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If you have sold or transferred all your securities in JobStreet Corporation Berhad, please forward this Introductory Circular to the agent through whom the sale was contracted for onward transmission to the purchaser or transferee.

The approval of the Securities Commission ("**SC**") for the Transfer (as defined herein) should not be taken to indicate that the SC recommends the Transfer.

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JobStreet.com

JOBSTREET CORPORATION BERHAD

*Company Number 641378-W
(Incorporated in Malaysia under the Companies Act, 1965)*

INTRODUCTORY CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

**TRANSFER OF THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED
ISSUED AND PAID-UP SHARE CAPITAL OF JOBSTREET CORPORATION BERHAD
FROM THE MESDAQ MARKET OF BURSA SECURITIES TO THE MAIN BOARD OF
BURSA SECURITIES**

Adviser



CIMB Investment Bank Berhad (18417-M)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

This Introductory Circular is dated 11 December 2007

DEFINITIONS

The following definitions shall apply throughout this Introductory Circular unless the context requires otherwise:

Amendments	:	Amendments to the Articles of Association of JCB
Board	:	Board of Directors
Bonus Issue	:	Bonus issue of up to 432,944,000 Bonus Shares to be credited as fully paid-up on the basis of 2 Bonus Shares for every JCB Share held on the Book Closure Date
Bonus Shares	:	New JCB Shares to be issued under the Bonus Issue
Book Closure Date	:	5.00 p.m. on 27 December 2007, being the time and date as at which you must be registered in the Record of Depositors of JCB in order for you to be entitled to the Bonus Issue and Consolidation
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CIMB	:	CIMB Investment Bank Berhad
Consolidated Shares	:	Ordinary shares of RM0.20 each in JCB
Consolidation	:	Consolidation of 2 JCB Shares after the Bonus Issue into 1 new Consolidated Share
EGM	:	Extraordinary General Meeting
EPS	:	Earnings per share
ESOS Options	:	Options granted under the Company's employee share option scheme
FY	:	Financial year ended 31 December
IASC	:	Increase in the authorised share capital of JCB from RM50 million to RM100 million by the creation of an additional 500 million JCB Shares
JCB or Company	:	JobStreet Corporation Berhad
JCB Group or Group	:	JCB and its subsidiaries
JCB Shares	:	Ordinary shares of RM0.10 each in JCB
JobStreet India	:	JobStreet.com India Private Ltd
JobStreet Singapore	:	JobStreet.com Pte Ltd
Listing Requirements	:	Listing Requirements of Bursa Securities
Main Board	:	Main Board of Bursa Securities
Market Day	:	Any day between Monday and Friday, both days inclusive, which is not a public holiday and on which Bursa Securities is open for trading of securities
MESDAQ Market	:	MESDAQ Market of Bursa Securities
MI	:	Minority interests
PATMI	:	Profit after taxation and minority interests

DEFINITIONS (*Cont'd*)

Record of Depositors	:	A record provided by Bursa Depository to the Company under Chapter 24 of the Rules of Bursa Depository
Rules of Bursa Depository	:	The Rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991
SC	:	Securities Commission
SC Guidelines	:	Policies and Guidelines on Issue/Offer of Securities issued by the SC
Transfer	:	Transfer of the listing of and quotation for the entire enlarged issued and paid-up capital of JCB of up to RM64,941,600 comprising 324,708,000 Consolidated Shares from the MESDAQ Market to the Main Board

Currencies

BDT	:	Bangladesh Taka
HKD	:	Hong Kong Dollar
JPY	:	Japanese Yen
RM and sen	:	Ringgit Malaysia and sen respectively
Pesos	:	Philippines Pesos
Rs or Rupee	:	Indian Rupee
SGD	:	Singapore Dollar
USD	:	United States Dollar

Words importing the singular only shall include the plural and vice versa and words importing the masculine gender shall, where applicable include the feminine and neuter genders and vice versa. Reference to persons shall include corporations.

All references to the time of day in this Introductory Circular are references to Malaysian time.

All references to “our Company” in this Introductory Circular is to JCB, references to “our Group” and “the JCB Group” are to our Company and our subsidiaries and references to “we”, “us”, “our” and “ourselves” are to our Company, and save where the context otherwise requires, shall include our subsidiaries.

All references to “you” in this Introductory Circular are to the shareholders of our Company.

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JobStreet.com
JOBSTREET CORPORATION BERHAD
Company Number 641378-W
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office

Level 7, Setia 1
15, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur

11 December 2007

Board of Directors:

Datuk Ali bin Abdul Kadir (*Independent Non-Executive Chairman*)
Tan Sri Dato' Dr Lin See Yan (*Independent Non-Executive Director*)
Chang Mun Kee (*Chief Executive Officer and Executive Director*)
Suresh A/L Thirugnanam (*Executive Director*)
Ng Kay Yip (*Non-Independent Non-Executive Director*)
Lim Chao Li (*Non-Independent Non-Executive Director*)

To Our Shareholders

Dear Sir/Madam,

TRANSFER OF THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED AND PAID-UP SHARE CAPITAL OF JOBSTREET CORPORATION BERHAD FROM THE MESDAQ MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") TO THE MAIN BOARD OF BURSA SECURITIES

1. INTRODUCTION

- 1.1 On 20 June 2007, CIMB announced on our behalf, that we propose to implement the following:
- (i) to increase our authorised share capital from RM50 million to RM100 million by the creation of an additional 500 million JCB Shares;
 - (ii) a bonus issue of up to 432,944,000 new JCB Shares to be credited as fully paid-up on the basis of 2 Bonus Shares for every JCB Share held;
 - (iii) consolidation of 2 JCB Shares after the Bonus Issue into 1 Consolidated Share; and
 - (iv) transfer of the listing of and quotation for our entire enlarged issued and paid-up share capital of up to RM64,941,600 comprising 324,708,000 Consolidated Shares from the MESDAQ Market to the Main Board.
- 1.2 On 20 July 2007, CIMB, announced on our behalf, that in conjunction with the Transfer, we propose to amend our Articles of Association in order to comply with Chapter 7 of the Listing Requirements.
- 1.3 On 10 October 2007, CIMB announced on our behalf, that the SC has, on 9 October 2007, approved the Transfer subject to the conditions as set out in Section 5.1 of this Introductory Circular.

- 1.4 You have approved the IASC, Bonus Issue, Consolidation and Amendments at the EGM held on 6 December 2007.
- 1.5 On 3 December 2007, CIMB announced on our behalf, that Bursa Securities has, on 30 November 2007, approved the Consolidation, the additional listing of up to 216,472,000 Consolidated Shares arising from the Bonus Issue and the Transfer.
- 1.6 On 10 December 2007, CIMB announced on our behalf, that the Book Closure Date has been fixed at 5.00 p.m. on 27 December 2007.

THE PURPOSE OF THIS INTRODUCTORY CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE TRANSFER AND IS INTENDED FOR INFORMATION ONLY. NO ACTION IS REQUIRED TO BE TAKEN.

2. DETAILS OF THE TRANSFER

The Transfer entails the transfer of the listing of and quotation for our Company's entire enlarged issued and paid-up share capital after the IASC, Bonus Issue and Consolidation from the MESDAQ Market to the Main Board.

Upon completion of the IASC, Bonus Issue and Consolidation, we expect to fully comply with all the requirements for a transfer to the Main Board as set out in Chapter 15 of the SC Guidelines and the Listing Requirements, which include, amongst others, the following:

2.1 Listing status

As set out in the SC Guidelines, a company must have been listed for at least 1 year on the MESDAQ Market. Our Company was listed on the MESDAQ Market on 29 November 2004.

As such, we have met the requirement.

2.2 Issued and paid-up share capital

As set out in the SC Guidelines and the Listing Requirements, a company seeking a listing on the Main Board must have a minimum issued and paid-up share capital of not less than RM60,000,000 comprising ordinary shares with par value of at least RM0.10 each.

The issued and paid-up share capital of our Company as at 22 November 2007 is RM20,463,440 comprising 204,634,400 JCB Shares. Upon completion of the Bonus Issue and assuming none of the outstanding ESOS Options is exercised, the issued and paid-up share capital of our Company will increase to RM61,390,320 comprising 613,903,200 JCB Shares. Upon completion of the Consolidation, the enlarged issued and paid-up share capital of our Company will be RM61,390,320 comprising 306,951,600 Consolidated Shares.

As such, we will meet this requirement upon completion of the Bonus Issue and Consolidation.

2.3 Public shareholding spread

The Listing Requirements state that at least 25% of the total listed shares of a listed issuer must be in the hands of a minimum of 1,000 public shareholders holding not less than 100 shares each.

Based on our Record of Depositors as at 22 November 2007, approximately 35.9% of the issued and paid-up share capital of our Company is held by 1,019 public shareholders holding not less than 100 JCB Shares each.

As such, we have met this requirement.

2.4 Historical profit track record

As set out in the SC Guidelines, a company seeking listing on the Main Board should have an uninterrupted audited PATMI record of 3 to 5 full financial years, with an aggregate audited PATMI of not less than RM30 million over the said financial years and an audited PATMI of not less than RM8 million in respect of the most recent financial year.

Our Company recorded an uninterrupted aggregate audited consolidated PATMI of approximately RM47.4 million over the past 3 financial period/years up to 31 December 2006 and an audited consolidated PATMI of approximately RM21.7 million in respect of the latest FY 2006.

FY	⁽¹⁾ 2004 RM 000	⁽¹⁾ 2005 RM 000	⁽¹⁾ 2006 RM 000	Aggregate RM 000
PATMI	⁽²⁾ 9,283	16,371	21,709	47,363

Notes:

⁽¹⁾ Extracted from our Annual Reports for the financial period ended 31 December 2004 to FY 2006.

⁽²⁾ Includes pre-acquisition profit of approximately RM6.87 million for the period from 1 January 2004 to 30 September 2004.

As such, we have met this requirement.

2.5 Profit forecast

As set out in the SC Guidelines, a company intending to transfer from the MESDAQ Market to the Main Board in less than 2 years is required to meet its profit forecast as disclosed in its prospectus. However, this requirement is not applicable to us as we have been listed on the MESDAQ Market for more than 2 years. Further, we were not required to and did not disclose any profit forecast in our prospectus dated 22 October 2004.

2.6 Market capitalisation

Not applicable as the Transfer was sought based on the fulfilment of the historical profit track record requirement.

3. RATIONALE FOR THE TRANSFER

- 3.1 The Transfer, when completed, will better reflect the current stature of our Group's operations and is expected to accord our Company with greater recognition and acceptance amongst investors, particularly institutional investors.
- 3.2 The Transfer is also expected to enhance the confidence of our Group's customers, suppliers, bankers, employees and shareholders. Furthermore, with our Group currently strengthening our presence in the overseas markets, a listing on the Main Board is expected to reflect a better image and acceptance of our Group among our foreign customers and business partners.

4. FINANCIAL EFFECTS OF THE TRANSFER

The Transfer will not have any financial effect on our Group.

5. CONDITIONS FOR THE TRANSFER

5.1 The SC has, in its letter dated 9 October 2007, approved the Transfer, subject to the following conditions:

- (i) CIMB/JCB to inform the SC upon completion of the Transfer; and
- (ii) approvals to be obtained from other relevant authorities, if any.

5.2 Bursa Securities, has in its letter dated 30 November 2007, approved the Consolidation, the additional listing of up to 216,472,000 Consolidated Shares arising from Bonus Issue and the Transfer. The Transfer will take place 2 clear Market Days after Bursa Securities receives the following:

- (i) Confirmation of placement of a box advertisement of the Transfer in a widely circulated Bahasa Malaysia and English newspaper.
- (ii) Confirmation from the adviser that the Introductory Circular has been issued and despatched to you.
- (iii) Confirmation from the adviser that all conditions, including conditions imposed by the relevant authorities, if any, which are required to be met prior to the Transfer have been met.
- (iv) Confirmation from the adviser that there are no circumstances or facts which have the effect of preventing or prohibiting the Transfer including any order, injunction or any other directive issued by any court of law.
- (v) Payment of the initial listing fees and annual listing fees.
- (vi) Our Articles of Association and all amendments to-date, and a letter of compliance (which shall be written by a person with legal qualifications) which confirms the provisions of our Articles of Association comply with the Listing Requirements and Rules of Bursa Depository.

We/CIMB will comply with the above.

6. OTHER MATTER

In conjunction with the Transfer, we propose to change our stock short name from "JOBS" to "JOBST". An application was made to Bursa Securities on 30 November 2007 to seek its approval for the change of our stock short name. Bursa Securities will make the relevant announcement on the effective date of the change of our stock short name after all the conditions imposed for the Transfer, as set out in Section 5.2 of this Introductory Circular, have been fulfilled.

7. FURTHER INFORMATION

You should refer to the enclosed appendices for additional information.

Yours faithfully
for and on behalf of the Board of
JOBSTREET CORPORATION BERHAD

Datuk Ali bin Abdul Kadir
Chairman

INFORMATION ON JCB

1. HISTORY AND BUSINESS

JCB was incorporated in Malaysia as a public company under the Companies Act, 1965 on 6 February 2004. Our Company was granted the Multimedia Super Corridor status by Multimedia Development Corporation Sdn Bhd on 20 February 2004 and was listed on the MESDAQ Market on 29 November 2004.

Our Company is principally an investment holding company and is involved in the provision of interactive marketing services focusing on interactive advertising, targeted database marketing and training advertising services. The principal activities of our subsidiaries, associate companies and jointly-controlled entity are set out in Section 6 of this Appendix.

We operate the *JobStreet.com* online recruitment sites. Today, our Group is one of the leading online recruitment providers in Malaysia, Singapore and Philippines. Diversification into regional markets has been part of our Group's strategy. Since JCB's listing in 2004, our Group has expanded into other Asian markets such as Indonesia and Bangladesh, with local joint venture partners.

We offer our online recruitment services using our in-house proprietary software such as SiVA (application service provider based recruitment management system) and LiNA (job-tracking and notification service) to match jobseekers with suitable employers. Our services comprise mainly of JobStreet ESSENTIAL, JobStreet IMPACT, JobStreet SELECT and JobStreet RESOURCE.

Research and development ("R&D") is carried out by our in-house R&D team. Being one of the key drivers to our success, we will continue to allocate resources to fund R&D activities.

2. SHARE CAPITAL

Our authorised and issued and paid-up share capital as at 22 November 2007 are as follows:

	No. of shares	Total RM
Authorised share capital		
Ordinary shares of RM0.10 each	500,000,000	50,000,000
Issued and paid-up share capital		
Ordinary shares of RM0.10 each	204,634,400	20,463,440

3. CHANGES IN ISSUED AND PAID-UP SHARE CAPITAL

The changes in the issued and paid-up share capital in our Company since our incorporation until 22 November 2007 are as follows:

Date of allotment	No. of ordinary shares allotted	Par Value RM	Consideration/Type of issue	Total issued and paid-up share capital RM
06.02.2004	2	1.00	Cash; Subscribers' shares	2
30.09.2004	18,299,998	1.00	Consideration for the acquisition of JobStreet Singapore	18,300,000
01.10.2004	183,000,000	0.10	Sub-division of shares of RM1.00 each into shares of RM0.10 each	18,300,000
09.11.2004	18,000,000	0.10	Cash; Public issue (including private placement) in conjunction with the listing of JCB on the MESDAQ Market at RM0.54 per share	20,100,000
06.04.2006	1,318,000	0.10	Cash; Issue of shares at RM0.54 per share arising from the exercise of ESOS Options	20,231,800
13.06.2006	747,000	0.10	Cash; Issue of shares at RM0.54 per share arising from the exercise of ESOS Options	20,306,500
06.06.2007	1,111,000	0.10	Cash; Issue of shares at RM0.54 per share arising from the exercise of ESOS Options	20,417,600
06.06.2007	255,000	0.10	Cash; Issue of shares at RM1.35 per share arising from the exercise of ESOS Options	20,443,100
19.10.2007	144,000	0.10	Cash; Issue of shares at RM0.54 per share arising from the exercise of ESOS Options	20,457,500
19.10.2007	59,400	0.10	Cash; Issue of shares at RM1.35 per share arising from the exercise of ESOS Options	20,463,440

4. DIRECTORS

Our Directors and their respective shareholdings in JCB according to the Register of Directors and Directors' Shareholdings as at 22 November 2007 are as follows:

Directors	Nationality	-----Direct-----		-----Indirect-----	
		No. of JCB Shares	%	No. of JCB Shares	%
Datuk Ali bin Abdul Kadir	Malaysian	400,000	0.20	⁽¹⁾ 70,000	0.03
Tan Sri Dato' Dr Lin See Yan	Malaysian	1,400,000	0.68	-	-
Chang Mun Kee	Malaysian	25,700,250	12.56	-	-
Suresh A/L Thirugnanam	Malaysian	8,336,940	4.07	-	-
Ng Kay Yip	Malaysian	19,015,540	9.29	-	-

Directors	Nationality	-----Direct-----		-----Indirect-----	
		No. of JCB Shares	%	No. of JCB Shares	%
Lim Chao Li	Malaysian	17,188,710	8.40	-	-

Note:

⁽¹⁾ Deemed interested through Rio Venture Sdn Bhd.

5. SUBSTANTIAL SHAREHOLDERS

The substantial shareholders of JCB and their respective shareholdings in JCB according to the Register of Substantial Shareholders as at 22 November 2007 are as follows:

Substantial shareholders	Nationality/Place of incorporation	-----Direct-----		-----Indirect-----	
		No. of JCB Shares	%	No. of JCB Shares	%
Chang Mun Kee	Malaysian	25,700,250	12.56	-	-
Wong Siew Hui	Malaysian	22,327,710	10.91	-	-
Ng Kay Yip	Malaysian	19,015,540	9.29	-	-
Lim Chao Li	Malaysian	17,188,710	8.40	-	-
UBS SEC LLC for Armor Capital Partners, L.P.	United States of America	11,838,772	5.79	-	-
Level Global Overseas Master Fund, Ltd	Cayman Islands	11,200,000	5.47	-	-
FMR LLC. & Fidelity International Limited	United States of America/ Bermuda	-	-	⁽¹⁾ 17,752,500	8.68
Armor Capital Management LLC	United States of America	-	-	⁽²⁾ 16,547,824	8.09
Level Global Investors, L.P.	United States of America	-	-	⁽³⁾ 11,200,000	5.47

Notes:

⁽¹⁾ Deemed interested through FID FDS – ASEAN Pool, FID FDS – Malaysia Pool, FID Aus Asia Fund, FID FDS – Pacific Pool, FIJ IT Japan Asia Growth Mother and FID Pacific Basin Fund.

⁽²⁾ Deemed interested through Armor Capital Partners, L.P., Armor Qualified L.P. and Abeille Value Holdings, LLC.

⁽³⁾ Deemed interested through Level Global Overseas Master Fund, Ltd.

6. SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINTLY-CONTROLLED ENTITY

The details of our subsidiaries, associate companies and jointly-controlled entity as at 22 November 2007 are as follows:

Name	Date and place of incorporation	Issued and paid-up share capital	Effective equity interest %	Principal activities
Subsidiaries				
JobStreet Singapore	17.07.1999/ Singapore	SGD1,596,623.50	100	Online recruitment and human resource management services
PT JobStreet Indonesia	29.08.2005/ Indonesia	USD400,000	60	Online recruitment and human resource management services
JS E-Recruitment Limited	1.02.2007/ Bangladesh	BDT1,000,000	60	Marketing and distribution of online job posting, search and selection, and recruitment software
JobStreet.com Sdn Bhd	6.10.1997/ Malaysia	RM250,000	100	Online recruitment and human resource management services
JobStreet.com Philippines Inc	21.10.1999/ Philippines	Pesos14,114,000	60	Online recruitment and human resource management services
Jobstreet.com Limited	26.05.2000/ Hong Kong	HKD2	100	Dormant
Blurbme Holdings Pte Ltd	15.07.2005/ Singapore	SGD100,000	51	Online lifestyle portal
JS Overseas Holdings Limited	25.09.2007/ British Virgin Islands	USD10,000	100	Investment holding
JobStreet Kabushiki Kaisha	22.11.2006/ Japan	JPY30,000,000	60	Search and selection, staffing and career consultancy
Associate companies				
Enerpro Pte Ltd	30.03.2006/ Singapore	SGD375,000	42	Employment agencies, human resources consultancy services, engineering services, drawings and information technology related services
Recruit Group Limited	8.01.2007/ British Virgin Islands	USD10,000	20	Investment holding
Jointly-controlled entity				
JobStreet India	16.02.2000/ India	Rs8,490,000	50	Online recruitment and human resource management services

7. PROFIT AND DIVIDEND RECORD

Our Group's profit and dividend record is set out below:

	⁽²⁾ Proforma		⁽³⁾ Audited			Unaudited 9-month period ended 30 September 2007
	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	
	RM 000	RM 000	RM 000	RM 000	RM 000	RM 000
Revenue	12,481	19,399	34,932	54,996	65,744	59,895
Profit before tax ("PBT")	(417)	3,054	10,092	16,594	24,896	26,056
Taxation	(104)	(181)	(402)	377	(2,268)	(2,764)
Profit after tax/ (Loss after tax)	(521)	2,873	⁽⁷⁾ 9,690	16,971	22,628	23,292
MI	(140)	(116)	(407)	(600)	(919)	(1,115)
PATMI/ (Loss after tax and MI)	(661)	2,757	9,283	16,371	21,709	22,177
Number of ordinary shares at RM0.10 each in issue (000)	201,000	201,000	201,000	201,000	203,065	204,431
Weighted average number of ordinary shares of RM0.10 in issue (000)	201,000	201,000	52,764	201,000	202,383	203,650
Gross EPS/ Loss per share ("LPS") (sen) ⁽⁴⁾	⁽⁶⁾ (0.21)	⁽⁶⁾ 1.52	19.13	8.26	12.30	⁽⁸⁾ 17.06
Net EPS/ LPS (sen) ⁽⁵⁾	⁽⁶⁾ (0.33)	⁽⁶⁾ 1.37	17.59	8.14	10.73	⁽⁸⁾ 14.52
Gross dividend rate (%)	-	-	-	27.50	15.00	-

Notes:

- ⁽¹⁾ There was no exceptional or extraordinary item for the financial period/years under review.
- ⁽²⁾ The proforma consolidated income statements of JCB for the past 2 financial years ended 31 December 2003 are prepared based on the assumption that the present Group structure has already been effected.
- ⁽³⁾ The audited consolidated income statements of JCB for the past 3 financial period/years ended 31 December 2006.
- ⁽⁴⁾ Computed based on the PBT and the weighted average number of ordinary shares of RM0.10 in issue.
- ⁽⁵⁾ Computed based on the PATMI and the weighted average number of ordinary shares of RM0.10 in issue.
- ⁽⁶⁾ Computed based on the assumption that the present Group structure has already been effected. However, the impact of the capital restructuring (implemented in conjunction with JCB's initial public offering and its listing on the MESDAQ Market on 29 November 2004) on the proforma consolidated income statements of JCB for FY 2002 and FY 2003 have not been taken into consideration as it is impractical to quantify.
- ⁽⁷⁾ Includes pre-acquisition profit of approximately RM6.87 million for the period from 1 January 2004 to 30 September 2004.
- ⁽⁸⁾ Annualised.

Commentary on past performance

FY 2002

For FY 2002, our Group recorded a proforma revenue of RM12.48 million, 26.0% higher than the previous financial year's proforma turnover of RM9.91 million. In tandem with an increase in revenue, our Group's proforma loss after tax and MI decreased by 85.0% to RM0.66 million from previous year's proforma loss after tax and MI of RM4.41 million. The lower loss recorded was mainly attributable to the implementation of tighter cost control measures and expansion of several new services introduced in the previous financial year.

FY 2003

For FY 2003, our Group's performance continued to improve with a 55.4% growth in proforma revenue to RM19.40 million from the proforma revenue of RM12.48 million in FY 2002. Our Group registered a PATMI of RM2.76 million, as compared to a proforma loss after tax and MI of RM0.66 million in FY 2002.

FY 2004

For FY 2004, our Group recorded turnover of RM34.93 million, 80.1% higher than the proforma turnover of RM19.40 million in FY 2003. Consequently, our PATMI rose 236.7% to RM9.28 million (includes pre-acquisition profit of RM6.87 million) from RM2.76 million in FY 2003. The growth for FY 2004 was mainly due to improvement in general economic conditions and increase in the level of acceptance of our products and services.

FY 2005

For FY 2005, our Group achieved a 57.4% growth in revenue to RM55.00 million from RM34.93 million in FY 2004. In tandem with the increase in revenue, our Group's PATMI grew by 76.4% to RM16.37 million from RM9.28 million (including pre-acquisition profit of RM6.87 million) in FY 2004.

Malaysia continued to be our strongest market in FY 2005, in terms of market share and the overall quantum of sales and profit. In FY 2005, the business in Malaysia grew approximately 51% to record revenue of RM38.7 million. Our regional operations in Singapore, Philippines and India contributed approximately 30% of our Group's revenue in FY 2005. Our Group's Singapore business recorded the highest percentage of revenue growth at 110% to RM8.7 million. This was mainly due to the strong economy in Singapore. Our Group's Philippines business also continued to do well with the assistance of our joint venture partner, Summit Internet Investment Inc. However, our Group's business in India was a break-even operation. Diversification is part of our regional strategy to reduce dependency on the Malaysian market.

FY 2006

For FY 2006, our Group achieved a 19.5% growth in revenue to RM65.74 million from RM55.00 million in FY 2005. Our growth in revenue was mainly attributable to services with higher margins, namely JobStreet Essential and JobStreet Impact. This growth was offset by a decline in the JobStreet Resource business. Our Group's PATMI grew by 32.6% to RM21.71 million from RM16.37 million in FY 2005. Although there was an increase in the advertising expenses and staff costs, the net profits were boosted by a gain on the deemed disposal of 50% equity interest in JobStreet India.

In FY 2006, our business in Malaysia grew approximately 21% to record revenue of RM46.8 million. Our regional operations in Singapore, Philippines and India contributed approximately 31% of our revenue. Our total revenues grew by 15% and 74% in Singapore and Philippines respectively. However, JobStreet India was deconsolidated when the Television Eighteen India Limited Group subscribed for a 50% equity stake in it. Overall, our diversification strategy is yielding results as our performance in FY 2006 was contributed by strong performances from both the local and regional operations.

9-month period ended 30 September 2007

For the 9-month period ended 30 September 2007, our Group recorded revenue of RM59.90 million, 20.1% higher than the revenue of RM49.88 million recorded in the corresponding period in FY 2006. In line with the revenue, our PATMI grew by 56.7% from RM14.15 million recorded in the corresponding period in FY 2006 to RM22.18 million recorded for the 9-month period ended 30 September 2007. The overall growth was mainly attributable to higher sales recorded, and higher profit margin arising from higher revenue contribution from our Group's core product, JobStreet Essential. In addition, proportionately lower staff costs and professional fees, and the share of profit from equity accounted associate companies have further boosted our net profits for the 9-month period ended 30 September 2007.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF JCB FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2006 TOGETHER WITH AUDITORS' REPORT THEREON**



KPMG (Firm No. AF 0758)
Chartered Accountants
Wisma KPMG
Jalan Dungun, Damansara Heights
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Report of the auditors to the members of JobStreet Corporation Berhad

(Company No. 641378-W)
(Incorporated in Malaysia)

We have audited the financial statements set out on pages 15 to 68. The preparation of the financial statements is the responsibility of the Company's Directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statements presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards for entities other than private entities issued by the Malaysian Accounting Standards Board so as to give a true and fair view of:
 - i) the state of affairs of the Group and of the Company at 31 December 2006 and the results of their operations and cash flows for the year ended on that date; and
 - ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and the subsidiary of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.



The subsidiaries in respect of which we have not acted as auditors are identified in Note 5 to the financial statements and we have considered their financial statements and the auditors' reports thereon.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The audit reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment made under subsection (3) of Section 174 of the Act.

KPMG
Firm Number: AF 0758
Chartered Accountants

Foong Mun Kong
Partner
Approval Number: 2613/12/08(J)

Kuala Lumpur,

Date: 24 April 2007

JobStreet Corporation Berhad

(Company No. 641378-W)

(Incorporated in Malaysia)

and its subsidiaries

Balance sheets at 31 December 2006

	Note	Group		Company	
		2006	2005	2006	2005
		RM	RM	RM	RM
Assets					
Property and equipment	3	13,833,791	12,079,356	77,600	-
Goodwill	4	2,808,856	3,524,072	-	-
Investments in subsidiaries	5	-	-	19,411,333	18,754,873
Investments in an associate and a jointly-controlled entity	6	4,198,910	-	-	-
Other investments	7	-	-	-	-
Deferred tax assets	8	693,328	1,278,879	-	-
Total non-current assets		<u>21,534,885</u>	<u>16,882,307</u>	<u>19,488,933</u>	<u>18,754,873</u>
Other investments	7	10,021,285	-	10,021,285	-
Receivables, deposits and prepayments	9	10,188,886	10,120,416	27,311,601	5,190,238
Current tax assets		177,946	443,680	-	-
Cash and cash equivalents	10	36,325,147	26,558,381	391,173	8,813,099
Total current assets		<u>56,713,264</u>	<u>37,122,477</u>	<u>37,724,059</u>	<u>14,003,337</u>
Total assets		<u>78,248,149</u>	<u>54,004,784</u>	<u>57,212,992</u>	<u>32,758,210</u>
Equity					
Share capital		20,306,500	20,100,000	20,306,500	20,100,000
Reserves		8,051,539	6,571,880	7,679,191	6,378,571
Retained earnings		31,894,290	15,769,347	26,055,652	5,597,781
Total equity attributable to shareholders of the Company	11	60,252,329	42,441,227	54,041,343	32,076,352
Minority interest		1,123,690	1,567,908	-	-
Total equity		<u>61,376,019</u>	<u>44,009,135</u>	<u>54,041,343</u>	<u>32,076,352</u>

Balance sheets at 31 December 2006

(continued)

	Note	Group		Company	
		2006 RM	2005 RM	2006 RM	2005 RM
Liabilities					
Deferred tax liabilities	8	8,925	8,925	-	-
Total non-current liabilities		<u>8,925</u>	<u>8,925</u>	<u>-</u>	<u>-</u>
Deferred income	12	7,750,996	5,901,554	15,650	24,233
Payables and accruals	13	8,294,651	3,778,122	3,155,999	657,625
Taxation		817,558	307,048	-	-
Total current liabilities		<u>16,863,205</u>	<u>9,986,724</u>	<u>3,171,649</u>	<u>681,858</u>
Total liabilities		<u>16,872,130</u>	<u>9,995,649</u>	<u>3,171,649</u>	<u>681,858</u>
Total equity and liabilities		<u>78,248,149</u>	<u>54,004,784</u>	<u>57,212,992</u>	<u>32,758,210</u>

The notes on pages 22 to 68 are an integral part of these financial statements.

JobStreet Corporation Berhad

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and its subsidiaries

Income statements for the year ended 31 December 2006

	Note	Group		Company	
		2006 RM	2005 RM	2006 RM	2005 RM
Continuing operation					
Revenue	15	65,743,858	54,995,737	26,894,106	9,180,159
Other operating income	16	78,446	457,947	154,154	-
Advertising expenses		(1,460,738)	(904,437)	-	(21,694)
Allowance for doubtful debts		(348,897)	(615,890)	(53,317)	-
Contract and outsourcing cost		(13,804,935)	(15,690,306)	-	-
Depreciation		(1,161,524)	(676,492)	-	-
Rental of office		(819,012)	(950,885)	(6,698)	(22,915)
Staff costs	18	(18,949,917)	(14,265,662)	(378,496)	(344,519)
Telecommunication expenses		(563,097)	(513,734)	(20,572)	(673)
Traveling expenses		(820,742)	(552,342)	(33,349)	(42,750)
Other operating expenses	16	(7,028,855)	(5,428,213)	(530,607)	(318,719)
Results from operating activities		20,864,587	15,855,723	26,025,221	8,428,889
Interest income		801,182	738,054	57,463	220,139
Gain on deemed disposal of equity interest in					
- a subsidiary	28	3,294,567	-	-	-
- an associate		24,832	-	-	-
Operating profit		24,985,168	16,593,777	26,082,684	8,649,028
Share of loss after tax and minority interest of an equity accounted associate and a jointly-controlled entity		(88,934)	-	-	-
Profit before tax		24,896,234	16,593,777	26,082,684	8,649,028
Tax expense	19	(2,267,789)	377,263	(40,525)	(74,652)
Profit for the year		22,628,445	16,971,040	26,042,159	8,574,376
Attributable to:					
Shareholders of the Company		21,709,231	16,371,193	26,042,159	8,574,376
Minority interest		919,214	599,847	-	-
Profit for the year		22,628,445	16,971,040	26,042,159	8,574,376
Basic earnings per ordinary share (sen)	20	10.73	8.14		
Diluted earnings per ordinary share (sen)	20	10.33	7.83		

The notes on pages 22 to 68 are an integral part of these financial statements.

JobStreet Corporation Berhad

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Statement of changes in equity for the year ended 31 December 2006

Group	Note	Attributable to shareholders of the Company					Minority interest RM	Total equity RM
		Share capital RM	Share premium RM	Translation reserve RM	Share option reserve RM	Retained earnings RM		
At 1 January 2005		20,100,000	6,378,571	139,897	-	2,413,154	843,260	29,874,882
Foreign exchange translation differences		-	-	53,412	-	-	57,738	111,150
Profit for the year		-	-	-	-	16,371,193	599,847	16,971,040
Total recognised income and expense for the year		-	-	53,412	-	16,371,193	657,585	17,082,190
Acquisition of shares in a subsidiary		-	-	-	-	-	151,747	151,747
Dividends paid	21	-	-	-	-	(3,015,000)	(84,684)	(3,099,684)
As at 31 December 2005 / 1 January 2006		20,100,000	6,378,571	193,309	-	15,769,347	1,567,908	44,009,135
Foreign exchange translation differences		-	-	179,039	-	-	17,415	196,454
Profit for the year		-	-	-	-	21,709,231	919,214	22,628,445
Total recognised income and expense for the year		-	-	179,039	-	21,709,231	936,629	22,824,899
Share options exercised	11	206,500	908,600	-	-	-	-	1,115,100
Share-based payments	14	-	-	-	392,020	-	-	392,020
Acquisition of shares in a subsidiary	27	-	-	-	-	-	66,470	66,470
Issuance of shares to minority interest		-	-	-	-	-	-	-
Dividends paid	21	-	-	-	-	(5,584,288)	437,640	437,640
At 31 December 2006		20,306,500	7,287,171	372,348	392,020	31,894,290	(1,884,957)	(7,469,245)
						60,252,329	1,123,690	61,376,019

Statement of changes in equity for the year ended 31 December 2006

Company	Note	Attributable to shareholders of the Company				
		Non-distributable			Distributable	
		Share capital RM	Share premium RM	Translation reserve RM	Share option reserve RM	Retained earnings RM
At 1 January 2005		20,100,000	6,378,571	-	-	38,405
Profit for the year		-	-	-	-	8,574,376
Dividends to shareholders	21	-	-	-	-	(3,015,000)
As at 31 December 2005 / 1 January 2006		20,100,000	6,378,571	-	-	5,597,781
Profit for the year		-	-	-	-	26,042,159
Share option exercised	11	206,500	908,600	-	-	1,115,100
Share-based payments	14	-	-	-	392,020	392,020
Dividends to shareholders	21	-	-	-	-	(5,584,288)
At 31 December 2006		20,306,500	7,287,171	-	392,020	26,055,652
						54,041,343

The notes on pages 22 to 68 are an integral part of these financial statements.

JobStreet Corporation Berhad

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Cash flow statements for the year ended 31 December 2006

	Note	Group		Company	
		2006 RM	2005 RM	2006 RM	2005 RM
Cash flows from operating activities					
Profit before tax		24,896,234	16,593,777	26,082,684	8,649,028
Adjustments for:					
Depreciation	3	1,161,524	676,492	-	-
Property and equipment written off	3	361	136,239	-	-
Loss on disposal of property and equipment		476	-	-	-
Share-based payments	14	392,020	-	392,020	-
Share of loss after tax and minority interest of an equity accounted associate and a jointly-control entity		88,934	-	-	-
Dividend income	15	-	-	(26,098,277)	(8,500,000)
Gain on deemed disposal of equity interest of					
- a subsidiary	28	(3,294,567)	-	-	-
- an associate		(24,832)	-	-	-
Interest income		(801,182)	(738,054)	(57,463)	(220,139)
Investment distribution income		(230,480)	-	(230,480)	-
Impairment loss for investment		-	113,440	-	-
Unrealised foreign exchange loss/(gain)		98,910	40,843	69,172	(1,099)
Operating profit/(loss) before working capital changes		22,287,398	16,822,737	157,656	(72,210)
Changes in working capital:					
Receivables, deposits and prepayments		(577,623)	(2,826,116)	(1,023,086)	(61,774)
Deferred income		1,849,442	1,877,688	(8,583)	4,503
Payables and accruals		2,427,524	714,514	(616,774)	536,711
Cash generated from/(used in) operation		25,986,741	16,588,823	(1,490,787)	407,230
Income tax paid		(1,046,349)	(754,321)	(40,525)	(74,652)
Interest received		801,182	738,054	57,463	220,139
Net cash from/(used in) operating activities		25,741,574	16,572,556	(1,473,849)	552,717
Cash flows from investing activities					
Acquisition of subsidiaries, net of cash acquired	27	(54,327)	151,747	-	(227,620)
Acquisition of an associate		(336,155)	-	-	-
Disposal of equity interest of a subsidiary, net cash outflow	28	(66,675)	-	-	-
Increase in investment in a subsidiary		-	-	(656,460)	-
Investment distribution income received		230,480	-	230,480	-
Investment in quoted unit trusts	7	(10,021,285)	-	(10,021,285)	-
Issuance of shares to minority interest		437,640	-	-	-
Purchase of property and equipment	3	(2,978,981)	(11,669,247)	(77,600)	-
Proceeds from disposal of property and equipment		15,712	121,599	-	-
Dividend received		-	-	5,000,000	3,500,000

Cash flow statements for the year ended 31 December 2006

(continued)

Cash flows from financing activities

Dividends paid to shareholders of the Company	21	(2,538,312)	(3,015,000)	(2,538,312)	(3,015,000)
Dividends paid to minority shareholders		(1,884,957)	(84,684)	-	-
Proceeds from issuance of shares pursuant to ESOS		1,115,100	-	1,115,100	-

Net cash used in financing activities (3,308,169) (3,099,684) (1,423,212) (3,015,000)

Net increase/(decrease) in cash and cash equivalents 9,659,814 2,076,971 (8,421,926) 810,097

Cash and bank balances at beginning of the year 26,558,381 24,401,203 8,813,099 8,003,002

Effects of exchange rate changes on cash and cash equivalents 106,952 80,207 - -

Cash and cash equivalents at end of year 36,325,147 26,558,381 391,173 8,813,099

Cash and cash equivalents comprise:

Deposits with licensed banks		32,872,385	21,478,320	-	8,677,769
Cash and bank balances		3,452,762	5,080,061	391,173	135,330
	10	<u>36,325,147</u>	<u>26,558,381</u>	<u>391,173</u>	<u>8,813,099</u>

The notes on pages 22 to 68 are an integral part of these financial statements.

JobStreet Corporation Berhad

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(Incorporated in Malaysia)

and its subsidiaries

Notes to the financial statements

JobStreet Corporation Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the MESDAQ Market of Bursa Malaysia Securities Berhad. The addresses of its registered office and principal place of business are as follows:

Registered office

Level 7, Setia 1

15 Lorong Dungun

Damansara Heights

50490 Kuala Lumpur

Principal place of business

Wisma JobStreet.com

No. 27, Lorong Medan Tuanku 1

(Off Jalan Sultan Ismail)

50300 Kuala Lumpur

The consolidated financial statements as at and for the year ended 31 December 2006 comprise the Company and its subsidiaries (together referred to as the Group) and the Group's interest in an associate and a jointly controlled entity. The financial statements of the Company as at and for the year ended 31 December 2006 do not include other entities.

The Company is principally engaged in the provision of interactive marketing services and investment holding while the principal activities of the other Group entities are as stated in Note 5 to the financial statements.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with applicable approved accounting standards for entities other than private entities issued by the Malaysian Accounting Standards Board (MASB), accounting principles generally accepted in Malaysia and the provisions of the Companies Act, 1965.

In this set of financial statements, the Group and the Company have chosen to early adopt Financial Reporting Standards (FRSs) 117, Leases and FRS 124, Related Party Disclosures which are effective for annual periods beginning on or after 1 October 2006.

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

The effects of adopting the new FRSs in 2006 are set out in note 31.

The MASB has also issued the following FRSs and Interpretations that are effective for annual periods beginning after 1 January 2006, and that have not been applied in preparing these financial statements:

FRSs / Interpretations	Effective date
FRS 139, Financial Instruments: Recognition and Measurement	To be announced
FRS 6, Exploration for and Evaluation of Mineral Resources	1 January 2007
Amendment to FRS 119 ₂₀₀₄ , Employee Benefits: Actuarial Gains and Losses, Group Plan and Disclosures	1 January 2007
Amendment to FRS 121, The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation	1 July 2007
IC Interpretation 1, Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 July 2007
IC Interpretation 2, Members' Shares in Co-operative Entities and Similar Instruments	1 July 2007
IC Interpretation 5, Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 July 2007
IC Interpretation 6, Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	1 July 2007
IC Interpretation 7, Applying the Restatement Approach under FRS 129 ₂₀₀₄ Financial Reporting in Hyperinflationary Economies	1 July 2007
IC Interpretation 8, Scope of FRS 2	1 July 2007

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

The Group and the Company plan to apply FRS 121 for the annual period beginning 1 January 2008.

FRS 6 and Amendment to FRS119₂₀₀₄ are not applicable to the Group and the Company. Hence, no further disclosure is warranted.

The impact of applying FRS 139 on the financial statements upon first adoption of this standard as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors is not disclosed by virtue of the exemption given in paragraph 103AB of FRS 139.

The initial application of the other FRSs and Interpretations are not expected to have any material impact on the financial statements of the Group and the Company.

The financial statements were approved by the Board of Directors on 24 April 2007.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (RM), which is the Company's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 4 – Impairment test of goodwill.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities, unless otherwise stated.

Certain comparative amounts have been reclassified to conform to the current year's presentation (see note 32).

(a) Basis of consolidation

(i) *Subsidiaries*

Subsidiaries are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in subsidiaries are stated in the Company's and a subsidiary's balance sheet at cost less impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

Minority interest at the balance sheet date, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet and statement of changes in equity within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(ii) *Associates*

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Associates are accounted for in the consolidated financial statements using the equity method unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The consolidated financial statements include the Group's share of the income and expenses of the equity accounted associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity accounted associate, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Investments in associates are stated in a subsidiary's balance sheet at cost less impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(iii) *Joint ventures*

Jointly-controlled entities

Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Joint ventures are accounted for in the consolidated financial statements using the equity method unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The consolidated financial statements include the Group's share of the income and expenses of the equity accounted joint ventures, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(iii) *Joint ventures (continued)*

Jointly-controlled entities (continued)

When the Group's share of losses exceeds its interest in an equity accounted joint venture, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the joint venture.

Investments in joint ventures are stated in a subsidiary's balance sheet at cost less impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(iv) *Changes in Group composition*

Where a subsidiary issues new equity shares to minority interests for cash consideration and the issue price has been established at fair value, the reduction in the Group's interests in the subsidiary is accounted for as a disposal of equity interest with the corresponding gain or loss recognised in the income statement.

The Group treats all other changes in group composition as equity transactions between the Group and its minority shareholders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(v) *Transactions eliminated on consolidation*

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2. Significant accounting policies (continued)

(b) Foreign currency

(i) *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the income statement.

(ii) *Operations denominated in functional currencies other than Ringgit Malaysia*

The assets and liabilities of operations in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the balance sheet date, except for goodwill and fair value adjustments arising from business combinations before 1 January 2006 which are reported using the exchange rates at the dates of the acquisitions. The income and expenses of foreign operations, are translated to RM at exchange rates at the dates of the transactions.

On disposal, accumulated translation differences are recognized in the consolidated income statement as part of the gain or loss on sale.

(c) Property and equipment

(i) *Recognition and measurement*

Items of property and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of property and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of equipment is based on the quoted market prices for similar items.

2. Significant accounting policies (continued)

(c) Property and equipment (continued)

(i) *Recognition and measurement (continued)*

When significant parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

(ii) *Subsequent costs*

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in the income statement as incurred.

(iii) *Depreciation*

Freehold land is not depreciated. Building under construction is not depreciated until the asset is ready for its intended use. All other property and equipment are depreciated on a straight-line basis over their estimated useful lives of each part of an item of property and equipment at the following principal annual rates:

Building	2%
Computers	25% - 33 ¹ / ₃ %
Furniture and fittings	10% - 20%
Office equipment	20% - 33 ¹ / ₃ %
Motor vehicles	10%
Leasehold equipment	25% - 25%

The depreciable amount is determined after deducting the residual value.

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(d) Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures.

For acquisitions prior to 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

2. Significant accounting policies (continued)

(d) Intangible assets (continued)

Goodwill (continued)

With the adoption of FRS 3 beginning 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

Goodwill is measured at cost and is no longer amortised but tested for impairment at least annually or more frequently when there is objective evidence of impairment. When the excess is negative (negative goodwill), it is recognised immediately in the income statement. With the adoption of FRS 3, the carrying amount of negative goodwill at 1 January 2006 is derecognised with a corresponding adjustment to the opening balance of retained earnings.

Goodwill is allocated to cash-generating units and is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired.

In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment. The entire carrying amount of the investment is tested for impairment when there is objective evidence of impairment.

(e) Investments in equity securities

Investments in equity securities are recognised initially at fair value plus attributable transaction costs.

Subsequent to initial recognition:

- Investments in non-current equity securities other than investments in subsidiaries, associates and jointly-controlled entities, are stated at cost less allowance for diminution in value,
- all current investments are carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investments.

Where in the opinion of the Directors, there is a decline other than temporary in the value of non-current equity securities other than investment in subsidiaries, associates and jointly-controlled entities, the allowance for diminution in value is recognised as an expense in the financial year in which the decline is identified.

2. Significant accounting policies (continued)

(e) Investments in equity securities (continued)

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in the income statement.

All investments in debt and equity securities are accounted for using settlement date accounting. Settlement date accounting refers to:

- a) the recognition of an asset on the day it is received by the entity, and
- b) the derecognition on an asset and recognition of any gain or loss on disposal on the date it is delivered.

(f) Research and development

Expenditure on research and development activities is recognised in the income statement as an expense as incurred.

(g) Receivables

Receivables are initially recognised at their cost when the contractual right to receive cash or another financial asset from another entity is established.

Subsequent to initial recognition, receivables are stated at cost less allowance for doubtful debts.

Receivables are not held for the purpose of trading.

(h) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value.

(i) Impairment of assets

The carrying amounts of assets except for financial assets and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment.

If any such indication exists then the asset's recoverable amount is estimated. For goodwill that has indefinite useful lives, recoverable amount is estimated at each reporting date.

2. Significant accounting policies (continued)

(i) Impairment of assets (continued)

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (groups of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

(j) Share capital

Share issue expenses

Incremental costs directly attributable to issue of shares and share options classified as equity are recognised as a deduction from equity.

2. Significant accounting policies (continued)

(k) Employee benefits

(i) *Short term employee benefits*

Short-term employee benefit obligations in respect of salaries, annual bonuses and paid annual leave are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Group's contribution to the Employee's Provident Fund are charged to the income statements in the year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(ii) *Share-based payment transactions*

The share option programme allows Group employees to acquire shares of the Company. In the previous years, share options granted to employees is not recognised as an employee cost. Following the adoption of FRS 2, *Share-based Payment*, the grant date fair value of share options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the options. The change in accounting policy is not applied retrospectively as there were no share options granted after 31 December 2004 which have not vested as of 1 January 2006 as provided in the transitional provision of FRS 2. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest.

The fair value of employee stock options is measured using a trinomial lattice model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

2. Significant accounting policies (continued)

(l) Payables

Payables are measured initially and subsequently at cost. Payables are recognised when there is a contractual obligation to deliver cash or another financial asset to another entity.

(m) Revenue

(i) Services rendered

Revenue is recognised in the income statement upon performance of services, net of discounts and allowances.

The amount of unearned income from services to be rendered in future financial periods is disclosed as deferred income.

(ii) Dividend and investment distribution income

Dividend and investment distribution income are recognised when the right to receive payment is established.

(n) Government grants

Government grant is recognised initially as deferred income when there is reasonable assurance that it will be received and that the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in the income statement on a systematic basis in the same periods in which the expenses are recognised. Grants that compensate the Group for the cost of an asset are recognised in the income statement on a systematic basis over the useful life of the asset.

(o) Lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

(p) Interest income

Interest income is recognised as it accrues, using the effective interest method.

2. Significant accounting policies (continued)

(q) Tax expense

Tax expense comprises current and deferred tax. Tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the initial recognition of goodwill and the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit (tax loss). Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(s) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

3. Property and equipment

Group	Note	Freehold land	Building	Computers	Furniture and fittings	Office equipment	Motor vehicles	Leasehold equipment	Building in progress	Total
		RM	RM	RM	RM	RM	RM	RM	RM	RM
<i>Cost</i>										
At 1 January 2005		-	-	2,781,393	760,080	504,558	-	112,920	-	4,158,951
Additions		6,176,401	4,117,601	958,929	241,538	109,948	-	64,830	-	11,669,247
Disposals		-	-	(151,279)	-	-	-	(89,588)	-	(240,867)
Written off		-	-	(8,691)	(196,637)	-	-	-	-	(205,328)
Exchange difference		-	-	(9,842)	(1,882)	5,401	-	3,214	-	(3,109)
At 31 December 2005/										
1 January 2006		6,176,401	4,117,601	3,570,510	803,099	619,907	-	91,376	-	15,378,894
Additions		-	-	1,106,083	1,273,038	389,330	64,272	68,658	77,600	2,978,981
Disposals		-	-	(46,247)	(5,760)	(11,640)	-	-	-	(63,647)
Written off		-	-	(22,281)	-	-	-	-	-	(22,281)
Deemed disposal of equity interest in a subsidiary	28	-	-	(287,985)	(63,775)	(89,436)	-	(11,178)	-	(452,374)
Exchange difference		-	-	(8,670)	(1,428)	305	-	454	-	(9,339)
At 31 December 2006		6,176,401	4,117,601	4,311,410	2,005,174	908,466	64,272	149,310	77,600	17,810,234

3. Property and equipment (continued)

Group	Note	Freehold land	Building	Computers	Furniture and fittings	Office equipment	Motor vehicles	Leasehold equipment	Building in progress	Total
		RM	RM	RM	RM	RM	RM	RM	RM	RM
<i>Depreciation</i>										
At 1 January 2005		-	-	1,991,651	370,347	399,149	-	52,248	-	2,813,395
Charge for the year		-	-	486,814	96,346	72,500	-	20,832	-	676,492
Disposals		-	-	(78,206)	-	-	-	(41,062)	-	(119,268)
Written off		-	-	(8,690)	(60,399)	-	-	-	-	(69,089)
Exchange difference		-	-	(13,798)	(859)	10,805	-	1,860	-	(1,992)
At 31 December 2005/ 1 January 2006		-	-	2,377,771	405,435	482,454	-	33,878	-	3,299,538
Charge for the year		-	68,626	736,629	162,313	107,386	6,509	80,061	-	1,161,524
Disposals		-	-	(46,247)	(48)	(1,164)	-	-	-	(47,459)
Written off		-	-	(21,920)	-	-	-	-	-	(21,920)
Deemed disposal of equity interest in a subsidiary	28	-	-	(260,865)	(62,395)	(69,296)	-	(11,178)	-	(403,734)
Exchange difference		-	-	(8,644)	(1,891)	(138)	(82)	(751)	-	(11,506)
At 31 December 2006		-	68,626	2,776,724	503,414	519,242	6,427	102,010	-	3,976,443
<i>Carrying amounts</i>										
At 1 January 2005		-	-	789,742	389,733	105,409	-	60,672	-	1,345,556
At 31 December 2005/ 1 January 2006		6,176,401	4,117,601	1,192,739	397,664	137,453	-	57,498	-	12,079,356
At 31 December 2006		6,176,401	4,048,975	1,534,686	1,501,760	389,224	57,845	47,300	77,600	13,833,791

In the previous financial year, the building has not been depreciated as it was acquired towards the end of the financial year.

3. Property and equipment (continued)

Company	Building- in-progress RM
<i>Cost</i>	
At 1 January 2005 / 31 December 2005 / 1 January 2006	-
Additions	77,600
	<hr/>
At 31 December 2006	77,600
	<hr/> <hr/>
<i>Carrying amounts</i>	
At 31 December 2006	77,600
	<hr/> <hr/>
At 31 December 2005	-
	<hr/> <hr/>

During the year ended 31 December 2006, the Company acquired a building which is under construction for future use as office whereby progress payment made up to the balance sheet date totalled RM77,600.

4. Goodwill

	Group	
	2006 RM	2005 RM
<i>Cost</i>		
At 1 January 2005	3,524,072	3,524,072
Acquisition through business combinations	160,809	-
Deemed disposal of equity interest in a subsidiary	(876,025)	-
	<hr/>	<hr/>
Carrying amounts at 31 December 2006	2,808,856	3,524,072
	<hr/> <hr/>	<hr/> <hr/>

Impairment testing for cash-generating units ("CGU") containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's geographical segments which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill allocated to each geographical segment are as follows:

	Group	
	2006 RM'000	2005 RM'000
Malaysia	1,867	1,867
Singapore	759	598
Philippines	183	183
India	-	876
	<hr/>	<hr/>
	2,809	3,524
	<hr/> <hr/>	<hr/> <hr/>

4. Goodwill (continued)

The recoverable amount of each CGU has been determined based on its value-in-use. The value-in-use calculations were determined by discounting future cash flows generated from the CGUs and were based on the following key assumptions:

- The discount rate used is based on the Company's weighted average cost of capital of 12.07%.
- Cash flow projections are based on five-year financial projections prepared by management. Cash flows beyond the fifth year are projected based on a terminal value approach.

The values assigned to the key assumption represent management's assessment of future trends in the Company's and the CGU's principal activities and are based on internal sources (historical data).

Impairment is recognised in the income statement when the carrying amount of a CGU exceeds its recoverable amount.

Management believes that no reasonable possible changes in any of the key assumptions above would cause the carrying values of the CGUs to materially exceed their recoverable amounts.

5. Investments in subsidiaries

	Company	
	2006	2005
	RM	RM
Unquoted shares, at cost	19,411,333	18,754,873

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest	
			2006 %	2005 %
* JobStreet.com Pte Ltd and its subsidiaries:	Singapore	Online recruitment and human resource management services	100	100
JobStreet.com Sdn Bhd	Malaysia	Online recruitment and human resource management services	100	100
* JobStreet.com Philippines Inc	Philippines	Online recruitment and human resource Management service	60	60

5. Investments in subsidiaries (continued)

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest	
			2006 %	2005 %
*** Jobstreet.com Limited	Hong Kong	Dormant	100	100
** Blurbme Holdings Pte Ltd (Note 27)	Singapore	Online lifestyle portal	51	-
** PT JobStreet Indonesia	Indonesia	Online recruitment and human resource management services	60	60
* Audited by other member firms of KPMG International				
** Audited by other firms of auditors other than KPMG				
*** Consolidated using management accounts				

6. Investments in an associate and a jointly-controlled entity

	Group	
	2006 RM	2005 RM
At cost:		
Unquoted shares	6,162,679	-
Share of post-acquisition reserves	(1,963,769)	-
	<u>4,198,910</u>	<u>-</u>

Summary financial information on an associate and a jointly-controlled entity:

Group	Country of incorporation	Effective ownership interest		Revenues (100%) RM	Loss (100%) RM	Total assets (100%) RM	Total liabilities (100%) RM
		2006 %	2005 %				
2006							
Enerpro Pte Ltd	Singapore	42	-	689,115	(178,645)	700,000	16,180
JobStreet.com India Private Ltd	India	50	100	2,111,250	(1,010,459)	7,521,379	787,952

During the year, the Group acquired a 42 percent investment in Enerpro Pte Ltd and disposed a 50 percent investment in JobStreet.com India Private Ltd.

7. Other investments

	Group	
	2006	2005
	RM	RM
Non-current		
At cost:		
Unquoted shares outside Malaysia	114,995	116,279
Less: Impairment loss	(114,995)	(113,440)
Foreign exchange differences	-	(2,839)
	-	-
	-	-
	Group and Company	
	2006	2005
	RM	RM
Current		
At cost:		
Quoted unit trust in Malaysia	10,021,285	-
	10,021,285	-
Market value:		
Quoted unit trust in Malaysia	10,342,544	-
	10,342,544	-

8. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2006	2005	2006	2005	2006	2005
	RM	RM	RM	RM	RM	RM
Property and equipment	(2,131)	-	(8,925)	(10,288)	(11,056)	(10,288)
Provisions	165,751	142,515	-	-	165,751	142,515
Tax loss carry-forwards	529,708	1,136,364	-	1,363	529,708	1,137,727
Net tax assets/ (liabilities)	693,328	1,278,879	(8,925)	(8,925)	684,403	1,269,954

8. Deferred tax assets and liabilities (continued)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised on the following items as it is not probable that future taxable profit will be available against which the Group can utilized the benefits therefrom:

	Group		Company	
	2006	2005	2006	2005
	RM	RM	RM	RM
	'000	'000	'000	'000
Deductible temporary differences	1,386	1,207	154	-
Tax loss carry-forwards	886	4,151	-	-
Unabsorbed capital allowances	305	309	-	-
	<u>2,577</u>	<u>5,667</u>	<u>154</u>	<u>-</u>

The deductible temporary differences do not expire under current tax legislation.

During the financial year, the Group excluded unutilised tax loss carry-forwards of RM4,094,000 attributable to JobStreet.Com India Private Ltd. which has become a jointly controlled entity from a subsidiary previously.

In 2005, RM1,136,000 of previously unrecognised tax losses were recognised in a subsidiary as management considered it probable that future taxable profits will be available against which they can be utilised.

8. Deferred tax assets and liabilities (continued)

Movement in temporary differences during the year

Group	At 1.1.2005 RM	Recognised in income statement (note 19) RM	Exchange difference RM	At 31.12.2005 RM	Recognised in income statement (note 19) RM	Exchange difference RM	At 31.12.2006 RM
Property and equipment	(10,288)	-	-	(10,288)	(768)	-	(11,056)
Provisions	58,732	83,783	-	142,515	21,525	1,711	165,751
Tax loss carry-forwards	1,363	1,136,364	-	1,137,727	(622,316)	14,297	529,708
	49,807	1,220,147	-	1,269,954	(601,559)	16,008	684,403

9. Receivables, deposits and prepayments

	Note	Group		Company	
		2006 RM	2005 RM	2006 RM	2005 RM
Trade					
Trade receivables		10,139,617	10,389,731	173,256	153,879
Less: Allowance for doubtful debts		(1,873,623)	(1,517,160)	(53,317)	-
	a	<u>8,265,994</u>	<u>8,872,571</u>	<u>119,939</u>	<u>153,879</u>
Non-trade					
Amounts due from subsidiaries	b	-	-	26,965,483	5,036,359
Amount due from a jointly-controlled entity	b	203,764	-	-	-
Other receivables, deposits and prepayments		1,719,128	1,247,845	226,179	-
		<u>1,922,892</u>	<u>1,247,845</u>	<u>27,191,662</u>	<u>5,036,359</u>
		<u>10,188,886</u>	<u>10,120,416</u>	<u>27,311,601</u>	<u>5,190,238</u>

Note a

Trade receivables denominated in a currency other than the functional currency comprise RM365,518 (2005: RM9,129) of trade receivables denominated in U.S. Dollar.

Note b

The amounts due from subsidiaries and a jointly-controlled entity are unsecured, interest free and have no fixed terms of repayment.

10. Cash and cash equivalents

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Deposits with licensed banks	32,872,385	21,478,320	-	8,677,769
Cash and bank balances	3,452,762	5,080,061	391,173	135,330
	<u>36,325,147</u>	<u>26,558,381</u>	<u>391,173</u>	<u>8,813,099</u>

11. Capital and reserves

Share capital

	Group and Company	
	2006	2005
	RM	RM
Authorised:		
Ordinary shares of RM0.10 each	50,000,000	50,000,000
	=====	=====
Issued and fully paid:		
Ordinary shares of RM0.10 each		
At 1 January 2006/1 January 2005	20,100,000	20,100,000
Issue of shares under the employee share option scheme	206,500	-
	-----	-----
At 31 December 2006/31 December 2005	20,306,500	20,100,000
	=====	=====

The holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per ordinary share at meetings of the Company.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Share option reserve

The share option reserve comprises the cumulative value of employee services received for the issue of share options. When the option is exercised, the amount from the share option reserve is transferred to share premium. When the share options expire, the amount from the share option reserve is transferred to retained earnings.

Retained earnings

Subject to agreement by the Inland Revenue Board, the Company has sufficient Section 108 tax credit and tax exempt income to frank in full all its retained profits at 31 December 2006 if paid out as dividends.

12. Deferred income

		Group		Company	
	Note	2006 RM	2005 RM	2006 RM	2005 RM
Prepaid services	a	7,700,458	5,809,157	15,650	24,233
Government grant	b	50,538	92,397	-	-
		<u>7,750,996</u>	<u>5,901,554</u>	<u>15,650</u>	<u>24,233</u>

Note a

Prepaid services comprise of services sold to customers in advance which are yet to be utilised.

Note b

A subsidiary has been awarded a government grant amounting to RM1,644,444, which was disbursed to the subsidiary in stages from 2003 to 2006 to fund research and development activities as specified in the grant agreement.

13. Payables and accruals

		Group		Company	
	Note	2006 RM	2005 RM	2006 RM	2005 RM
Trade					
Trade payables	a	238,336	238,740	6,296	12,214
		<u>238,336</u>	<u>238,740</u>	<u>6,296</u>	<u>12,214</u>
Non-trade					
Other payables and accrued expenses	a	5,010,339	3,539,382	103,727	50,415
Dividend payable	21	3,045,976	-	3,045,976	-
Amounts due to subsidiaries	b	-	-	-	594,996
		<u>8,056,315</u>	<u>3,539,382</u>	<u>3,149,703</u>	<u>645,411</u>
		<u>8,294,651</u>	<u>3,778,122</u>	<u>3,155,999</u>	<u>657,625</u>

Note a

No payables denominated in currency other than the functional currency.

Note b

The amounts due to subsidiaries are non-trade in nature, unsecured, interest free and have no fixed terms of repayment.

14. Employee benefits

Share-based payments

On 5 October 2004, the Company established a share option scheme that entitles the key management personnel and eligible employees of the Group to purchase shares in the Company. Pursuant to the scheme, options were granted to key management personnel and eligible employees on 29 November 2004 and on 23 February 2006. In accordance with the scheme, the options are exercisable at the market price of the shares at the date of grant.

As allowed by the transitional provisions in FRS 2, the recognition and measurement principles in FRS 2 have not been applied to the options granted on 29 November 2004.

The terms and conditions of the grants are as follows; all options are to be settled by physical delivery of shares:

Grant date/employees entitled	Number of instruments '000	Vesting conditions	Contractual life of options
Options granted to key management personnel on 29 November 2004*	4,700	20% upon yearly service and achievement of individual targets**	5 years
Options granted to eligible employees on 29 November 2004*	10,190	20% upon yearly service and achievement of individual targets**	5 years
Options granted to eligible employees on 23 February 2006	2,525	25% upon yearly service and achievement of individual targets**	4 years
Total share options	<u>17,415</u>		

* The recognition and measurement principles in FRS 2 have not been applied to these grants as they were granted prior to the effective date of FRS 2.

** The achievement of individual targets only applies to key management personnel and senior staff.

14. Employee benefits (continued)

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2006	Number of options (‘000) 2006	Weighted average exercise price 2005 Restated	Number of options (‘000) 2005 Restated
Outstanding at 1 January	RM0.54	13,935	RM0.54	14,890
Granted during the year	RM1.35	2,525	-	-
Lapsed during the year	RM0.71	(2,015)	RM0.54	(955)
Forfeited during the year	RM0.54	(45)	-	-
Exercised during the year	RM0.54	(2,065)	-	-
Outstanding at 31 December	RM0.68	12,335	RM0.54	13,935
Exercisable at 31 December	RM0.54	565	RM0.54	2,687

The options outstanding at 31 December 2006 have an exercise price in the range of RM0.54 to RM1.35 and a weighted average contractual life of 2.9 years.

During the year, 2,065,000 share options were exercised (2005 – Nil). The weighted average share price for the year was RM1.76 (2005 – RM1.28).

The fair value of services received in return for share options granted on 23 February 2006 is based on the fair value of share options granted, measured using a trinomial lattice model, with the following inputs:

	Eligible employees 2006
Fair value of share options and assumptions	
Fair value at grant date	RM0.49
Weighted average share price	1.49
Exercise price	1.35
Expected volatility (weighted average volatility)	37.19%
Option life (expected weighted average life)	4 years
Expected dividends	12.60 sen
Risk-free interest rate (based on Malaysian government bonds)	3.68%

14. Employee benefits (continued)

Value of employee services received for issue of share options

	Note	2006 RM	2005 RM
Share options granted in 2006		392,020	-
Total expense recognised as share-based payments	18	<u>392,020</u>	<u>-</u>

15. Revenue

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Services	65,513,378	54,995,737	565,349	680,159
Dividends	-	-	26,098,277	8,500,000
Investment distribution income	230,480	-	230,480	-
	<u>65,743,858</u>	<u>54,995,737</u>	<u>26,894,106</u>	<u>9,180,159</u>

16. Other operating expenses/(income)

	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Other operating expenses/(income) is arrived at after charging:				
Auditor's remuneration				
- Statutory audit				
KPMG	55,000	50,000	35,000	30,000
Affiliates of KPMG	85,286	91,000	-	-
Other auditors	43,481	-	-	-
- Other services				
KPMG	25,000	11,000	25,000	11,000
Bad debts written off	326,609	86,516	-	-
Impairment loss on investment	-	113,440	-	-
Loss on disposal of property and equipment	476	-	-	-
Property and equipment written off	361	136,239	-	-
Realised foreign exchange loss	240,682	124,344	814	-
Unrealised foreign exchange loss	98,910	40,843	69,172	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

16. Other operating expenses/(income) (continued)

	Group		Company	
	2006	2005	2006	2005
	RM	RM	RM	RM
and crediting:				
Grant income	47,388	414,124	-	-
Unrealised foreign exchange gain	-	-	-	1,099
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

17. Key management personnel compensation

The key management personnel compensations are as follows:

	Group		Company	
	2006	2005	2006	2005
	RM	RM	RM	RM
Directors				
- Fees	76,750	20,000	76,750	20,000
- Remuneration	558,712	597,624	-	-
- Other short term employee benefits (including estimated monetary value of benefits-in-kind)	-	1,200	-	-
Total short-term employee benefits	<u>635,462</u>	<u>618,824</u>	<u>76,750</u>	<u>20,000</u>
Other key management personnel:				
- Remuneration	510,876	500,040	-	-
- Other short term employee benefits (including estimated monetary value of benefits-in-kind)	600	1,200	-	-
	<u>511,476</u>	<u>501,240</u>	<u>-</u>	<u>-</u>
	<u>1,146,938</u>	<u>1,120,064</u>	<u>76,750</u>	<u>20,000</u>

Other key management personnel comprises persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly.

18. Staff costs

		Group		Company	
	Note	2006 RM	2005 RM	2006 RM	2005 RM
Salaries and other employee benefits		16,946,811	12,803,015	275,140	312,946
EPF contributions		1,611,086	1,462,647	30,155	31,573
Share-based payments	14	392,020	-	73,201	-
		<u>18,949,917</u>	<u>14,265,662</u>	<u>378,496</u>	<u>344,519</u>

The number of employees of the Group and of the Company at the end of the year was 293 (2005 - 283) and Nil (2005 - Nil) respectively. The Company's staff requirement is supported by a subsidiary.

19. Tax expense/(income)

		Group		Company	
	Note	2006 RM	2005 RM	2006 RM	2005 RM
Continuing operation					
Total tax expense/(income)		<u>2,267,789</u>	<u>(377,263)</u>	<u>40,525</u>	<u>74,652</u>
Major components of tax expense include:					
Current tax					
Malaysia - current		85,000	120,959	25,000	60,959
- prior year		18,229	17,944	15,525	13,693
Overseas - current		<u>1,563,001</u>	<u>703,981</u>	<u>-</u>	<u>-</u>
Total current tax recognised in the income statement		1,666,230	842,884	40,525	74,652
Deferred tax					
Origination and reversal of temporary differences	8	<u>601,559</u>	<u>(1,220,147)</u>	<u>-</u>	<u>-</u>
Total tax expense/(income)		<u>2,267,789</u>	<u>(377,263)</u>	<u>40,525</u>	<u>74,652</u>
		RM'000	RM'000	RM'000	RM'000
Reconciliation of effective tax expense					
Profit for the year		22,628	16,971	26,042	8,574
Tax expense/(income)		<u>2,268</u>	<u>(377)</u>	<u>41</u>	<u>75</u>
Profit before tax		<u>24,896</u>	<u>16,594</u>	<u>26,083</u>	<u>8,649</u>

19. Tax expense/(income) (continued)

	Group		Company	
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
Tax calculated using Malaysian tax rate of 28% (2005: 28%)	6,971	4,646	7,303	2,422
Effect of tax rates in foreign jurisdictions	75	(72)	-	-
Effect of lower tax rate for a subsidiary*	(26)	(25)	-	-
Non-taxable income	(1,008)	(57)	(7,378)	(2,380)
Tax exempt income	(4,603)	(3,355)	-	(10)
Non-deductible expenses	586	175	57	29
Utilisation of tax losses previously unrecognised	-	(573)	-	-
Recognition of tax losses not recognised previously	-	(1,134)	-	-
Change in unrecognised temporary differences	255	-	43	-
	<u>2,250</u>	<u>(395)</u>	<u>25</u>	<u>61</u>
Under provided in prior year	18	18	16	14
	<u>2,268</u>	<u>(377)</u>	<u>41</u>	<u>75</u>
	=====	=====	=====	=====

* With effect from year of assessment 2004, companies with paid-up capital of RM2.5 million and below at the beginning of the basis period for a year of assessment are subject to corporate tax at 20% on chargeable income up to RM500,000.

Under the Multimedia Super Corridor ("MSC") status, the Company and a subsidiary have been granted pioneer status under the Promotion of Investments Act, 1986 in respect of their internet related services. The income from pioneer activities of the Company is fully exempted from Malaysian income tax for five years from 21 February 2005 to 20 February 2009 and is renewable to ten years. In respect of the subsidiary, the original tax exemption was from 28 May 1999 to 27 May 2005. The exemption has now been extended to 27 May 2009.

The current Malaysian taxation is in respect of interest income.

20. Earnings per share

Basic earnings per share

The calculation of basic earnings per share at 31 December 2006 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding calculated as follows:

	Group	
	2006	2005
	RM	RM
Profit for the year attributable to ordinary shareholders	21,709,231	16,371,193
	=====	=====

Weighted average number of ordinary shares

	Group	
	2006	2005
Issued ordinary shares at 1 January	201,000,000	201,000,000
Effect of share options issued in 6 April 2006	971,348	-
Effect of share options issued in 13 June 2006	411,362	-
	-----	-----
Weighted average number of ordinary shares at 31 December	202,382,710	201,000,000
	=====	=====

	Group	
	2006	2005
Basic earning per share (sen)	10.73	8.14
	=====	=====

Diluted earnings per share

The calculation of diluted earnings per share at 31 December 2006 was based on profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	Group	
	2006	2005
	RM	RM
Profit for the year attributable to ordinary shareholders (diluted)	21,709,231	16,371,193
	=====	=====

20. Earnings per share (continued)

Weighted average number of ordinary shares (diluted)

	Group	
	2006	2005
Weighted average number of ordinary shares at 31 December	202,382,710	201,000,000
Effect of share options on issue	7,673,202	8,010,000
Weighted average number of ordinary shares (diluted) at 31 December	<u>210,055,912</u>	<u>209,010,000</u>

The average market value of the Company's shares for purpose of calculating the dilutive effect of share options was based on quoted market prices for the period that the options were outstanding.

	Group	
	2006	2005
Diluted earning per share (sen)	<u>10.33</u>	<u>7.83</u>

21. Dividends

Dividends recognised in the current year by the Company are:

	Sen per share	Total amount RM	Date of payment
2006			
Final 2005 tax exempt	1.25	2,538,312	5 July 2006
First interim 2006 tax exempt	1.50	3,045,976	10 January 2007
Total amount		<u>5,584,288</u>	
2005			
First interim 2005 tax exempt	1.50	<u>3,015,000</u>	6 June 2005

22. Segmental reporting

Segment information is presented in respect of the Group's geographical segments. The primary format, geographical segments, is based on the Group's management and internal reporting structure. A secondary format is not presented as the Group's activities in each geographical location is similar.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly investments and related revenue, corporate assets and head office expenses, tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property and equipment other than goodwill.

Inter-segment pricing is determined on an arm's length basis.

Geographical segments

The Group comprises the following main geographical segments:

Malaysia
Singapore
Philippines
India and Indonesia ("Others")

22. Segmental reporting (continued)

2006 <i>Geographical segments</i>	Malaysia RM	Singapore RM	Philippines RM	Others RM	Eliminations RM	Unallocated RM	Consolidated RM
Revenue from external customers	45,696,953	9,971,029	7,939,750	2,136,126	-	-	65,743,858
Inter-segment revenue	27,985,561	-	-	-	(27,985,561)	-	-
Total revenue	73,682,514	9,971,029	7,939,750	2,135,926	(27,985,561)	-	65,743,858
Segment result							
Operating profit	15,805,690	2,347,104	4,383,291	(1,651,818)	(19,680)	-	20,864,587
Interest income	371,396	132,754	292,086	4,946	-	-	801,182
Gain on deemed disposal of:							
- a subsidiary	-	-	-	3,294,567	-	-	3,294,567
- an associate	-	24,832	-	-	-	-	24,832
Dividend income	26,098,277	24,185,635	-	-	(50,283,912)	-	-
Share of profit/(loss) after tax and minority interest of an associate and a jointly-controlled entity	-	12,287	-	(101,221)	-	-	(88,934)
Profit before tax	42,275,363	26,702,612	4,675,377	1,546,474	(50,303,592)	-	24,896,234
Tax expense	(103,229)	(620,953)	(1,546,229)	2,622	-	-	(2,267,789)
Profit for the year	42,172,134	26,081,659	3,129,148	1,549,096	(50,303,592)	-	22,628,445

22. Segmental reporting (continued)

2006	Malaysia RM	Singapore RM	Philippines RM	Others RM	Eliminations RM	Consolidated RM
Segment assets						
Unallocated assets	50,347,449	15,791,832	7,615,548	813,190	-	74,568,019
Total assets						<u>78,248,149</u>
Segment liabilities						
Unallocated liabilities	10,053,858	2,990,919	2,912,718	88,152	-	16,045,647
Total liabilities						<u>16,872,130</u>
Capital expenditure	2,508,680	45,281	94,071	330,949	-	2,978,981
Depreciation	872,972	91,285	116,187	81,080	-	1,161,524

22. Segmental information (continued)

2005	Malaysia RM	Singapore RM	Philippines RM	Others RM	Eliminations RM	Unallocated RM	Consolidated RM
<i>Geographical segments</i>							
Revenue from external customers	38,671,395	8,692,834	4,577,185	3,054,323	-	-	54,995,737
Inter-segment revenue	9,202,485	-	-	-	(9,202,485)	-	-
Total revenue	47,873,880	8,692,834	4,577,185	3,054,323	(9,202,485)	-	54,995,737
Segment result							
Operating profit	11,750,138	2,161,249	1,938,114	32,132	(25,910)	-	15,855,723
Interest income	517,093	27,429	189,555	3,977	-	-	738,054
Dividend income	8,500,000	3,565,186	-	-	(12,065,186)	-	-
Profit before tax	20,767,231	5,753,864	2,127,669	36,109	(12,091,096)	-	16,593,777
Tax expense	(138,882)	1,134,404	(618,259)	-	-	-	377,263
Profit for the year	20,628,349	6,888,268	1,509,410	36,109	(12,091,096)	-	16,971,040

22. Segmental information (continued)

2005	Malaysia RM	Singapore RM	Philippines RM	Others RM	Eliminations RM	Consolidated RM
Segment assets						
Unallocated assets	35,801,917	6,066,970	5,415,103	1,474,163	-	48,758,153
Total assets						<u>54,004,784</u>
Segment liabilities						
Unallocated liabilities	5,263,347	2,328,957	1,608,395	478,977	-	9,679,676
Total liabilities						<u>315,973</u>
Capital expenditure	11,336,918	125,284	137,951	69,094	-	<u>11,669,247</u>
Depreciation	491,684	73,105	57,419	54,284	-	676,492

23. Financial instruments

Financial risk management objectives and policies

Exposure to credit, interest rate, currency and liquidity risks arises in the normal course of the Group's business. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

Management monitors the Group's exposure to credit risk on an ongoing basis. Credit reviews are performed on an ongoing basis and services for customers with poor payment track records are suspended.

At balance sheet date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

Interest rate risk

Deposits are placed with licensed banks with varying maturing dates.

Effective interest rates and repricing analysis

In respect of interest-earning financial assets, the following table indicates their effective interest rates at the balance sheet date and the periods in which they reprice or mature, whichever is earlier.

Group	Effective interest rate per annum %	2006		Effective interest rate per annum %	2005	
		Total RM	Within 1 year RM		Total RM	Within 1 year RM
Financial assets						
Deposits with licensed banks	3.44	32,872,385	32,872,385	3.39	21,478,320	21,478,320
Company						
Financial assets						
Deposits with licensed banks	-	-	-	2.64	8,677,769	8,677,769

23. Financial instruments

Currency risk

The Group incurs foreign currency risk on sales and purchases that are denominated in a currency other than Ringgit Malaysia. The currencies giving rise to this risk are primarily US Dollars and Singapore Dollars. The Group does not hedge these exposures by entering into forward currency contracts at present. The Group considers the impact of the fluctuation in the foreign currencies to be immaterial as the volume of foreign currency transactions is insignificant.

Liquidity risk

The Group monitors and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effect of fluctuations in cash flow.

Fair values

The carrying amounts of cash and cash equivalents, receivables, deposits and prepayments, other payables and accruals approximate fair values due to the relatively short term nature of these financial instruments.

It was not practicable to estimate the fair value of the Company's inter-company balances with its subsidiaries and a jointly-controlled entity due principally to the lack of fixed repayment terms. However, the Company does not anticipate the carrying amount recorded at the balance sheet date to be significantly different from the value that would eventually be received.

The fair value of quoted unit trust, together with the carrying amount shown in the balance sheets, is as follows:

	Group and Company			
	2006		2005	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Quoted unit trusts in Malaysia	10,021,285	10,342,544	-	-

24. Operating leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	Group	
	2006 RM	2005 RM
Less than one year	449,657	468,978
Between one and five years	245,954	221,431
	<u>695,611</u>	<u>690,409</u>

The Group leases a number of offices under operating leases. The leases typically run for an initial period of two years, with an option to renew the leases. None of the leases include contingent rentals.

25. Capital commitments

	Group/ Company	
	2006 RM	2005 RM
Capital expenditure commitments		
Property and equipment		
Contracted but not provided for and payable:		
Within one year	213,400	-
One year or later and no later than five years	97,000	-
	<u>310,400</u>	<u>-</u>

26. Related parties

Identity of related parties

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group has a related party relationship with its subsidiaries, associate, joint venture entity, Directors and key management personnel.

Transactions with key management personnel

Key management personnel compensation is disclosed in Note 17.

26. Related parties (continued)

Other related party transactions

Company	Note	Transaction value Year ended 31 December	
		2006 RM	2005 RM
Dividend income			
JobStreet.com Pte. Ltd.	15	26,098,277 =====	8,500,000 =====

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within six months of the reporting date. None of the balances is secured.

27. Acquisition of a subsidiary

Business combination

On 26 December 2006, JobStreet.com Pte. Ltd. completed the subscription of 51,000 new ordinary shares of S\$1 each, representing 51% of the issued and paid-up share capital of Blurbme Holdings Pte. Ltd. ("Blurbme") for a total cash consideration of S\$100,000. Blurbme is engaged in managing online lifestyle portal for restaurants, nightlife, spa and beauty establishments in Singapore. The acquisition was accounted for using the acquisition method of accounting.

The acquisition of Blurbme did not have an effect on the Group results as the acquisition was concluded towards the end of the financial year. If the acquisition had occurred on 1 January 2006, management estimates that there will be no financial impact to the consolidated revenue and the consolidated profit for the year would have been decreased by RM207,033.

27. Acquisition of a subsidiary (continued)

The acquisition had the following effect on the Group's assets and liabilities on acquisition date:

	Note	Pre-acquisition carrying amounts RM	Fair value adjustments RM	Recognised values on acquisition RM
Receivables, deposits and prepayments		2,666	-	2,666
Cash and cash equivalents		175,664	-	175,664
Payables and accruals		(42,678)	-	(42,678)
<hr/>				
Identifiable assets and liabilities		135,652	-	135,652
Less: Minority interest		-	-	(66,470)
<hr/>				
Net identifiable assets and liabilities				69,182
Goodwill on acquisition	4			160,809
<hr/>				
Consideration paid, satisfied in cash				229,991
Cash acquired				(175,664)
<hr/>				
Net cash outflow				54,327
<hr/>				

Pre-acquisition carrying amounts were determined based on applicable FRSS immediately before the acquisition. The values of assets and liabilities recognised on acquisition are their estimated fair values.

The goodwill recognised on the acquisition is attributable mainly to the synergies expected to be achieved from integrating the company into the Group's internet businesses.

28. Disposal of equity interest in a subsidiary

On 17 December 2006, E-18 Limited (formerly known as Tadcaster Holdings Limited), a subsidiary of Television Eighteen India Limited, subscribed for 424,500 new ordinary shares of JobStreet.com India Private Limited ("JobStreet India") corresponding to 50% of the enlarged equity capital of JobStreet India. The subscription by E-18 Limited resulted in a change in the status of JobStreet India from a subsidiary to a jointly-controlled entity of the Group.

28. Disposal of equity interest in a subsidiary (continued)

The disposal of the equity interest had the following effect on the Group's assets and liabilities on disposal date:

	Note	Group 2006 RM
Property and equipment	3	48,640
Receivables, deposits and prepayments		770,186
Cash and cash equivalents		66,675
Payables and accruals		(1,129,806)
Identifiable assets and liabilities disposed		(244,305)
Goodwill disposed	4	876,025
		631,720
Less: Equity interest		(315,860)
Net identifiable assets and liabilities		315,860
Gain on disposal of equity interest		3,294,567
Total consideration on disposal of equity interest		3,610,427
Increase in share of reserve in a jointly-controlled entity		(3,610,427)
		-
Cash disposed		(66,675)
Net cash outflow on disposal of equity interest		(66,675)

Pursuant to the Subscription and Shareholders' Agreement dated 10 July 2006, JobStreet.com Pte Ltd ("JobStreet Singapore") has granted an option to E-18 Limited (formerly known as Tadcaster Holdings Limited) ("E-18") to require JobStreet Singapore (along with its affiliates), to sell to E-18 (or any of its affiliates) such number of ordinary shares of JobStreet.com India Private Ltd ("JobStreet India") corresponding to 20% of the enlarged equity share capital of JobStreet India ("Option Shares") ("Call Option"). The Call Option is exercisable by E-18 at any time during the Option Period (being 3 years from the date falling 3 months after the completion of the subscription by E-18 of new ordinary shares of JobStreet India corresponding to 50% of the enlarged equity capital of the company ("the Subscription") and may only be exercised in full.

28. Disposal of equity interest in a subsidiary (continued)

The price payable for the Option Shares ("Option Price") shall be:

- USD3.25 million, subject to applicable taxes and statutory levies (if any), if the Call Option is exercised prior to the lapsing of 2 years from the date falling 3 months after the completion of the Subscription ("First Period"); and
- USD4 million, subject to applicable taxes and statutory levies (if any), if the Call Option is exercised after the First Period but prior to the last date of the Option Period.

29. Significant events

- (a) On 31 July 2006, JobStreet.com Pte. Ltd. ("JobStreet Singapore") completed the subscription of 105,000 shares with a nominal value of S\$1 each representing 46.67% equity interest in Enerpro Pte Ltd ("Enerpro") for a total cash consideration of S\$105,000. Pursuant to an adjustment of the capital structure of Enerpro on 30 December 2006 which involved JobStreet Singapore investing an additional S\$41,160 in Enerpro, JobStreet Singapore's equity interest in Enerpro decreased to 42%.
- (b) On 17 November 2006, E-18 Limited (formerly known as Tadcaster Holdings Limited) ("E-18"), a subsidiary of Television Eighteen India Limited ("TV18"), completed the subscription of 424,500 new ordinary shares of Rs10 each in JobStreet.com India Private Limited ("JobStreet India") corresponding to 50% of the enlarged equity capital of JobStreet India for a total subscription amount of the rupee equivalent of USD2,000,031.75. The subscription by E-18 resulted in the Group recognising a gain on deemed disposal of 50% equity interest in JobStreet India amounting to approximately RM3.3 million during the financial year and a change in the status of JobStreet India from a subsidiary to a jointly controlled entity of the Group.
- (c) On 26 December 2006, JobStreet Singapore completed the subscription of 51,000 new ordinary shares of S\$1 each representing 51% of the issued and paid-up share capital of Blurbme Holdings Pte. Ltd. for a total cash consideration of S\$100,000.

30. Subsequent events

On 7 February 2007, the Company announced that it had entered into a Conditional Subscription and Sale and Purchase Agreement with Recruit (BVI) Limited ("Recruit BVI"), Recruit Group Limited ("RGL") and Recruit Holdings Limited ("the SSP Agreement") for the following:-

- (i) subscription of 1,000 ordinary shares of USD1.00 each in RGL representing 10% of the enlarged share capital of RGL for a cash consideration of HKD 7,500,000; and
- (ii) purchase of 1,000 ordinary shares of USD1.00 each in RGL, representing 10% of the enlarged share capital of RGL, from Recruit BVI for a cash consideration of HKD7,500,000

On 15 February 2007, the Company further announced that all the conditions as stated in the SSP Agreement have been fulfilled and completed.

31. Changes in accounting policies

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 December 2006.

The changes in accounting policies arising from the adoption of FRS 2, Share-based Payment, FRS 3, Business Combinations and FRS 136, Impairment of Assets are summarised below:

FRS 2, Share-based Payment

In accordance with the transitional provisions, FRS 2 has been applied to all grants after 1 January 2005. The adoption of FRS 2 has resulted in a change in the Group's and the Company's accounting policy for share-based payments, whereby the Group and the Company charges the cost of share options to the income statement. The change in accounting policy is made in accordance with their transitional provisions.

The adoption of FRS 2 resulted in:

Note	Group		Company	
	2006 RM	2005 RM	2006 RM	2005 RM
Income statement for the year ended 31 December				
Increase in staff costs	392,020	-	73,201	-
	=====	=====	=====	=====
Balance sheet at 31 December				
Increase in amounts due from subsidiaries	-	-	318,819	-
	=====	=====	=====	=====

31. Changes in accounting policies (continued)

In sen	Group	
	2006 RM	2005 RM
Earning per share		
Decrease in basic earnings per share	(0.19)	-
	=====	=====
Decrease in diluted earnings per share	(0.19)	-
	=====	=====

FRS 3, Business Combinations and FRS 136, Impairment of Assets

The adoption of FRS 3 and FRS 136 has resulted in a change in the accounting policy for goodwill. The change in accounting policy is made in accordance with their transitional provisions.

Goodwill is stated at cost less accumulated impairment losses and is no longer amortised. Instead, goodwill impairment is tested annually, or when circumstances change, indicating that goodwill might be impaired. Negative goodwill is recognised immediately in the income statement. This change did not affect the preparation of the financial statements for the financial year ended 31 December 2006.

32. Comparative figures

Certain comparative figures have been reclassified to conform with the presentation of the current year.

	Group		Company	
	As restated RM	As previously stated RM	As restated RM	As previously stated RM
Balance sheet				
Reserves	6,571,880	22,341,227	6,378,571	11,976,352
Retained earnings	15,769,347	-	5,597,781	-
Trade and other payables	-	9,679,676	-	681,858
Deferred income	5,901,554	-	24,233	-
Payables and accruals	3,778,122	-	657,625	-
Cash flow statements				
Unrealised foreign exchange loss/(gain)	40,843	-	(1,099)	-
Operating profit/(loss) before working capital changes	16,822,737	16,781,894	(72,210)	(71,111)
Deferred income	1,877,688	-	4,503	-
Payables and accruals	714,514	-	536,711	-
Trade and other payables and deferred income	-	2,633,045	-	540,115

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

Our Directors have seen and approved this Introductory Circular and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no material facts the omission of which would make any information in this Introductory Circular misleading.

2. WRITTEN CONSENTS

- (i) CIMB has given and has not subsequently withdrawn its written consent to the inclusion in this Introductory Circular of its name and all references thereto, in the form and context in which it appears; and
- (ii) Messrs. KPMG has given and has not subsequently withdrawn its written consent to the inclusion in this Introductory Circular of its name and report on the audited consolidated financial statements of JCB for FY 2006 as set out in Appendix II of this Introductory Circular.

3. MATERIAL CONTRACTS

Save as disclosed below, neither we nor our subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business of our Group) during the past 2 years preceding the date of this Introductory Circular:

- (i) Subscription and Sale and Purchase Agreement dated 7 February 2007 between JCB, Recruit (BVI) Limited ("**Recruit BVI**"), Recruit Group Limited ("**RGL**") and Recruit Holdings Limited whereby JCB agreed to subscribe for 1,000 ordinary shares of USD1.00 each in RGL representing 10% of the enlarged share capital of RGL for a cash consideration of HKD7,500,000 and purchase 1,000 ordinary shares of USD1.00 each in RGL, representing 10% of the enlarged share capital of RGL, from Recruit BVI for cash consideration of HKD7,500,000;
- (ii) Subscription and Shareholders Agreement dated 10 July 2006 between JobStreet Singapore, JobStreet India, a then wholly-owned subsidiary of JobStreet Singapore, Television Eighteen India Limited ("**TV18**"), E-18 Limited (formerly known as Tadcaster Holdings Limited) ("**E-18**") whereby E-18 will subscribe to, and JobStreet India will allot and issue to E-18, 424,500 new ordinary shares of Rs10 each in JobStreet India, representing 50% of the enlarged equity share capital of JobStreet India, for a total subscription amount of the Rupee equivalent of USD2,000,031.75; and
- (iii) Memorandum of Understanding dated 4 April 2006 between TV18, JobStreet Singapore and JobStreet India whereby TV18 shall subscribe to an issue of JobStreet India Shares corresponding to 50% of the enlarged equity capital of JobStreet India, on infusion of the Rupee equivalent of USD2 million into JobStreet India.

4. MATERIAL LITIGATION

Our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position or business of our Group, and our Directors are not aware of any proceedings pending or threatened, or of any facts likely to give rise to any proceedings which may materially and adversely affect the position or business of our Group.

5. DOCUMENTS FOR INSPECTION

You may view the following documents at our registered office at Level 7, Setia 1, 15, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur, during normal business hours on Mondays to Fridays (except public holidays) for a period of 2 weeks from the date of this Introductory Circular:

- (i) Our Memorandum and Articles of Association;
- (ii) Our audited financial statements for the past 2 financial years ended 31 December 2005 and 2006 and unaudited financial statements for the 9-month period ended 30 September 2007;
- (iii) Letters of consent referred to in Section 2 above; and
- (iv) Material contracts referred to in Section 3 above.