6 million as at 31 December 2021 to RMB1,650.5 million as at 31 December 2022. The Group's total current liabilities increased from RMB619.4 million as at 31 December 2021 to RMB723.8 million as at 31 December 2022.

Cash position

As at 31 December 2022, the Group had bank balances and cash, together with its restricted bank deposits, time deposits with original maturity over three months of RMB937.8 million (31 December 2021: RMB1,054.3 million). The decrease in bank balances and cash was primarily due to the cash inflow from operating activities was offset by the dividend distribution.

Indebtedness

As at 31 December 2022, the Group had lease liabilities of RMB55.9 million (31 December 2021: RMB45.0 million). The Group had no bank loans or convertible loans during the Reporting Period and as at 31 December 2022 (31 December 2021: Nil). As a result, the Group's gearing ratio (calculated as total bank and other borrowings divided by total equity) as at 31 December 2022 was not calculated (31 December 2021: Nil).

Pledge of assets

As disclosed under the section headed "Contingent Liabilities", as at 31 December 2022, the Group had pledged its time deposit in an amount of RMB9.7 million.

Financial risks

The Group's activities expose it to a variety of financial risks, including currency risk, interest rate risk, other price risk, credit risk and liquidity risk. Generally, the Group introduces conservative strategies on its risk management and has not used any derivatives and other instruments for hedging purposes.

Currency risk

The inter-company balances of the Company and certain subsidiaries are denominated in US$ which are exposed to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the Group will closely monitor its foreign exchange exposure and will consider hedging of significant foreign currency exposure should the need arise.

Interest rate risk

The Group's exposure to fair value interest rate risk relates primarily to the Group's fixed-rate time deposits with original maturity over three months and lease liabilities. The Group also exposes to cash flow interest rate risk in relation to variable rate restricted bank deposits and bank balances. The Group has not used derivative financial instruments to hedge any interest rate risks. The Group manages its interest rate exposures by assessing the potential impact arising from interest rate movements based on the current interest rate level and outlook.

Other price risk

The Group is exposed to equity price risk through its unquoted investments measured at fair value through other comprehensive income. The Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Credit risk

The Group's exposure to credit risk relates primarily to trade receivables, other receivables, amounts due from related companies and non-controlling shareholders, restricted bank deposits, time deposits with original maturity over three months and bank balances, with a maximum exposure equal to the carrying amounts of these instruments. Concentrations of credit risk are managed by customer/counterparty and by geographical region. The Group's concentration of credit risk by geographical locations is mainly in the PRC, Hong Kong and Macau and Taiwan, which accounted for 65%, 18% and 17% of the total trade receivables as at 31 December 2022, respectively. The Directors believe that there is no material credit risk inherent in the Group's outstanding balance of financial assets included in other receivables, amounts due from related companies and non-controlling shareholders, restricted bank deposits, time deposits with original maturity over three months and bank balances.

Liquidity risk

The Group manages its liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

KEY FINANCIAL RATIO

As at 31 December 2022, the current ratio (calculated as total current assets divided by the total current liabilities) of the Group was 2.3 times (31 December 2021: 2.8 times).

CONTINGENT LIABILITIES

As at 31 December 2022, the Group had outstanding surety bonds of RMB9.7 million (31 December 2021: RMB8.9 million), comprising restricted bank deposits, all of which were pledged as required by certain clients of the Group.

COMMITMENTS

As at 31 December 2022, the Group did not have any significant capital and other commitments, long-term obligations or guarantee (31 December 2021: Nil).

USE OF PROCEEDS FROM THE LISTING

Net proceeds from the Listing (including the exercise of the over-allotment option), after deducting the underwriting commission and other estimated expenses in connection with the Listing which the Company received amounted to approximately RMB458.2 million. Up to the date of this announcement, the net proceeds received from the Listing have been used and will continue to be used, in a manner consistent with the proposed allocation in the Prospectus with adjustment in expected timeline as set out below:

CHANGE OF TIMELINE IN USE OF NET PROCEEDS

Since the beginning of 2022, the new wave of Omicron variant has spread in the Greater China Region and the local government has implemented “dynamic-zero” policy in various major cities. Strict social distancing measures such as city lockdowns, travel restrictions, border control measures, and work from home arrangements to control and prevent the spread of Omicron variant. As a result of such measures, the Group’s expansion plans have been temporarily curtailed by the pandemic. The spread of Omicron variant had also triggered change of the market conditions and business environment. In addition, the political tension between China and US put pressure on the economic growth in the Greater China. The Board stayed cautious under the uncertain conditions and being conservative on investment activities and expansion plans during 2022.

The Board are of the view that there remains a significant degree of uncertainty over the economy, business environment and outbreak of the Greater China and has resolved to further postpone the timeline of the unutilised net proceeds from 31 December 2022 to 31 December 2023. The table below sets forth the details of utilisation of the net proceeds up to 31 December 2022 and the expected timeline for the intended use of the unutilised net proceeds:

Categories	Specific Plans	Expected timeline as stated in the Prospectus (Note)	Planned use of net proceeds as stated in the Prospectus and after considering the additional net proceeds from the exercise of over-allotment option *RMB'000*	Unutilised proceeds as at 1 January 2022 *RMB'000*	Proceeds utilised during the financial year ended 31 December 2022 *RMB'000*	Actual use of net proceeds up to 31 December 2022 *RMB'000*	Unutilised net proceeds as at 31 December 2022 *RMB'000*	Expected timeline for fully utilising the remaining proceeds (Note)
Business expansion	Expand our business scale and market share	12 to 24 months from 10 July 2019 (the "**Listing Date**")	137,451 (30% of total net proceeds)	27,135	27,135	137,451	–	
Research and development	Invest in a digital workforce platform	12 to 24 months from the Listing Date	137,451 (30% of total net proceeds)	97,091	7,595	47,955	89,496	On or before 31 December 2023
Future investments, strategic mergers and acquisitions	Pursue strategic acquisition and investment opportunities	12 to 24 months from the Listing Date	114,527 (25% of total net proceeds)	87,177	6,900	34,250	80,277	On or before 31 December 2023
Brand building and digital marketing	Investment in offline brand building and digital marketing to increase brand awareness	12 to 24 months from the Listing Date	22,924 (5% of total net proceeds)	12,361	5,074	15,637	7,287	On or before 31 December 2023
Working capital	Working capital and other general corporate purposes	–	45,847 (10% of total net proceeds)	–	–	45,847	–	
Total			458,200 (100% of total net proceeds)	223,764	46,704	281,140	177,060	

Note: The expected timeline for the application of the unutilised net proceeds is based on the best estimate of the future market conditions made by the Group. The Directors will reassess the Group's business objectives and use of proceeds from time to time, and may revise or amend such plans where necessary, to ensure it aligns with the Group's business strategies factoring in the changing market conditions.

As at the date of this announcement, there has not been any material change to the plan as to the categories of use of the net proceeds and the revised expected timeline for unutilised net proceeds will not have any material adverse impact on the operations of the Group.

EMPLOYEE AND REMUNERATION POLICY

The Group's employees include its own employees and associates. Own employees refer to the employees for the Group's operations, including finance and information technology and excluding those for flexible staffing assignments. Associates refer to those who are assigned to work on client premises, typically under client instruction and supervision during the term of deployment. As at 31 December 2022, the Group employed approximately 1,384 full-time own employees and approximately 49,200 associates.

The Group offers its own employees remuneration packages that include salary and bonuses, and determines employee remuneration based on factors such as qualifications and years of experience. The Group's own employees also receive welfare benefits, including medical care, retirement benefits, occupational injury insurance and other miscellaneous items. The Group has established labor unions in the PRC to protect employees' rights, help the Group achieve its economic goals and encourage employees to participate in its management decisions.

The Group's associates, who are employed on a contract basis, are cross-trained in multiple aspects of staffing as the Group provides relevant training to help associates adapt to clients' positions quickly, including trainings on computer skills and other soft skills. Such training equips the associates with the ability to assist the Group's clients in different positions and departments, and helps them find better positions through talent upskill.

The Company adopted a share option scheme on 5 June 2019 as an incentive for eligible employees and Directors of the Group, details of which are set out in the section headed "D. Other Information — 1. Share Option Scheme" in Appendix IV to the Prospectus.

The Company has also adopted a restricted share unit scheme on 10 June 2021 (the "**RSU Scheme**") to recognise and reward the eligible participants for their contributions to the Group and attract, retain or otherwise maintain an on-going business relationship with the participants whose contributions are or will be beneficial to the long-term growth of the Group. For further details of the RSU Scheme, please refer to the announcements of the Company dated 10 June 2021 and 16 June 2021.

EVENTS AFTER THE REPORTING PERIOD

There were no material events undertaken by the Group subsequent to 31 December 2022 and up to the date of this announcement.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

Except for the contingent liabilities disclosed above, as at 31 December 2022, the Group did not have any outstanding loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities, borrowings or other similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, finance leases or hire purchase commitments, guarantees or other material contingent liabilities.

ANNUAL RESULTS

The audited consolidated results of the Group for the Reporting Period with the comparative figures for the preceding financial year are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the year ended 31 December	
		2022	2021
	NOTES	***RMB'000***	*RMB'000*
Revenue	*3*	**4,588,460**	3,968,874
Cost of services		**(3,964,530)**	(3,330,640)
Gross profit		**623,930**	638,234
Selling expenses		**(366,738)**	(353,474)
Administrative expenses		**(102,289)**	(95,160)
Other income		**16,119**	12,432
Impairment losses under expected credit loss ("**ECL**") model, net of reversal		**(4,067)**	(9,942)
Other gains and losses		**6,559**	3,240
Finance costs		**(2,366)**	(2,851)
Share of profit of associates		**4,926**	3,159
Profit before tax		**176,074**	195,638
Income tax expense	*4*	**(40,597)**	(43,150)
Profit for the year		**135,477**	152,488
Other comprehensive income (expense)			
Item that will not be reclassified to profit or loss:			
Actuarial gains from remeasurement of defined benefit obligations, net of tax		**290**	2
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**47,447**	(20,600)
Other comprehensive income (expense) for the year, net of tax		**47,737**	(20,598)
Total comprehensive income for the year		**183,214**	131,890

	NOTE	For the year ended 31 December 2022 RMB'000	2021 RMB'000
Profit for the year attributable to:			
Owners of the Company		**118,606**	139,169
Non-controlling interests		**16,871**	13,319
		135,477	152,488
Total comprehensive income for the year attributable to:			
Owners of the Company		**166,259**	119,498
Non-controlling interests		**16,955**	12,392
		183,214	131,890
Earnings per share	*7*		
Basic *(RMB)*		**0.57**	0.67
Diluted *(RMB)*		**0.57**	0.67

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December	
		2022	2021
	NOTES	***RMB'000***	*RMB'000*
NON-CURRENT ASSETS			
Property and equipment		**15,012**	14,573
Right-of-use assets		**55,848**	43,364
Goodwill		**56,038**	51,510
Other intangible assets		**75,565**	67,783
Interests in associates		**29,782**	25,906
Equity instruments at fair value through other comprehensive income ("**FVTOCI**")		**9,705**	9,705
Deferred tax assets		**9,109**	7,510
Other receivable		**7,827**	9,558
Deposits		**19,672**	18,930
Restricted bank deposits		**227**	8,657
Retirement benefit assets		**802**	440
		279,587	257,936
CURRENT ASSETS			
Trade and other receivables, deposits and prepayments	*8*	**700,289**	685,470
Amounts due from related companies	*9*	**296**	495
Amounts due from non-controlling shareholders ("**NCI Shareholders**")	*9*	**12,348**	–
Restricted bank deposits		**9,458**	230
Time deposits with original maturity over three months		**183,710**	250,076
Bank balances and cash		**744,432**	795,349
		1,650,533	1,731,620
CURRENT LIABILITIES			
Trade and other payables	*10*	**620,706**	520,473
Contract liabilities		**44,823**	33,331
Lease liabilities		**25,110**	25,715
Amount due to a shareholder	*9*	**10,580**	10,208
Amounts due to related companies	*9*	**510**	465
Tax payables		**22,071**	29,208
		723,800	619,400

	As at 31 December	
	2022	2021
	RMB'000	*RMB'000*
NET CURRENT ASSETS	**926,733**	1,112,220
TOTAL ASSETS LESS CURRENT LIABILITIES	**1,206,320**	1,370,156
NON-CURRENT LIABILITIES		
Deferred tax liabilities	**24,511**	21,127
Lease liabilities	**30,762**	19,255
	55,273	40,382
NET ASSETS	**1,151,047**	1,329,774
CAPITAL AND RESERVES		
Share capital	**1,830**	1,830
Reserves	**1,053,343**	1,252,550
Equity attributable to owners of the Company	**1,055,173**	1,254,380
Non-controlling interests	**95,874**	75,394
TOTAL EQUITY	**1,151,047**	1,329,774

CONSOLIDATED STATEMENT OF CASH FLOWS

	For the year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
OPERATING ACTIVITIES		
Profit before tax	**176,074**	195,638
Adjustments for:		
Finance costs	**2,366**	2,851
Bank interest income	**(11,344)**	(7,280)
Dividend income	**(878)**	(878)
Depreciation of property and equipment	**6,128**	5,828
Depreciation of right-of-use assets	**31,582**	29,985
Amortisation of intangible assets	**5,572**	2,550
Loss on disposal of property and equipment	**152**	335
Net fair value change in financial assets at fair value through profit or loss ("**FVTPL**")	**–**	(1,582)
Net imputed interest on consideration receivables	**(566)**	(649)
Impairment losses under ECL model, net of reversal	**4,067**	9,942
Impairment losses recognised in respect of		
– goodwill	**257**	–
– other intangile assets	**4,863**	–
Equity-settled share-based payments	**10,423**	6,517
Share of profit of associates	**(4,926)**	(3,159)
Operating cash flows before movements in working capital	**223,770**	240,098
Increase in trade and other receivables, deposits and prepayments	**(9,500)**	(173,919)
Decrease (increase) in amounts due from related companies	**199**	(306)
Increase in trade and other payables	**86,788**	54,573
Increase in contract liabilities	**11,647**	4,478
(Decrease) increase in amount due to a shareholder	**(296)**	1,285
Increase (decrease) in amounts due to related companies	**45**	(379)
Increase in retirement benefit assets	**(72)**	–
Cash generated from operations	**312,581**	125,830
Income tax paid	**(46,342)**	(25,998)
NET CASH FROM OPERATING ACTIVITIES	**266,239**	99,832

	For the year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
INVESTING ACTIVITIES		
Interest received	**11,910**	7,280
Dividend received from equity instruments at FVTOCI	**878**	878
Dividend received from an associate	**1,050**	–
Purchases of property and equipment	**(6,694)**	(5,750)
Placement of structured deposits	**–**	(150,402)
Settlement of structured deposits	**–**	242,443
Placement of time deposits	**(860,375)**	(348,067)
Withdrawal of time deposits	**946,629**	381,550
Advance to NCI Shareholders	**(11,815)**	–
Proceeds on disposal of an associate	**–**	9,060
Settlement of consideration receivables from disposal of subsidiaries	**1,732**	2,298
Net cash inflow on acquisition of a subsidiary	**20**	–
Development costs paid	**(8,114)**	(12,883)
NET CASH FROM INVESTING ACTIVITIES	**75,221**	126,407

	For the year ended 31 December	
	2022	2021
	RMB'000	*RMB'000*
FINANCING ACTIVITIES		
Interest paid	**(2,366)**	(2,851)
Dividends paid to NCI shareholders	**(3,608)**	(2,211)
Dividends paid	**(346,184)**	(56,035)
Proceeds from exercise of share options	**40**	–
Repayment of lease liabilities	**(35,446)**	(29,944)
Purchase of shares for RSU Scheme	**(29,745)**	(6,792)
NET CASH USED IN FINANCING ACTIVITIES	**(417,309)**	(97,833)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	**(75,849)**	128,406
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**795,349**	677,908
Effect of foreign exchange rate changes	**24,932**	(10,965)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by bank balances and cash	**744,432**	795,349

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

ManpowerGroup Greater China Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability on 26 September 2014. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 10 July 2019. The addresses of the Company's registered office and principal place of business in the People's Republic of China (the "**PRC**") are PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and 36/F, Xin Mei Union Square, No. 999, Pudong Road (S), Pudong District, Shanghai, PRC, respectively.

The Company is an investment holding company. The Company's subsidiaries are principally engaged in the provision of a comprehensive range of workforce solutions and services in the PRC, Hong Kong Special Administrative Region of the PRC ("**Hong Kong**"), Macau Special Administrative Region of the PRC ("**Macau**") and Taiwan (collectively referred to as "**Greater China Region**").

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") are presented in Renminbi ("**RMB**"), which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS Standards")

Amendments to IFRS Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRS Standards issued by the International Accounting Standards Board ("**IASB**") for the first time, which are mandatorily effective for the annual period beginning on 1 January 2022 for the preparation of the consolidated financial statements:

Amendment to IFRS 3	Reference to the Conceptual Framework
Amendment to IAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendment to IAS 37	Onerous contracts – Cost of Fulfilling a Contract
Amendments to IFRS Standards	Annual Improvements to IFRS Standards 2018-2020

The application of the amendments to IFRS Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in the condensed consolidated financial statements.

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)* (the "2020 Amendments") and Amendments to IAS 1 *Non-current Liabilities with Covenants* (the "2022 Amendments")

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying IAS 32 *Financial Instruments: Presentation*.

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that the classification should not be affected by management intentions or expectations to settle the liability within 12 months.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the requirements introduced by the 2020 Amendments have been modified by the 2022 Amendments. The 2022 Amendments specify that only covenants with which an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date. Covenants which are required to comply with only after the reporting period do not affect whether that right exists at the end of the reporting period.

In addition, the 2022 Amendments specify the disclosure requirements about information that enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period, if the entity classify liabilities arising from loan arrangements as non-current when the entity's right to defer settlement of those liabilities is subject to the entity complying with covenants within twelve months after the reporting period.

The 2022 Amendments also defer the effective date of applying the 2020 Amendments to annual reporting periods beginning on or after 1 January 2024. The 2022 Amendments, together with the 2020 Amendments, are effective for annual reporting periods beginning on or after 1 January 2024, with early application permitted. If an entity applies the 2020 amendments for an earlier period after the issue of the 2022 Amendments, the entity should also apply the 2022 Amendments for that period.

Based on the Group's outstanding liabilities as at 31 December 2022, the application of the 2020 and 2022 Amendments will not result in reclassification of the Group's liabilities.

Amendments to IAS 1 and IFRS Practice Statement 2 *Disclosure of Accounting Policies*

IAS 1 is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

IFRS Practice Statement 2 *Making Materiality Judgements* (the "**Practice Statement**") is also amended to illustrate how an entity applies the "four-step materiality process" to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments is not expected to have significant impact on the financial position or performance of the Group but may affect the disclosures of the Group's significant accounting policies. The impacts of application, if any, will be disclosed in the Group's future consolidated financial statements.

Amendments to IAS 8 *Definition of Accounting Estimates*

The amendments define accounting estimate as "monetary amounts in financial statements that are subject to measurement uncertainty". An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty – that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgments or assumptions based on the latest available, reliable information.

In addition, the concept of changes in accounting estimates in IAS 8 is retained with additional clarifications.

The application of the amendments is not expected to have significant impact on the Group's consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Segment information

Information reported to the Chief Executive Officer, being the chief operating decision maker ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of services provided.

Specifically, the Group's operating and reportable segments under IFRS 8 are as follows:

1. Workforce Solutions – the Group provides the following services to its customers:

    - Flexible staffing service for which the Group helps to provide contingent workers for customers who wish to manage their own headcount or only require workers for a limited time or a specific project. The Group provides contingent workers contracted with the Group that it finds suitable for the job descriptions and assign them to the customers.

    - Recruitment solutions services include recruitment process outsourcing ("**RPO**") management services and recruitment services. The Group assists customers' hiring process, which include candidate assessments, screening, conducting candidate interviews and recommending suitable candidates for job vacancies, providing sourcing technology, and providing the Group's marketing and recruiting expertise.

2. Other HR Services – the Group provides HR services to customers who need assistance in outplacement, leadership development, career management, talent assessment, and training and development services.

No operating segments have been aggregated in arriving at the reportable segments of the Group.

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment:

Year ended 31 December 2022

	Workforce Solutions *RMB'000*	Other HR Services *RMB'000*	Total *RMB'000*
Segment revenue	**4,566,188**	**22,272**	**4,588,460**
Segment profit	**610,001**	**13,929**	**623,930**
Unallocated:			
Selling expenses			**(366,738)**
Administrative expenses			**(102,289)**
Other income			**16,119**
Impairment losses under ECL model, net of reversal			**(4,067)**
Other gains and losses			**6,559**
Finance costs			**(2,366)**
Share of profit of associates			**4,926**
Profit before tax			**176,074**

Year ended 31 December 2021

	Workforce Solutions *RMB'000*	Other HR Services *RMB'000*	Total *RMB'000*
Segment revenue	3,936,838	32,036	3,968,874
Segment profit	614,896	23,338	638,234
Unallocated:			
Selling expenses			(353,474)
Administrative expenses			(95,160)
Other income			12,432
Impairment losses under ECL model, net of reversal			(9,942)
Other gains and losses			3,240
Finance costs			(2,851)
Share of profit of associates			3,159
Profit before tax			195,638

Geographical information

Information about the Group's revenue from external customers is presented based on the location of the operations of customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers		**Non-current assets***	
	2022	2021	**2022**	2021
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
PRC	**2,943,683**	2,464,036	**131,234**	112,946
Hong Kong and Macau	**637,180**	622,435	**98,645**	86,765
Taiwan	**1,007,597**	882,403	**2,366**	3,425
	4,588,460	3,968,874	**232,245**	203,136

* Non-current assets excluded those relating to deferred tax assets, retirement benefit assets and financial instruments.

Segment assets and liabilities

Information reported to the CODM for the purposes of resource allocation and performance assessment does not include any assets and liabilities. Accordingly, no segment assets and liabilities are presented.

Information about major customers

Revenue from the customer of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

	2022	2021
	RMB'000	*RMB'000*
Customer A[1]	**1,322,937**	1,048,506

[1] Revenue from Workforce Solutions segment

Disaggregation of revenue

Year ended 31 December 2022

	Workforce Solutions	**Other HR Services**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Types of service			
Flexible staffing	**4,343,596**	**–**	**4,343,596**
Recruitment solutions	**222,592**	**–**	**222,592**
Others	**–**	**22,272**	**22,272**
	4,566,188	**22,272**	**4,588,460**

Year ended 31 December 2021

	Workforce Solutions	Other HR Services	Total
	RMB'000	*RMB'000*	*RMB'000*
Types of service			
Flexible staffing	3,688,572	–	3,688,572
Recruitment solutions	248,266	–	248,266
Others	–	32,036	32,036
	3,936,838	32,036	3,968,874

4. INCOME TAX EXPENSE

	2022 *RMB'000*	2021 *RMB'000*
Current tax:		
– PRC Enterprise Income Tax ("**EIT**")	**14,988**	20,981
– Hong Kong Profits Tax	**7,402**	5,042
– Macau Complementary Tax	**–**	26
– Taiwan Income Tax	**10,427**	9,187
– Taiwan dividend withholding tax	**–**	2,717
	32,817	37,953
(Over)underprovision in prior years:		
– PRC EIT	**(185)**	(792)
– Hong Kong Profits Tax	**(435)**	–
– Taiwan Income Tax	**452**	40
	(168)	(752)
Deferred tax	**7,948**	5,949
	40,597	43,150

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years. The Group's subsidiaries that are tax residents in the PRC are subject to the PRC dividend withholding tax of 5% for those non-PRC tax resident immediate holding companies registered in Hong Kong, when and if undistributed earnings are declared to be paid as dividends out of profits that arose on or after 1 January 2008.

Certain PRC subsidiaries of the Group were qualified as Small Low-Profit Enterprise, under the relevant tax regulations in the PRC, which were entitled to a preferential income tax rate that was calculated in accordance with the two-tiered profits tax rates regime for the years ended 31 December 2021 and 2022. Under the two-tiered profits tax rates regime, the first RMB1,000,000 of the taxable income of qualified entities are taxed at 2.5% (2021: 2.5%), and the taxable income above RMB1,000,000 and less than RMB3,000,000 are taxed at 5% (2021: 10%).

In addition, certain subsidiaries of the Group in the Mainland of China were approved as High and New Technology Enterprise, and they were subject to a preferential corporate income tax rate of 15% for the year ended 31 December 2022 (2021: Nil).

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2,000,000.

Macau Complementary Tax is calculated at progressive rate ranging from 3% to 9% on the estimated assessable profit below or equal to Macau Pataca ("MOP") 300,000 and at 12% on the estimated assessable profits above MOP300,000 for the years ended 31 December 2022 and 2021. In addition, a special complementary tax incentive was provided to the effect that the tax-free income threshold was increased from MOP32,000 to MOP600,000 with the estimated assessable profit above MOP600,000 being taxed at 12% for the years ended 31 December 2022 and 2021.

Taiwan Income Tax is calculated at 20% of the estimated assessable profit when such amount is above New Taiwan dollar 120,000 for the year ended 31 December 2022 and 2021. Withholding tax of 21% is imposed on dividends declared in respect of profits earned by Taiwan subsidiaries that are received by non-Taiwan resident entities. Under the relevant regulations in Taiwan, a corporate surtax of 5% is imposed on earnings of subsidiaries in Taiwan not distributed in the following year.

5. PROFIT FOR THE YEAR

	2022	2021
	RMB'000	*RMB'000*
Profit for the year has been arrived at after charging (crediting):		
Directors' emoluments		
Fees	**618**	588
Salaries, allowances and other benefits	**3,379**	4,097
Retirement benefit scheme contributions	**105**	121
Performance related bonus	**1,301**	2,803
Equity-settled share-based payments	**1,911**	807
	7,314	8,416
Other staff costs		
Salaries, allowances and other benefits	**3,546,852**	3,015,227
Retirement benefit scheme contributions	**653,037**	542,302
Equity-settled share-based payments	**8,511**	5,710
	4,208,400	3,563,239
Total staff costs	**4,215,714**	3,571,655
Auditor's remuneration	**2,970**	2,796
Depreciation of property and equipment	**6,128**	5,828
Depreciation of right-of-use assets	**31,582**	29,985
Amortisation of intangible assets	**5,572**	2,550
Loss on disposal of property and equipment	**152**	335
Research and development costs recognised as an expense	**5,469**	85
COVID-19-related rent concessions	**(441)**	–

For the years ended 31 December 2022 and 2021, the Group recognised government grants by deducting from the related expenses in respect of COVID-19-related subsidies which mainly relate to Employment Support Scheme provided by the Hong Kong government and reduction or waiver of social insurance contributions by the PRC government.

6. DIVIDEND

During the year ended 31 December 2021, a final dividend of HK$0.32 per ordinary share in respect of the year ended 31 December 2020, in an aggregate amount of approximately HK$66.4 million (equivalent to approximately RMB56 million), was declared and paid in July 2021.

During the year ended 31 December 2022, a final dividend of HK$0.37 per ordinary share in respect of the year ended 31 December 2021, in an aggregate amount of approximately HK$76.8 million (equivalent to approximately RMB62.3 million), was declared and paid in July 2022.

During the year ended 31 December 2022, an interim dividend of HK$1.60 per ordinary share in respect of the year ended 31 December 2022, in an aggregate amount of approximately HK$332 million (equivalent to approximately RMB283.9 million), was declared and paid in September 2022.

Subsequent to the end of the Reporting Period, a final dividend of HK$0.12 per ordinary share in respect of the year ended 31 December 2022, in an aggregate amount of approximately HK$24.9 million (equivalent to approximately RMB22.8 million), has been proposed by the Directors and is subject to approval by the shareholders of the Company in the forthcoming general meeting.

7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

Earnings figures are calculated as follows:

	2022 ***RMB'000***	2021 *RMB'000*
Earnings		
Earnings for the purpose of calculating basic and diluted earnings per share (profit for the year attributable to owners of the Company)	**118,606**	139,169

Number of shares

	2022	2021
Weighted average number of ordinary shares for the purpose of basic earnings per share	**205,984,822**	207,500,000
Effect of dilutive potential ordinary shares:		
Unvested restricted share units	**109,543**	–
Share options issued by the Company	**–**	123,695
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**206,094,365**	207,623,695

During the year ended 31 December 2022, the weighted average number of ordinary shares for the calculation of basic and diluted earnings per share have been adjusted for the effect of certain shares held by the trustee pursuant to the RSU Scheme.

The computation of diluted earnings per share for the year ended 31 December 2022 did not assume the exercise of share options granted by the Company because the exercise prices of those options were higher than the average market prices for shares of the Company for the year ended 31 December 2022.

The computation of diluted earnings per share for the year ended 31 December 2021 did not assume the exercise of certain share options granted by the Company because the exercise prices of those options was higher than the average market prices for shares of the Company for the year ended 31 December 2021.

8. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

The following is an aged analysis of trade receivables net of allowance for credit losses, presented based on the invoice dates:

	2022	2021
	RMB'000	*RMB'000*
0–30 days	**634,919**	585,231
31–60 days	**18,652**	34,458
61–90 days	**9,204**	15,124
Over 90 days	**12,168**	12,384
	674,943	647,197

9. AMOUNTS DUE FROM (TO) A SHAREHOLDER/RELATED COMPANIES/NON-CONTROLLING SHAREHOLDERS

The following is an ageing analysis of amounts due from related companies (trade related) at the end of the Reporting Period, presented based on the invoice date:

	Amounts due from related companies	
	2022	2021
	RMB'000	*RMB'000*
0–30 days	**292**	253
31–60 days	**–**	220
61–90 days	**–**	22
Over 90 days	**4**	–
	296	495

The following is an ageing analysis of amounts due to a shareholder and related companies (trade related) at the end of the Reporting Period, presented based on the invoice date:

	Amount due to a shareholder		**Amounts due to related companies**	
	2022	2021	**2022**	2021
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
0–30 days	**921**	887	**510**	59
31–60 days	**763**	900	**–**	–
61–90 days	**890**	925	**–**	–
Over 90 days	**134**	292	**–**	406
	2,708	3,004	**510**	465

10. TRADE AND OTHER PAYABLES

The following is an aged analysis of the trade payables at the end of the Reporting Period, presented based on the invoice date:

	2022	2021
	RMB'000	*RMB'000*
0–30 days	**13,265**	17,409
31–60 days	**7**	–
61–90 days	**67**	47
	13,339	17,456

CORPORATE GOVERNANCE

The Group is committed to achieving high standards of corporate governance to safeguard the interests of the shareholders of the Company (the "**Shareholders**") and to enhance corporate value and accountability.

The Company has adopted the corporate governance code (the "**Corporate Governance Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**") as its own code on corporate governance and, to the best knowledge of the Directors, the Company had complied with all applicable code provisions under the Corporate Governance Code throughout the Reporting Period.

Further information about the corporate governance practices of the Company will be set out in the annual report of the Company for the year ended 31 December 2022.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix 10 to the Listing Rules (the "**Model Code**") as the guidelines for the Directors' dealings in the securities of the Company. Upon specific enquiries of all the Directors, each of them has confirmed that he/she had complied with all applicable code provisions under the Model Code throughout the Reporting Period.

As required by the Company, relevant officers and employees of the Company are also bound by the Model Code, which prohibits them to deal in securities of the Company at any time when he/she possesses insider information in relation to those securities. No incident of noncompliance of the Model Code by the relevant officers and employees was noted by the Company.

REVIEW OF ACCOUNTS

The Board established the Audit Committee with written terms of reference in compliance with the Corporate Governance Code. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting system, risk management and internal control systems of the Group, to oversee the audit process, to develop and review the policies and to perform other duties and responsibilities as assigned by the Board. The Audit Committee consists of five members, namely Mr. Victor HUANG, Mr. John Thomas MCGINNIS, Mr. ZHAI Feng, Mr. Thomas YEOH Eng Leong and Ms. WONG Man Lai Stevie. Mr. Victor HUANG, Mr. Thomas YEOH Eng Leong and Ms. WONG Man Lai Stevie are independent non-executive Directors. The chairman of the Audit Committee is Mr. Victor HUANG, who possesses appropriate professional qualifications.

The Audit Committee has discussed with the external auditor of the Company and reviewed the annual results and the consolidated accounts of the Group for the year ended 31 December 2022. The Audit Committee has agreed with the external auditor of the Company on the annual results of the Group for the year ended 31 December 2022.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of cash flows and the related notes thereto for the year ended 31 December 2022 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 29 March 2023. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the trustee of the RSU Scheme purchased on the market an aggregate of 4,213,750 Shares. Save as disclosed above, the Group did not purchase, sell or redeem any of the listed securities of the Company during the Reporting Period.

ANNUAL GENERAL MEETING

The 2023 annual general meeting of the Company (the "**2023 AGM**") is scheduled to be held on Thursday, 29 June 2023. A notice convening the 2023 AGM will be published and despatched to the Shareholders in the manner required by the Listing Rules in due course.

FINAL DIVIDEND

The Board recommends the payment of a final dividend of HK$0.12 per ordinary Share (equivalent to RMB0.11 per ordinary Share) payable in cash. The proposed final dividend is subject to the approval of the Shareholders at the 2023 AGM to be held on Thursday, 29 June 2023. The proposed final dividend will be declared and paid in Hong Kong dollars. Subject to the approval of the Shareholders at the 2023 AGM, the proposed final dividend is expected to be paid on or around Wednesday, 19 July 2023.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining the Shareholders' eligibility to attend, speak and vote at the 2023 AGM and the Shareholders' entitlement to the proposed final dividend, the register of members of the Company (the "**Register of Members**") will be closed as appropriate as set out below:

For determining the entitlement to attend, speak and vote at the 2023 AGM

The Register of Members will be closed from Monday, 26 June 2023 to Thursday, 29 June 2023, both days inclusive, during which period no transfer of Shares will be effected. In order to determine the identity of members who are entitled to attend and vote at the 2023 AGM, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 23 June 2023.

For determining the entitlement to the proposed final dividend

The Register of Members will be closed from Wednesday, 5 July 2023 to Monday, 10 July 2023, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the proposed final dividend for the Reporting Period, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 4 July 2023.

PUBLICATION OF ANNUAL RESULTS

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk as well as the website of the Company at www.manpowergrc.com. The Company's 2022 annual report will be despatched to Shareholders and published on the aforementioned websites in due course.

By order of the Board
ManpowerGroup Greater China Limited
CUI Zhihui
Executive Director and
Chief Executive Officer

Hong Kong, 29 March 2023

As at the date of this announcement, the executive Director is Mr. CUI Zhihui; the non-executive Directors are Mr. Darryl E GREEN, Mr. John Thomas MCGINNIS, Mr. ZHANG Yinghao and Mr. ZHAI Feng; and the independent non-executive Directors are Mr. Thomas YEOH Eng Leong, Ms. WONG Man Lai Stevie and Mr. Victor HUANG.