

## **EXPLANATORY NOTES AND ADDITIONAL INFORMATION**

### **1. Basis of Preparation**

This interim financial report is unaudited and has been prepared in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Malaysian Financial Reporting Standards (“MFRS”) 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”).

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company and its subsidiaries (“the Group”) subsequent to 31 December 2013.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2013 except for the mandatory adoption of the following new and revised Malaysian Financial Reporting Standards (“MFRS”) and Issues Committee Interpretations (“IC Int.”) effective on 1 January 2014:-

Amendments to MFRS 10, *Consolidated Financial Statements: Investment Entities*

Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Investment Entities*

Amendments to MFRS 127, *Separate Financial Statements (2011): Investment Entities*

Amendments to MFRS 132, *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*

Amendments to MFRS 136, *Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets*

Amendments to MFRS 139, *Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting*

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

### **2. Seasonality or Cyclicity of Interim Operations**

In general, recruitment activities tend to slow down towards year-end and during major holidays. Typically, this results in sequentially lower results in the last quarter of the year.

### **3. Unusual Items**

There were no items or events that arose during the quarter under review, which affected assets, liabilities, equity, net income or cash flows that are unusual by reason of their nature, size or incidence.

### **4. Changes in Estimates**

There were no changes in the nature and amount of estimates reported that have a material effect in the quarter under review.

**5. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities**

During the current quarter, the Company issued 6,522,200 new ordinary shares of RM0.10 each at RM2.29 per ordinary share for the acquisition of the remaining 40% in PT JobStreet Indonesia and 19% equity interest in JS Vietnam Holdings Pte Ltd.

Employee Share Option Scheme (“ESOS”)

Movements in the number of share options outstanding during the quarter under review are as follows:-

Grant No.	Date of Offer	Option Price	<i>Number of options over ordinary shares of RM0.10 each ('000)</i>				Balance at 31.3.2014
			Balance at 1.1.2014	Granted	Exercised	Lapsed	
I	29.11.2004	RM0.18	-	-	-	-	-
II	23.02.2006	RM0.45	430	-	(75)	-	355
III	28.03.2007	RM0.54	390	-	(390)	-	-
IV	20.05.2008	RM0.77	556	-	(464)	-	92
V	11.01.2010	RM0.66	15,520	-	(2,375)	(290)	12,855
VI	09.01.2013	RM1.05	300	-	-	-	300
			17,196	-	(3,304)	(290)	13,602

**6. Dividends Paid**

The Company had on 19 February 2014 declared a fourth interim single tier dividend of 1.75 sen per ordinary share of RM0.10 each for the financial year ending 31 December 2013 amounting to RM11.182 million. The dividend was paid on 27 March 2014.

**7. Operating Segments**

In presenting information on the basis of operating segments, segment revenue is based on geographical location of customers. For each of the geographical segment, the Group’s Chief Executive Officer reviews internal management reports on at least a quarterly basis. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments (including investments in associates and a jointly-controlled entity) and deferred tax assets.

The Group comprises the following main geographical segments:

Malaysia  
Singapore  
Philippines

Other non-reportable segments comprise the location of customers of the following countries: Hong Kong, Indonesia, Japan, British Virgin Islands and India (“Others”)

There have been no changes in the basis of segmentation or in the basis of measurement of segment profit or loss from the last annual financial statements.

**Cumulative Quarter Ended 31/3/2014**  
(The figures have not been audited)

<b>Geographical segments</b>	<b>Malaysia RM'000</b>	<b>Singapore RM'000</b>	<b>Philippines RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
Revenue from external customers	240	38	-	272	-	550
Investment distribution income	15	-	-	-	-	15
<b>Revenue from continuing operations</b>	<b>255</b>	<b>38</b>	<b>-</b>	<b>272</b>	<b>-</b>	<b>565</b>
<b>Discontinued operations</b>						
Revenue from discontinued operations	31,643	13,190	11,512	2,846	(12,171)	47,020
<b>Total revenue</b>	<b>31,898</b>	<b>13,228</b>	<b>11,512</b>	<b>3,118</b>	<b>(12,171)</b>	<b>47,585</b>
<b>Segment results</b>						
Results from operating activities	(311)	(119)	-	(161)	(60)	(651)
Interest income	13	-	-	11	-	24
Finance costs	-	-	-	-	-	-
Gain on financial assets classified as fair value through profit or loss	797	-	-	-	-	797
Share of profit of equity accounted associates	1,113	-	-	-	-	1,113
Profit before tax	1,612	(119)	-	(150)	(60)	1,283
Income tax expense	(31)	-	-	(1)	-	(32)
<b>Profit from continuing operations</b>	<b>1,581</b>	<b>(119)</b>	<b>-</b>	<b>(151)</b>	<b>(60)</b>	<b>1,251</b>
<b>Discontinued operations</b>						
Profit from discontinued operations, net of tax	10,001	3,506	4,397	594	(1,174)	17,324
<b>Profit for the period</b>	<b>11,582</b>	<b>3,387</b>	<b>4,397</b>	<b>443</b>	<b>(1,234)</b>	<b>18,575</b>
<b>Segment assets</b>						
- Continuing operations	166,479	600	-	3,638	-	170,717
- Discontinued operations	69,796	47,088	29,574	7,296	-	153,754
	<b>236,275</b>	<b>47,688</b>	<b>29,574</b>	<b>10,934</b>	<b>-</b>	<b>324,471</b>

*Included in the measure of segment assets are:*

*Continuing operations*

Investments in associates	90,164	-	-	-	-	90,164
Non-current assets other than financial instruments and deferred tax assets	14,985	-	-	4	-	14,989
Additions to non-current assets other than financial instruments and deferred tax assets	312	-	-	-	-	312
Depreciation of property and equipment	36	-	-	-	-	36

<b>Geographical segments</b>	<b>Malaysia RM’000</b>	<b>Singapore RM’000</b>	<b>Philippines RM’000</b>	<b>Others RM’000</b>	<b>Elimination RM’000</b>	<b>Group RM’000</b>
<i>Discontinued operations</i>						
Non-current assets other than financial instruments and deferred tax assets	3,911	214	1,256	575	-	5,956
Additions to non-current assets other than financial instruments and deferred tax assets	293	23	-	44	-	360
Depreciation of property and equipment	544	30	80	81	-	735

**Cumulative Quarter Ended 31/3/2013**

<b>Geographical segments</b>	<b>Malaysia RM’000</b>	<b>Singapore RM’000</b>	<b>Philippines RM’000</b>	<b>Others RM’000</b>	<b>Elimination RM’000</b>	<b>Group RM’000</b>
Revenue from external customers	257	323	-	362	-	942
Investment distribution income	5	-	-	-	-	5
<b>Revenue from continuing operations</b>	<b>262</b>	<b>323</b>	<b>-</b>	<b>362</b>	<b>-</b>	<b>947</b>
<b>Discontinued operations</b>						
Revenue from discontinued operations	29,865	10,565	10,055	2,131	(10,387)	42,229
<b>Total revenue</b>	<b>30,127</b>	<b>10,888</b>	<b>10,055</b>	<b>2,493</b>	<b>(10,387)</b>	<b>43,176</b>
<b>Segment results</b>						
Results from operating activities	(185)	96	-	(106)	49	(146)
Interest income	12	-	-	-	-	12
Finance costs	-	-	-	(1)	-	(1)
Gain on financial assets classified as fair value through profit or loss	43	-	-	-	-	43
Share of profit of equity accounted associates	698	-	-	-	-	698
Profit before tax	568	96	-	(107)	49	606
Income tax expense	(7)	-	-	(2)	-	(9)
<b>Profit from continuing operations</b>	<b>561</b>	<b>96</b>	<b>-</b>	<b>(109)</b>	<b>49</b>	<b>597</b>
<b>Discontinued operations</b>						
Profit from discontinued operations, net of tax	9,560	3,125	3,277	249	(49)	16,162
<b>Profit for the period</b>	<b>10,121</b>	<b>3,221</b>	<b>3,277</b>	<b>140</b>	<b>-</b>	<b>16,759</b>

<b>Geographical segments</b>	<b>Malaysia RM’000</b>	<b>Singapore RM’000</b>	<b>Philippines RM’000</b>	<b>Others RM’000</b>	<b>Elimination RM’000</b>	<b>Group RM’000</b>
<b>Segment assets</b>						
- Continuing operations	134,933	877	-	3,036	-	138,846
- Discontinued operations	61,734	43,262	44,951	4,161	-	154,108
	<u>196,667</u>	<u>44,139</u>	<u>44,951</u>	<u>7,197</u>	<u>-</u>	<u>292,954</u>

*Included in the measure of segment assets are:*

*Continuing operations*

Investments in associates	85,302	-	-	-	-	85,302
Non-current assets other than financial instruments and deferred tax assets	439	1	-	4	-	444
	<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6</u>

*Discontinued operations*

Non-current assets other than financial instruments and deferred tax assets	18,033	252	1,396	490	-	20,171
Additions to non-current assets other than financial instruments and deferred tax assets	994	38	6	2	-	1,040
	<u>422</u>	<u>32</u>	<u>116</u>	<u>73</u>	<u>-</u>	<u>643</u>

## **8. Subsequent Events**

On 19 February 2014, the Board announced that JobStreet.com Pte Ltd (“JSPL”), the Company, Summit Internet Investments, Inc (“Vendor”) and JG Summit Holdings, Inc (“Vendor Guarantor”) had on 18 February 2014 entered into a conditional share sale agreement (“SSA”) for JSPL to acquire 5,645,600 ordinary shares of Philippines Peso 1.00 each in JobStreet.com Philippines, Inc (“JSP”), representing the remaining 40% of the total issued and paid-up capital of JSP, for a purchase price of RM120.54 million (“Proposed Acquisition of JSP”) to be satisfied via the issuance of 49,400,000 new JCB shares.

On 20 May 2014, the Board of Directors announced that the Proposed Acquisition of JSP has been completed on 19 May 2014 in accordance with the SSA.

On 23 May 2014, the Board of Directors announced that Bursa Malaysia Securities Berhad (“Bursa Securities”) has vide its letter dated 22 May 2014 approved the listing of 49,400,000 new JCB shares to be issued pursuant to the Proposed Acquisition of JSP.

Other than the above, there were no material events subsequent to the end of the current quarter under review that have not been reflected in the financial statements for the current quarter.

## **9. Changes in the Composition of the Group**

On 5 March 2014, the Board of Directors of the Company announced the completion of an exercise to reorganise the Group’s structure comprising the following:

- (i) The transfer of the entire equity interest in Enerpro Pte Ltd from JSPL to the Company for a total consideration of SGD259,299 which was satisfied entirely in cash;
- (ii) The transfer of 99.999% equity interest in JobStreet.com India Pvt Limited (“JobStreet India”) from JSPL to the Company for a total consideration of Indian Rupee 17,330,551 which was satisfied entirely in cash; and
- (iii) The transfer of 0.001% equity interest in JobStreet India from JobStreet.com Sdn Bhd to JS Overseas Holdings Limited for a total consideration of Indian Rupee 204 which was satisfied entirely in cash.

On 17 March 2014, the Board of Directors of the Company announced that the proposed acquisition of the remaining 19% equity interest in JS Vietnam Holdings Pte Ltd (“JSVNH”) has been completed with the listing of 522,200 new JCB shares on the Main Market of Bursa Malaysia Securities. With this, JSVNH became a wholly-owned subsidiary of the Group.

On 28 March 2014, the Board of Directors of the Company announced that the proposed acquisition of the remaining 40% equity interest in PT JobStreet Indonesia (“JSI”) has been completed with the listing of 6,000,000 new JCB shares on the Main Market of Bursa Malaysia Securities Berhad. With this, JSI became a wholly-owned subsidiary of the Group.

Other than the above, there were no changes in the composition of the Group during the quarter under review.

## **10. Discontinued Operations and Disposal Group Classified As Held For Sale**

On 19 February 2014, the Group announced that it had entered into a conditional share sale agreement with SEEK Asia Investments Pte Ltd for the disposal of its online job portal business for an aggregate consideration of RM1,730 million. The proposal involved the disposal of the entire equity interests in JobStreet.com Pte. Ltd. and its subsidiaries (except for Enerpro Pte. Ltd. and JobStreet.com India Pvt. Ltd.) and Agensi Pekerjaan JS Staffing Services Sdn. Bhd..

Profit attributable to the discontinued operations is as follows:-

**Results of discontinued operation**

	<b>Individual and Cumulative Quarter Ended</b>	
	<b>31.3.2014 RM'000</b>	<b>31.3.2013 RM'000</b>
Revenue	47,020	42,229
Other operating income	551	464
Other operating expenses	(24,175)	(22,666)
<b>Results from operating activities</b>	<b>23,396</b>	<b>20,027</b>
Interest income	217	298
(Loss)/Gain on financial assets classified as fair value through profit and loss	(124)	733
<b>Profit before tax</b>	<b>23,489</b>	<b>21,058</b>
Tax expense	(6,165)	(4,896)
<b>Profit for the period</b>	<b>17,324</b>	<b>16,162</b>

**Cash flows from/(used in) discontinued operations**

	<b>Three Months Ended</b>	
	<b>31.3.2014 RM'000</b>	<b>31.3.2013 RM'000</b>
Net cash from operating activities	16,269	10,250
Net cash from/(used in) investing activities	31,293	(246)
Net cash used in financing activities	(823)	(911)
<b>Net increase in cash and cash equivalents</b>	<b>46,739</b>	<b>9,093</b>

**Breakdown of assets and liabilities of disposal group**

	<b>As at 31.3.2014 RM'000</b>
Property and equipment	5,956
Deferred tax assets	5,774
Short term investments	260
Trade and other receivables	21,874
Prepayments and other assets	2,178
Current tax assets	83
Cash and cash equivalents	117,629
Deferred tax liabilities	(29)
Deferred income	(51,203)
Trade and other payables	(7,170)
Current tax payables	(7,210)
<b>Net assets and liabilities</b>	<b>88,142</b>

The carrying value of property and equipment of the disposal group is the same as its carrying value before it was being reclassified to current assets.

**Cumulative income or expense recognised in other comprehensive income**

The cumulative income or expense recognised in other comprehensive income relating to the disposal group is RM3,282.

**11. Changes in contingent assets and contingent liabilities**

There were no other material contingent liabilities or contingent assets as at 23 May 2014 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report).

**12. Capital Commitments**

	<b>As at 31.3.2014 RM’000</b>
<b>Property and equipment</b>	
Contracted but not provided for:	
Within one year	927
	=====
<b>Investments in subsidiaries</b>	
Contracted but not provided for:	
Within one year	120,536
	=====

**13. Review of Performance for the Quarter**

For the quarter ended 31 March 2014, consolidated revenue amounted to RM47.6 million, which is approximately RM4.4 million or 10.2% higher than the RM43.2 million recorded in the corresponding quarter in the preceding financial year. The increase was mainly due to the strong sales of online job posting services which grew 17.0% year-on-year in Q1 especially in the Group’s core markets of Malaysia, Singapore, Indonesia and the Philippines. Revenue from the offline recruitment services in Malaysia contracted 33.0% year-on-year during the quarter. The growth in revenue contributed to an increase in operating profit margin to 47.8% compared with 46.1% in Q1 2013.

Malaysia

Revenue from online job posting services grew 12.6% year-on-year in Q1. However, the increase was offset by a contraction in the offline businesses by 29.2%. As a result, overall revenue from external customers derived from the Group’s operations in Malaysia increased by only 2.2% compared with the corresponding quarter in the preceding financial. Overall, results from operating activities in Malaysia (ex-dividend income) decreased slightly by 3.5% mainly due to higher staff costs.

Singapore

Revenue from external customers derived from the Group’s operations in Singapore increased by 23.3% compared with the corresponding quarter in the preceding financial year. The increase was mainly attributed to higher revenue from online job posting services. Results from operating activities from the Singapore market increased by 38.7% compared with Q1 2013 due to the growth in revenue and accrual of intercompany fees.

Philippines

With the momentum of the strong Philippine economy continuing into 2014, the Group was able to grow its online job posting business and record revenue growth of 14.5% year-on-year in Q1. Results from operating activities increased by 41.6% as a result of the growth in revenue.



Others

The Others segment is driven mainly by the Group’s operations in Indonesia and Japan. Leveraging on the strong economic growth, the Group’s operations in Indonesia recorded strong revenue growth in Q1. Results from operating activities increased by 85.9%. However, its contribution to the Group’s overall bottom line was still insignificant. In Japan, the Group continued to maintain a small presence in the market focusing on providing niche staff contracting and consulting services. During the current quarter, revenue in the Group’s subsidiary in Japan recorded a decrease in revenue.

On a pre-tax basis, the Group’s profit before tax (“PBT”) increased by 14.4% to RM24.8 million compared with RM21.7 million reported in the corresponding quarter in the preceding financial year. The increase in results from operating activities by 14.4% and share of profit from associates by 59.5% were partially offset by a reduction in fair value of the Group’s investments. The Group’s profit after tax (“PAT”) increased by 10.8% to RM18.6 million compared with the RM16.8 million reported in the corresponding quarter in 2013.

**14. Comparison with previous quarter's results**

	<u>Q1 2014</u> <u>Current Quarter</u> RM’000	<u>Q4 2013</u> <u>Preceding Quarter</u> RM’000
Revenue		
- Continuing operations	565	1,145
- Discontinued operation	47,020	40,314
	<hr/>	<hr/>
	47,585	41,459
	<hr/> <hr/>	<hr/> <hr/>
Profit before tax		
- Continuing operations	1,283	706
- Discontinued operation	23,489	16,271
	<hr/>	<hr/>
	24,772	16,977
	<hr/> <hr/>	<hr/> <hr/>

For the current quarter under review, the Group recorded revenue of RM47.6 million representing an increase of 14.8% compared with RM41.5 million recorded in the preceding quarter. The increase was mainly due to higher sales from online job posting services due to seasonality factors.

In terms of profitability, PBT in the current quarter rose by 45.9% mainly due to the impact of higher sales from its online job portal business, offset by the decrease in the share of profit from associates. In addition, PBT in Q4 2013 was negatively impacted by a loss on changes of interest in an associate.

**15. Prospects for the Year 2014**

Entering into 2014, uncertain global conditions can affect recruitment activity in markets such as Malaysia and Singapore. Nevertheless, the emerging economies in South East Asia will remain relatively strong given stable growth in domestic consumption and continuing investment. Economic activity in Malaysia, Indonesia and Philippines are expected to expand.

Other than the financial impact of the Proposed Disposals, the performance of the Group for the financial year ending 31 December 2014 is expected to remain satisfactory.

**16. Profit Forecast**

No profit forecast was announced hence there is no comparison between actual results and forecast.

**17. Taxation**

The taxation charge for the current quarter includes the following:

	<b>Individual and Cumulative Quarter Ended</b>	
	<b>31.3.2014</b>	<b>31.3.2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Estimated current tax payable	7,313	4,934
Deferred taxation	(1,116)	(29)
	<u>6,197</u>	<u>4,905</u>

**18. Quoted Investments**

The Group’s dealings in quoted securities during the current quarter and financial year-to-date are as follows:-

	<b>Individual and Cumulative Quarter Ended 31.3.2014 RM'000</b>
Quoted securities of associate companies	
Share of results and changes in equity in associates and exchange differences	(1,122)
	<u>                    </u>
Long term:	
Purchase consideration	1,305
Sale proceeds	5,000
Changes in fair value	(280)
	<u>                    </u>
Short term:	
Purchase consideration	147
Sale proceeds	41,550
Changes in fair value	(13)
	<u>                    </u>

The Group’s available-for-sale investments in quoted securities, investments in the quoted securities of associate companies and other short term investments in quoted securities as at 31 March 2014 are summarized below:

	<b>RM'000</b>
At cost	112,095
At carrying value/book value	136,775
At market value	156,607

Other than the above, there was no purchase or disposal of quoted securities during the financial period under review.

**19. Status of Corporate Proposals**

**(a) Proposed disposal of ordinary shares in JS E-Recruitment Ltd**

The Company had on 24 June 2009 entered into a Share Sale Agreement (the “SSA”) with Daffodil Computers Limited, a company incorporated in Bangladesh with its registered office at 64/3 Lake Circus, Kelabagan, Dhaka 1205, Bangladesh (“Daffodil”) for the disposal of 60,000 ordinary shares of BDT 10 each in the share capital of JS E-Recruitment Ltd. (“JSE”) to Daffodil, representing 60% equity interest in the issued and paid-up share capital of JSE for a total cash consideration of USD1.00 (equivalent to RM3.549 based on the exchange rate as at 23 June 2009 of USD1:RM3.549) (“Proposed Disposal”).

**(b) Shareholders’ Agreement entered into between Nguyen Hoang Bao (“HN”) and JobStreet.com Pte Ltd (“JSPL”)**

On 1 October 2012, the Company announced that JSPL, a wholly-owned subsidiary of the Company had entered into a Shareholders’ Agreement (“Agreement”) with HN to incorporate and operate a joint venture company in Singapore in the name of JS Vietnam Holdings Pte Ltd (“JSVNH”) with its primary objects of acquiring and holding 100% of the ordinary shares of JobStreet Company Limited (“JobStreet Vietnam”). JSPL had on 2 October 2012 acquired 2 ordinary shares of USD1.00 each representing 100% of the total issued and paid-up share capital of JSVNH. The acquisition of JobStreet Vietnam by JSVNH is expected to be completed by 30 June 2013.

On 14 December 2013, JSPL had entered into a Supplemental Agreement with HN to amend the Shareholders’ Agreement dated on 1 October 2012. JSPL shall hold 81 % (instead 80%) and HN shall hold 19% (instead 20%) of the ordinary shares in JSVNH. JSVNH is to acquire and hold 99% of the ordinary shares of JobStreet Vietnam while the remaining 1% of the shareholding in JobStreet Vietnam is to be retained by HN due to regulatory requirements in Vietnam.

On 12 March 2013, JSVNH had issued and allotted 809,998 units and 190,000 new ordinary shares of USD1 each to JSPL and HN respectively. Following the allotment, JSPL now holds 81% and HN now holds 19% of the ordinary shares in JSVNH.

On 22 November 2013, the Board announced that JSVNH had entered into a Capital Transfer Agreement (the “Agreement”) with Ms Le Thi Huong (“LTH”) to acquire the contributed capital valued at VND475,000,000 (equivalent to approximately RM72,438), representing 95% of the Charter Capital in JobStreet Vietnam from LTH at a transfer price of VND475,000,000 (“Acquisition”).

On 29 May 2014, the Board announced that the Acquisition has been completed.

**(c) Proposed disposal of JobStreet.com Pte. Ltd. (“JSPL”) and proposed distribution of special dividend (collectively known as the “Proposals”)**

On 19 February 2014, the Board announced that the Company had entered into a conditional SSA with SEEK Asia Investments Pte Ltd for the Disposal of its online job portal business for an aggregate consideration of RM1,730 million. The proposal involved the disposal of the entire equity interests in JSPL and its subsidiaries (other than Enerpro and JobStreet India) and Agensi Pekerjaan JS Staffing Services Sdn Bhd.

Following the disposal, the Board proposes to distribute to shareholders a special cash dividend of approximately RM1,700 million.

On 12 May 2014, the Board announced that the Competition Commission of Singapore (“CCS”) has advised that it is further investigating the competitive impact of the Proposed Disposals in Singapore and entering into a Phase 2 review. SEEK Asia Investments Pte Ltd and the Company are working in co-operation with the CCS and the outcome of the Phase 2 review will be announced upon CCS’ decision.

On 14 May 2014, the Board of Directors of JCB announced that the Proposals were duly passed at the Extraordinary General Meeting (“EGM) of the Company by the shareholders.

**20. Group Borrowings and Debt Securities**

There are no other borrowings or debt securities in the Group.

**21. Material Litigation**

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

**22. Dividend**

The Company had on 30 May 2014 declared the first interim single tier dividend of 1.75 sen per ordinary share of RM0.10 each for the financial year ending 31 December 2014 amounting to RM11.287 million computed based on the issued and paid-up share capital as at 23 May 2014. The dividend entitlement date and payment dates will be announced at a later date.

During the previous corresponding period, the Company declared a first interim single tier dividend of 3.5 sen per ordinary share of RM0.20 each for the financial year ended 31 December 2013 amounting to RM11.077 million. The interim single tier of 1.75 sen per ordinary share of RM0.10 each for the current quarter is in line with the financial performance of the Group and the revised dividend policy of the Company. Total dividends declared to-date in respect of the financial year ending 31 December 2014 amounted to 68% of net profit after taxation and non-controlling interest.

**23. Earnings Per Share**

**(a) Basic earnings per share**

The basic earnings per share is calculated by dividing the Group’s net profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	<b>Individual and Cumulative Quarter Ended</b>	
	<b>31.3.2014</b>	<b>31.3.2013</b>
Net profit attributable to owners of the Company (RM'000)		
- Continuing operations	1,289	599
- Discontinued operations	15,328	14,752
	16,617	15,351
Weighted average number of shares in issue ('000)	636,604	630,186*
Basic earnings per share (sen)		
- Continuing operations	0.20	0.10*
- Discontinued operations	2.41	2.34*
	2.61	2.44*

**(b) Fully diluted earnings per share**

The fully diluted earnings per share is calculated by dividing the net profit attributable to owners of the Company by the weighted average number of shares in issue adjusted for dilutive potential shares issueable in respect of outstanding ESOS options granted by the Company.

	<b>Individual and Cumulative Quarter Ended</b>	
	<b>31.3.2014</b>	<b>31.3.2013</b>
Net profit attributable to owners of the Company (RM'000)		
- Continuing operations	1,289	599
- Discontinued operations	15,328	14,752
	16,617	15,351
Weighted average number of shares in issue ('000)	636,604	630,186*
Adjustments for share options (RM'000)	10,102	11,506*
	646,706	641,692*
Diluted earnings per share (sen)		
- Continuing operations	0.20	0.09*
- Discontinued operations	2.37	2.30*
	2.57	2.39*

\* Pursuant to MFRS 133, Earnings Per Share, the comparative earnings per share for the individual and cumulative quarter ended 31 March 2013 have been adjusted for the share split involving the subdivision of every one existing ordinary share of RM0.20 each in the Company into two ordinary shares of RM0.10 each completed on 5 September 2013 as if these events had occurred since 1 January 2013.

**24. Realised and Unrealised Profits/losses**

	<b>Group As at 31.3.2014</b>	<b>Group As at 31.12.2013</b>
Total retained earnings of the Company and its subsidiaries:		
- Realised	132,420,456	126,697,304
- Unrealised	11,820,088	10,410,540
Total share of retained earnings of associated companies:		
- Realised	3,723,371	2,765,264
- Unrealised	52,054	(103,161)
Total share of accumulated losses of joint venture:		
- Realised	(3,155,674)	(3,155,674)
	144,860,295	136,614,273
Add: Consolidation adjustments	(4,415,982)	12,276,966
Total retained profits	140,444,313	148,891,239

**25. Profit for the Period**

	<b>Individual Quarter Ended</b>	
	<b>31.3.2014</b>	<b>31.3.2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit for the period is arrived at after (charging)/crediting:-		
Depreciation	(771)	(649)
Foreign exchange (loss)/gain	(528)	117
Impairment loss on trade receivables	(114)	(34)
Bad debts written off	(3)	-

Save as disclosed above and in the Condensed Consolidated Income Statement, the other items as required under Appendix 9B, Part A(16) of the Main Market Listing Requirements are not applicable.

**26. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors on 30 May 2014.