JcbNext Berhad

(Formerly known as JobStreet Corporation Berhad)

Annual Report 2016

CONTENTS

GROUP PERFORMANCE HIGHLIGHTS

Financial Year Ended 31 December	** 2012	** 2013	** 2014	2015	2016
Operating Results (RM million)					
Revenue	160.8	177.7	186.3	6.6	7.8
Results from operating activities	63.7	80.1	86.4	0.6	1.8
Profit before tax	77.0	84.8	96.6[⌖]	26.9	13.3
Profit after tax	61.4	66.0	72.5[⌖]	25.4	11.4
Profit attributable to owners of the Company	58.3	61.4	69.3[⌖]	25.6	11.4
Net cash generated from/(used in) operations	53.4	62.9	68.9	(24.8)	(6.4)
Key Balance Sheet Data (RM million)					
Total assets	274.7	315.2	300.3	307.3	333.4
Issued and paid-up share capital	63.0	63.5	70.8	70.0	70.0
Equity attributable to owners of the Company	214.6	249.4	275.6	304.7	331.0
No. of ordinary shares in issuance (no. of shares, million) ^	126.0	127.0	141.6	139.9	139.9
Share Information and Valuation					
Basic earnings per share (sen) ^	45.54	48.57	1,447.74[α]	18.27	8.12
Diluted earnings per share (sen) ^	44.81	47.74	1,447.74[α]	18.27	8.12
Net dividend per share (sen) ^	23.125	37.50	1,363.25	3.50	2.00[♎]
Share price as at 31 December (RM) ^	5.50	12.40	2.35	1.98	1.70
Net dividend yield (%)	4.20	3.02	2.45[∞]	1.77	1.18
Financial Ratios					
Return on equity (%)	27.18	24.63	25.15	8.39	3.43
Current ratio	2.2	2.4	5.7	50.5	57.8
Net asset value per share (RM) ^	1.70	1.96	1.95	2.18	2.37
Operating margin (%)	39.64	45.07	46.39	9.40	23.21
Net profit margin (%)	36.28	34.57	37.22[⌖]	386.321	144.74

** The results from the Group's continuing operations and discontinued operations are presented separately in the Statement of Profit or Loss and Other Comprehensive Income.

^ The comparatives for the financial year ended 31 December 2012 to 31 December 2014 have been restated to account for the effects of the subdivision of every ordinary share of RM0.20 each into two ordinary shares of RM0.10 each which was completed on 5 September 2013 and the consolidation of every five ordinary shares of RM0.10 each into one ordinary share of RM0.50 each which was completed on 7 May 2015.

♎ Included the proposed final single tier dividend of 2 sen per ordinary share which is subject to the approval of shareholders at the forthcoming Annual General Meeting.

⌖ Excluded the gain on disposal of the online job portal business to SEEK Asia Investments Pte. Ltd., net of transaction costs, of RM1,881.22 million.

α Included the gain on disposal of the online job portal business to SEEK Asia Investments Pte. Ltd., net of transaction costs, of RM1,881.22 million.

∞ Excluded the special dividend of RM2.65 per ordinary share of RM0.10 each which was paid on 24 December 2014.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Ali bin Abdul Kadir
Independent Non-Executive Chairman

Teo Koon Hong
Independent Non-Executive Director

Chang Mun Kee
Executive Director, Founder & CEO

Lim Chao Li
Non-Independent Non-Executive Director

AUDIT AND RISK COMMITTEE

Teo Koon Hong
Chairman, Independent Non-Executive Director

Datuk Ali bin Abdul Kadir
Member, Independent Non-Executive Chairman

Lim Chao Li
Member, Non-Independent Non-Executive Director

NOMINATION COMMITTEE

Datuk Ali bin Abdul Kadir
Chairman, Independent Non-Executive Chairman

Teo Koon Hong
Member, Independent Non-Executive Director

Lim Chao Li
Member, Non-Independent Non-Executive Director

REMUNERATION COMMITTEE

Teo Koon Hong
Chairman, Independent Non-Executive Director

Lim Chao Li
Member, Non-Independent Non-Executive Director

Chang Mun Kee
Executive Director, Founder & CEO

INVESTMENT COMMITTEE

Teo Koon Hong
Independent Non-Executive Director

Lim Chao Li
Member, Non-Independent Non-Executive Director

Chang Mun Kee
Executive Director, Founder & CEO

Greg Poarch
Chief Financial Officer

Seow Choong Huei
Head of Investments

AUDITORS

KPMG PLT (LLP0010081-LCA & AF 0758)
Chartered Accountants
Level 10, KPMG Tower
8 First Avenue
Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan

LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : JCBNEXT
Stock Code : 0058

COMPANY SECRETARIES

Tai Yit Chan (MAICSA 7009143)
Choong Lee Wah (MAICSA 7019418)

REGISTERED OFFICE

Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-77201188
Fax: 03-77201111

HEAD OFFICE

Wisma JobStreet.com
No. 27, Lorong Medan Tuanku 1
(Off Jalan Sultan Ismail)
50300 Kuala Lumpur
Tel: 03-21760333
Fax: 03-27111190

REGISTRAR

Boardroom Corporate Services (KL) Sdn Bhd (3775-X)
Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-77201188
Fax: 03-77201111

WEBSITE

www.jcbnext.com

CORPORATE STRUCTURE

as at 25 April 2017

JcbNext Berhad (formerly known as JobStreet Corporation Berhad)

- 100% **Autoworld.com.my Sdn. Bhd.**
- 60% **Greenfield Japan Kabushiki Kaisha**
- 100% **JobStreet.com India Pvt. Limited**
- 100% **JcbNext Pte. Ltd. (formerly known as Enerpro Pte. Ltd.)**
- 100% **JS Overseas Holdings Ltd.**
- 49% **JobStreet Recruitment (Thailand) Co., Ltd.**
- 21.13% **Innity Corporation Berhad**
- 22.95% **104 Corporation (Taiwan)**

PROFILE OF DIRECTORS

Datuk Ali bin Abdul Kadir

Independent Non-Executive Chairman
Malaysian, 68 years of age, Male

Datuk Ali bin Abdul Kadir was appointed to the Board on 1 October 2004. Datuk Ali is Chairman of the Nomination Committee and a member of the Audit and Risk Committee. He is a Fellow of the Institute of Chartered Accountants in England and Wales (”ICAEW”), member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He is also Honorary Advisor to ICAEW City Chapter, Honorary Fellow of the Institute of Chartered Secretaries and Administrators (UK) and the Malaysian Institute of Directors.

Datuk Ali is currently a Board Member of the Labuan Financial Services Authority, Landskap Malaysia and member of the Academic Advisory Panel of the Companies Commission of Malaysia. Datuk Ali is Chairman of Privasia Technology Berhad, ENRA Group Berhad and Board Member of Glomac Berhad, Citibank Berhad and Ekuiti Nasional Berhad.

Datuk Ali was appointed as Chairman of the Securities Commission of Malaysia on 1 March 1999 and served in that capacity until 29 February 2004. He also served on a number of national-level committees including the Foreign Investment Committee, the Oversight Committee of National Asset Management Company (Danaharta). Prior to his appointment to the Securities Commission, he was the Executive Chairman and Partner of Ernst & Young and its related firms. He was also the former President of the Malaysian Association (now Institute) of Certified Public Accountants, chairing both its Executive Committee and Insolvency Practices Committee and co-chairing the Company Law Forum. He was a member of the Malaysian Audit Oversight Board. He was appointed as an Adjunct Professor in the Accounting and Business Faculty, University of Malaya in 2008 and retired in August 2011. He was then appointed to the Advisory Board of the same Faculty. Datuk Ali was also the Chairman of the Financial Reporting Foundation until July 2015.

On the international front, Datuk Ali was the Chairman of the International Organisation of Securities Commissions’ (IOSCO) Asia Pacific Regional Committee and the Islamic Capital Market Working Group, and a member of IOSCO’s Executive Committee. In addition, he was also a Trustee of the Accounting and Auditing Organisation for Islamic Financial Institutions and Force of nature Aid Foundation; and the Advisor to the Sri Lanka Securities and Exchange Commission in 2006 for their Capital Market Strategic Plan.

Teo Koon Hong

Independent Non-Executive Director
Singaporean, 67 years of age, Male

Mr. Teo Koon Hong is an Independent Non-Executive Director of the Company and was appointed to the Board of Directors on 25 June 2015. He is also the Chairman of the Audit and Risk Committee and the Remuneration Committee, and a member of the Nomination and Investment Committees.

Mr. Teo holds a Bachelor of Accountancy from the University of Singapore. He is also a graduate of the Institute of Cost and Management Accountants, United Kingdom and a Fellow Chartered Accountant of Singapore. Mr. Teo commenced his career in 1975 as a Cost Accountant of Beecham Pharmaceutical Pte. Ltd. (now part of Glaxo Smithkline). Subsequently, from 1977 to 1984, he joined Carrier Corporation (now part of United Technologies Corporation) and served in various positions including as the Regional Finance Director, Asia Pacific; Director of Strategic Planning based in New York; Managing Director of Carrier Singapore and President of Carrier Thailand.

From 1985 to 1996, Mr. Teo invested into Price Asia Manufacturing Pte. Ltd.. In 1996, he sold his stake in Price Asia Manufacturing Pte. Ltd. to Johnson Controls and as part of the terms of the sale, he joined Johnson Controls as their Vice President of Asia Pacific. In 2000, Mr. Teo left Johnson Controls to pursue opportunities in private equity and served in a non-executive capacity on the board of JobStreet.com Pte. Ltd.. In 2004, he was a director and shareholder in Enerpro Pte. Ltd. until 2008. He does not hold any other directorship of public companies.

Chang Mun Kee

Executive Director, Founder and CEO
Malaysian, 52 years of age, Male

Mr. Chang Mun Kee is an Executive Director and the Chief Executive Officer of the Company. He is also a member of the Remuneration and Investment Committees. Mr. Chang obtained his Bachelor of Science in Mechanical Engineering from the University of Texas, Austin, USA in 1988 and a Master of Science in Mechanical Engineering from the Massachusetts Institute of Technology, USA in 1990. Prior to founding MOL Online Sdn. Bhd. in 1995 and subsequently JobStreet.com Sdn. Bhd. in 1997, he was with Kendall International, a US healthcare company, for 5 years, starting as a process engineer in 1990 before being promoted to manufacturing manager in 1992 and regional director of sales and marketing for Malaysia in 1994. He left Kendall International in 1996 to establish JobStreet.com Sdn. Bhd. which expanded regionally under his direction. He currently sits on the Boards of Innity Corporation Berhad, Vitrox Corporation Berhad, 104 Corporation, Taiwan and MOL Global Inc.

Lim Chao Li

Non-Independent Non-Executive Director
Malaysian, 51 years of age, Male

Mr. Lim Chao Li is a Non-Executive Director of the Company. He was appointed to the Board of Directors on 1 October 2004 and is a member of the Audit and Risk, Nomination, Remuneration and Investment Committees. Mr. Lim graduated with degrees from the University of Pennsylvania's School of Engineering and Applied Science and the Wharton School. He has worked for Deloitte & Touche and Johnson & Johnson. He is currently with the Hotel Equatorial Group, a family business that is involved in hospitality and property. He also serves as Chair of the Council of Governors of the Alice Smith School in Malaysia. He currently sits on the Board of Public Investment Bank Berhad.

None of the Directors have any family relationship with any other Director and/or major shareholders of the Company.

None of the Directors have any conflict of interest in any business arrangement involving the Company, nor have any convictions for offences (other than traffic offence, if any) within the past 5 years and has not been imposed of any public sanction or penalty by relevant regulatory bodies during the financial year.

PROFILE OF SENIOR MANAGEMENT TEAM

Gregory Charles Poarch

Chief Financial Officer
American, 52 years of age, Male

Gregory Charles Poarch graduated with a Bachelor of Science in Accounting from Southwestern Oklahoma State University, USA in 1988. He commenced his career in 1988 as a Senior Auditor with Finley & Cook, Certified Public Accounting Firm. Moving on, he joined Occidental Petroleum Corporation as an Audit Supervisor. Subsequently in 1996, he joined MEASAT Broadcast Network Systems Sdn. Bhd. as a Project Manager. He was promoted to Senior Manager level in 1997. He joined the JobStreet Group in 2000 and took on the position of Vice President, Finance & Administration. With the listing of the JobStreet Group in November 2004, he became the Chief Financial Officer of the Company. He is also a member of the Investment Committee. He currently sits on the Board of Innity Corporation Berhad.

Dr. Wong Siew Hui

Chief Technology Officer
Malaysian, 53 years of age, Male

Dr. Wong Siew Hui ("Dr. Albert") obtained his Bachelor of Engineering (Civil) from the University of Western Australia in 1987, a Master of Science in Civil Engineering from the Massachusetts Institute of Technology, USA in 1991 and a PhD degree in Computer-Aided Engineering from the Massachusetts Institute of Technology, USA in 1993. Dr. Albert started his career with Schlumberger Austin Product Center before moving to Genesis Development Corporation, USA in 1998. Dr. Albert joined the JobStreet Group in 2000 where he had overall responsibility for JobStreet's technology including product development, website platform, architecture, sales technologies, technical operations and technical support.

None of the Senior Management Team have any family relationship with any other Director and/or major shareholders of the Company.

None of the Senior Management Team have any conflict of interest in any business arrangement involving the Company, nor have any convictions for offences (other than traffic offence, if any) within the past 5 years and has not been imposed of any public sanction or penalty by relevant regulatory bodies during the financial year.

LETTER FROM THE CHAIRMAN

Dear Shareholders,

It is our pleasure, on behalf of the Board of Directors to present the Annual Report and Audited Financial Statements of JcbNext Berhad ("JcbNext" or "the Group") for the financial year ended 31 December 2016.

FINANCIAL PERFORMANCE

2016 was a tumultuous year marked by certain key events with vast ramifications on the global economy. Britain's decision to leave the European Union stoked fears and caused a two-day global equity sell-off in its wake. Brexit is unprecedented and its impact on the global economy will only be fully known with each step taken towards its fulfilment. Brexit had also inadvertently initiated a rally on the US dollar as investors sought refuge in the currency. A Donald Trump victory at the US Presidential Elections followed by the Fed raising interest rates continued to fuel the US dollar rally to multi-year highs. Fighting in the Middle East and terrorism were also worrisome.

That being said, 2016 was another quiet year for the Group. The search for new businesses and investments continued but we were not able to close any deals. The year was not a failure by any standard. We choose to be selective and only invest if all of our check boxes are ticked. Good sustainable businesses with quality management are hard to come by at the right price. Our experience with 104 Corporation and 1010 Printing shows there are good companies out there, companies with good businesses and management that pays regular dividends, and these are the type of companies that we will be looking for going forward. Warren Buffett says *"Successful investing takes time, discipline and patience. No matter how great the talent or effort, some things just take time."* He goes on to compare investing with making babies, but I think I shall not go into that! The Oracle of Omaha also says *"You only have to do a few things right in your life so long as you don't do too many things wrong."* and *"Rule No. 1: never lose money; Rule No. 2: don't forget Rule No. 1."* While it is tempting to rush our first major investment after the sale of the JobStreet business just to get the monkey off our backs, we would prefer to wait and get it right in order to be able to reap years and years of growth and profits from the investments that we make today. In addition, fear and market corrections create opportunities for the patient and long-term investors. We would like to think that we are ready to capitalize on any such opportunities by continuing to meet many entrepreneurs and just being sensitive to the developments in the markets around us.

During the year under review, JcbNext registered net profit attributable to shareholders of RM11.4 million as compared with a net profit of RM25.6 million in the preceding year. Total assets stood at RM333.4 million with shareholders' funds recorded at RM331.0 million as at 31 December 2016, compared with RM307.3 million and RM304.7 million as at the end of 2015.

A detailed discussion on the Group's financial performance can be found in the Management Discussion and Analysis included in this Annual Report.

DIVIDEND

The Board of Directors is pleased to propose a final single-tier dividend of 2.0 sen per share for the financial year 2016 (2015: 1.0 sen). The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

CORPORATE AND SHAREHOLDER DEVELOPMENTS

The Company changed its name to JcbNext Berhad on 1 June 2016 to reflect the next phase of the Group. During the second half of the year, we also saw a change in the substantial shareholders of the Company. In September and October, Mark had increased his shareholdings in the Company by acquiring stakes held by Mr. Lim Chao Li ("Charles") and Mr. Ng Kay Yip. Subsequently in November, Mark had acquired 28,205,314 JcbNext Shares from SEEK International investments Pty Ltd ("SEEK"). The acquisition from SEEK had triggered a mandatory take-over offer to acquire all the remaining JcbNext Shares. In December, Mark had acquired 11,080,000 JcbNext Shares from JG Summit Philippines, Ltd ("JG Summit") and PT Sinar Mas Multiartha TBK. Following the disposals of their stakes in JcbNext, Charles, Kay Yip, SEEK and JG Summit all ceased to be substantial shareholders in the Company. Mark's equity interest in the Company had increased from 12.60% as at the beginning of the year to 53.58% subsequent to the completion of the mandatory take-over offer exercise. As the acceptances of the Take-over Offer were insignificant, I am pleased to report that the Company still maintains a public shareholding spread in excess of 25% in compliance with the Listing Requirements.

GOING FORWARD

As alluded in the earlier part of this letter, the Board and management are prepared to be patient and invest only when the right opportunity presents itself at the right price. This process may take time. In the meantime, the Group will depend on the financial performance of its associates, 104 Corporation and Innity Corporation Berhad, the performance of its investments in Hong Kong as well as deriving rental income from the Group's investment properties in Kuala Lumpur and Johor. The tenancy for the office space in Wisma JobStreet.com have been renewed for a period of 1 year with the tenant having an option to extend for another 3 months through April 2018. The tenancy for the Group's shoplot office in Johor had also been renewed during the year for another term of 3 years through July 2019.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Group continues to endorse principles of sustainability in its business operations and corporate activities. We acknowledge the importance of looking after the interest of our other stakeholders – our employees, our customers, vendors, the community at large and the environment. Looking after the interests of certain stakeholders at the expense of others would only bring negative consequences to our business. We operate by the "Do Good, Do Well" principle where we believe success ultimately comes as we conduct ourselves as good corporate citizens and constantly serve the society that we operate in. As an example, Mark now serves on the boards of the Malaysian Global Innovation & Creativity Centre (MAGIC) and Endeavor Malaysia and helps these organisations in their efforts to spur the growth of entrepreneurial talent and start-up businesses. As we seek to acquire new businesses, we will remain committed to the principles of sustainability and ensure these principles and practices are extended across all business operations of the Group.

APPRECIATION

On behalf of the Board, we would like to take this opportunity to thank Mr. Ng Kay Yip who had resigned from our Board on 9 May 2016. Kay Yip was a co-founder of the JobStreet.com business together with Mark and Charles back in the day and has been on the Board of the Company since its incorporation in 2004. He has been instrumental in providing strong leadership and invaluable input to the Board and senior management. We wish him the very best in his future undertakings.

We would also like to record our appreciation to all our valued customers, partners, business advisers and shareholders for your continued support during the past year.

DATUK ALI BIN ABDUL KADIR
Chairman

LETTER FROM THE FOUNDER & CHIEF EXECUTIVE OFFICER

Dear shareholders,

For 2016, we saw the exit of some of our larger shareholders. After holding on for a couple of years since the sale of the JobStreet.com operation, SEEK was keen to sell their shares and some other substantial shareholders through the years thought it was a good time to exit as well. Albert (Wong Siew Hui) and I decided to buy their block of shares which triggered a Mandatory Take-Over Offer to the rest of the shareholders. As the result of this exercise, management (including myself) now emerges as the majority shareholder of JcbNext. Hopefully, shareholders will now have extra comfort knowing that, being the majority shareholder, the management's interest will be more aligned with the rest of the shareholders. With this corporate exercise, it also allows management to focus on longer-term and not short-term results.

The aspiration of JcbNext moving forward is to be a listed company that can continuously distribute dividends to shareholders every year and for many years to come. For that, our investment focus is on companies that are able to generate good free cash flow and willing to distribute those free cash as dividends back to shareholders. We are also mindful and conservative with our finances - we don't have much debt and prefer not to have any debt at all. Debt always increases the risk to our Company and has a higher chance to interrupt our future dividend payout. As management of this Company, our ultimate performance goal is the dividend payout to our shareholders. Revenue, profit, book value, share prices and others are secondary objectives.

As for the type of companies we are looking at, we look for both listed and unlisted companies and we don't mind buying a minority interest or 100% of companies. The criteria we look for will be:-

1) Good business. We define good businesses as businesses that have good loyal customers, do not require a lot of capital reinvestment, a healthy profit margin, relatively stable business in operations for a number of years, and not in an overly competitive industry. Good businesses will generate good free cash flow that can be returned to shareholders as dividends.

2) Shareholder-friendly management. Good management is a given criteria for any good company. Equally important is having a shareholder-friendly management so that when there is extra profit, those profit will be managed to the best interest of all the shareholders. Those extra profit can be reinvested in the company for future growth or returned to the shareholders as dividends. Non-shareholder-friendly management will use those extra cash for the benefit of their personal interest first. So the company could be a good business but as a shareholder, we receive only a small portion of our rightful share of the gain or potentially none at all.

3) Right price. Even for a good business with a shareholder-friendly management, our investment will still be bad if acquired at a high price. It is important that we are conservative in our valuation of businesses so that we have a good margin of safety in our investments. As our main goal is investment for future dividend, we can compare the potential dividend return from an investment opportunity presented to us, versus returns from alternatives like S&P 500 ETF, KLSE Index ETF or money market fund. We could be busy evaluating all the various business ventures everyday but if the price is not right, we will not do any investment and we don't mind waiting for years to find the right company at the right price. This is an advantage JcbNext has as compared to other companies such as fund management companies where they have pressure to invest all year round even when the market is near its peak.

So far from our experience, the companies that would be attracted to JcbNext would be of the following kind:-

1) Mature companies and entrepreneurs who wish to partially retire. We have come across a few of such companies. They are good companies with good entrepreneurs. However, their children might not want to take over the business and the entrepreneurs would like to have some cash up front that he can use and not have to feel too stressed that his entire retirement wealth is tied up to the fortunes of his company. The entrepreneur sells us part of his company, he has some cash up front to use, he continues to work in the company he loves - and he can sell the rest of his shares to us in the future, if he so chooses. We believe such an arrangement is a good win-win for both JcbNext and the entrepreneur. JcbNext will become a place where entrepreneurs can park their good companies with us knowing that we will continue with their legacy after they retire and help them to reduce their risk close to retirement.

2) Smaller listed companies. All listed companies need shareholders. However, if the companies only consist of individual public shareholders and fund management companies, during economic downturn, listed companies normally experience panic selling of their shares, which would depress their share price and cause more panic among the remaining shareholders. Smaller listed companies can diversify their shareholders by having JcbNext as their long term shareholder because during an economic downturn, there is no pressure for JcbNext to sell our investments and on the contrary, JcbNext will be glad to buy more of the cheaper shares of a good company.

   Note: If you are an owner of a listed company and wish to diversify some of your shares to us, please contact us. For JcbNext to perform this function well, JcbNext must ensure we have good cash reserve and we don't have much debt so that when we receive the phone call, we can write the cheque.

We do look at startups for potential investment and so far, it is always the pricing that prevents us from investing into this group of companies. There is a saying about companies being "priced to perfection". In startup investing, we realized that a lot of startups are "priced to dream come true". That means the asking price of the startup is only a fair value to investors like us if the startup achieves what they dream. As we know, most of the time, dreams do not come true for most startups. We have discovered that we lack the ability to pick the "winners" from this group, without the ability to time-travel to the future and back. As such, we choose not to risk our shareholders' money, when the valuation figures appear, in our view, high.

The main weakness in our Company's search for investments is that we are not high risk takers willing to go out to offer the owner a price that he cannot refuse. We don't know how to drum our chest and drop a stash of cash in front of the owner to buy his company. We are also not the type of people who would go out to promise 101 things to the owner, and try to sweet talk him into selling his company to us at a bargain. In fact, there are times we ask the owner not to sell to us because he can get a better price selling his company to someone else. We are not a good Romeo. Princesses are most likely not attracted to us - except the wise ones :-)

While we are waiting for the right investment to come along, we need to make sure that we protect our current cash from inflation. Our treasury role is to ensure we invest cash into short term investments that are not high risk, are fairly liquid and diversified across a few currencies as a way to hedge against currency fluctuation. When the right investment opportunity comes along, we must be able to convert our treasury holdings into cash for the investment.

As any investment is risky in nature, we are rather careful with our investments and we try to reduce risks that we can control - like assuming no debt, making minimum investments into risky startups, keeping our operating cost low and ensuring we have ready cash for rainy days. The other risks that we have no control over, we have to find ways to live with it when it happens. In hindsight, we are glad that we did not get into many of the investments that were presented to us in the last 2 years.

As we continue with our investment journey, we constantly have to remind ourselves to be humble with our opinion as this world is so complicated and there are so many unknowns that we aren't even aware of.

May we have wisdom and humility to guide us to seek good investments that contribute greatly to society.

-Mark Chang
Chief Executive Officer

Note: For ease of reading, we refer to all business owners as he, him and his. There are equally many fantastic business owners who are female.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

JcbNext Berhad (formerly known as JobStreet Corporation Berhad) is an investment holding company. It owned and operated the JobStreet.com online job portal business from 2004 to 2014. In 2014, the job portal business was sold to SEEK Ltd for close to RM2 billion. Today, the Company has stakes in associates, 104 Corporation, the largest job site in Taiwan and Innity Corporation Berhad, a leading provider of interactive online marketing platforms and technologies in Malaysia. It also has a majority stake in a small consultancy business in Japan and operates the Autoworld automotive classifieds and content website. JcbNext also has quoted investments in Hong Kong and Singapore and owns a 8-storey office building in Kuala Lumpur and a 2-storey shoplot office in Johor from which it derives rental income.

2016 IN REVIEW

During the year, the Group generated revenue from services, rental of office space, dividends and other investment income. Investment distribution income amounting to RM2.2 million from the placement of funds into money market unit trust funds contributed 28.2% of the Group's revenue. This was followed by rental income of RM2.2 million from the Group's investment properties which contributed 27.8% of the Group's revenue. Dividends of RM2.0 million from the Group's quoted investments contributed another 25.1% of the Group's revenue. Services contributed the remaining 18.9% of the Group's revenue.

An analysis of the Group's revenue is as follows:

Group	2016 RM	2015 RM
Services	1,486,445	1,635,503
Rental income from investment properties	2,183,216	2,039,354
Dividends from other investments	1,964,756	2,337,118
Investment distribution income	2,208,447	607,110
	7,842,864	6,619,085

Total revenue had increased by 18.5% in 2016. This was mainly due to an increase in investment distribution income by 263.8% from RM0.6 million in 2015 to RM2.2 million in 2016. During the financial year under review, the Company had placed RM71.9 million into money market unit trust funds which contributed to the surge in investment distribution income. Please refer to the Investments Overview section for more details of these investments.

The Group's rental income from its investment properties increased marginally by 7.0% to RM2.2 million in 2016. As you might already know, the Group leases out almost the entire Wisma JobStreet.com building in KL and its two-storey shoplot office in Johor to the operator of the JobStreet.com business. We are pleased to update you that the tenancy agreements for the office space in Wisma JobStreet.com have been renewed for a period of 1 year with the tenant having an option to extend for another 3 months through April 2018. The tenancy for the shoplot office in Johor had also been renewed during the year for another term of 3 years through July 2019. The marginal increase in rental income was due to the tenant taking up more space on one of the floors of Wisma JobStreet.com.

In 2016, the Group derived dividend income from its investment in 1010 Printing Group Ltd ("1010 Printing") only. The Company had also received dividends amounting to RM7.8 million from its associate, 104 Corporation, but such dividend is not accounted as revenue. In the prior year, dividend income had also included a dividend amounting to RM0.5 million from Cinderella Media Group Ltd ("CMGL"). The Group had disposed its investment in CMGL in September 2015 as a result of the mandatory unconditional cash offer.

In terms of services, the Group derives revenue predominantly through its subsidiary in Japan which provides contract staffing consulting services on a small scale. The Group was not able to gather any traction on its automotive classifieds and advertising services business via the Autoworld website in 2016 as conditions proved challenging with vehicle sales in Malaysia down 13% year-on-year.

An analysis of the Group's other operating income is as follows:

Group	**2016 RM**	**2015 RM**
Foreign exchange gain	2,443,916	1,132,680
Closing Date Financial Adjustment[1]	-	1,280,800
Income from provision of transition services to SEEK Asia[2]	-	1,089,309
Others	4,881	17,834
	2,448,797	3,520,623

[1] Pursuant to the disposal of the online job portal business to SEEK Asia investments Pte Ltd in 2014

[2] The provision of transition services to SEEK Asia ceased in 2015.

The foreign exchange gain of RM2.4 million was mainly from the revaluation of the Group's US Dollar denominated bank deposits and Singapore Dollar and US Dollar denominated loans given to subsidiaries, as the Ringgit weakened considerably in 2016.

The Group's operating expenses had decreased 11.0% from RM9.5 million in 2015 to RM8.5 million in 2016. The decrease was mainly due to lower cost of transition services provided by SEEK Asia to the Group in 2016 as the Group ceased to rely on SEEK Asia to support the Group's HR, legal, accounting and IT requirements.

The Group continues to rely a great deal on our associates, primarily 104 Corporation, to contribute to the Group's earnings in 2016. To recap, 104 Corporation is principally involved in the online job portal business and also provides executive search and HR consultancy services mainly in Taiwan. Our share of profit from 104 Corporation in 2016 amounted to RM11.8 million, up 22.8% from RM9.6 million in the preceding year. On the back of a relatively low GDP growth rate of 1.5% in Taiwan, 104 Corporation's revenue grew 3.2% year-on-year to NT$1.45 billion compared with NT$1.41 billion in 2015. 104 Corporation's bottom line in 2016 had also benefited from the recognition of a tax credit of NT$43 million for the loss arising from the liquidation of a subsidiary in 2014. This contributed to its net profit attributable to shareholders growing by 20.8% in 2016 to NT$398.4 million from NT$329.7 million a year ago. The balance sheet of 104 Corporation remains solid with cash holdings of NT$1.99 billion at the end of 2016. 104 Corporation has recently announced a dividend of NT$10.80 per ordinary share for the 2016 financial year, which will be paid out after the company's AGM on 8 June 2017.

Our other associate, Innity Corporation Berhad ("Innity"), is principally involved in the provision of technology-based online advertising solutions, to their customers in the Asia Pacific region, using in-house developed technology platforms. Innity has an established presence in Malaysia, Hong Kong/ China, Indonesia, Philippines, Singapore, Taiwan, Thailand and Vietnam. Given the tremendous growth in the online advertising industry, Innity posted improved results in 2016. Consequently, our share of profit from Innity had also grown by 48.4% in 2016 to RM0.9 million from RM0.6 million in the preceding year. Innity's revenue grew 27.1% year-on-year to RM95.7 million compared with RM75.2 million in 2015. Its operations in newer locations such as Hong Kong/ China, Taiwan and the Philippines expanded at rates averaging 24.2%. Despite an increase in operating expenses by 24.7% in 2016, Innity recorded net profit attributable to shareholders of RM4.3 million in 2016, up by 48.3% from RM2.9 million in 2015. Innity has a healthy balance sheet, with net assets amounting to RM35.4 million, including cash of RM19.0 million at the end of 2016.

The financial performance of the Group in 2016 was negatively impacted by the recognition of a loss amounting to RM0.8 million on the dilution of the Group's interest in 104 Corporation. The dilution arose due to the effects of share-based compensation in 104 Corporation. In addition, the fair value of the Group's investments which are classified as "fair value through profit or loss" decreased by RM1.8 million. The decrease was mainly in respect of its holdings in Asiatravel.com Holdings Ltd ("Asiatravel").

Overall, the Group's net profit attributable to shareholders for 2016 amounted to RM11.4 million, with the bulk of this attributable to the share of profit from equity accounted associates. The net profit attributable to shareholders for 2016 represented a decrease of 55.6% year-on-year as the financial results of 2015 was positively impacted by the gain on disposal of the Group's investment in CMGL amounting to RM12.5 million. Earnings per share amounted to approximately 8.12 sen per share. Although the Company's dividend policy had been discontinued on 22 February 2016, the Board has recommended the payment of a final dividend of 2 sen per ordinary share to be paid after the AGM.

Our financial position continued to strengthen with shareholders' equity of RM331.0 million as at 31 December 2016 compared with RM304.7 million at the end of the previous year. Apart from the net profit of RM11.4 million recorded in 2016, the Group's net assets was also positively impacted by the increase in fair values of the Group's long term investments amounting to RM10.4 million and foreign exchange effects on the translation of 104 Corporation amounting to RM7.0 million.

OVERVIEW OF INVESTMENTS AND CASH RESERVES

The Group's investments and cash reserves comprise of:

Group	**2016 RM**	**2015 RM**
Investments in associates		
- 104 Corporation	112,737,063	102,437,586
- Innity	12,427,775	11,418,213
	125,164,838	113,855,799
Available-for-sale investments		
- 1010 Printing	42,245,532	32,693,866
- Asiatravel	1,149,924	2,868,003
- Equity Portfolio Fund	12,153,064	11,345,481
- Unquoted investments	251,509	213,084
	55,800,029	47,120,434
Financial assets at fair value through profit or loss		
- Money market unit trust funds	94,379,859	22,748,338
Cash reserves		
- USD	34,083,575	6,251,302
- HKD	6,039	17,038,574
- RM	1,517,858	78,022,469
- Others	769,657	317,100
	36,377,129	101,629,445
	311,721,855	285,354,016

The performance of the Group's associates has already been detailed in the previous section of this report. The carrying value of the investments in associates on the Group's balance sheet grew by 9.9% in 2016 to RM125.2 million, due to the financial performance of the associates and to some extent, due to the impact of the weak Ringgit on the translation of our investment in 104 Corporation. During the year, the Group had also received dividend amounting to RM7.8 million from 104 Corporation. While it does not benefit the Group's bottom line, the dividend from 104 Corporation provides liquidity for the Group to fund its annual working capital requirement without having to tap into the Group's reserves set aside for future investments. This is apparent from the Group's statements of cash flows for 2016 which shows that the dividends it receives from 104 Corporation and 1010 Printing totalling RM9.7 million being more than sufficient to cover the RM6.4 million working capital utilised in 2016.

The composition of the Group's available-for-sale ("AFS") investments remained largely unchanged from the previous year. The largest investment under the AFS category is 1010 Printing with a carrying value of RM42.2 million. 1010 Printing is principally involved in the provision of printing services to international book publishers, trade, professional and educational conglomerates and print media companies. This is a stock that the Group accumulated from 2011 to 2013, investing a total of RM3.0 million. However, in 2014, CMGL which used to be the parent company of 1010 Printing, rewarded its shareholders by declaring a dividend-in-specie of its stake in 1010 Printing and spinning it off as a separate listed company on the Hong Kong Stock Exchange. As a result of that, the Group's stake in 1010 Printing increased by an additional 36.5 million shares. As at end of 2016, the Group held an equity interest of approximately 7.0% in 1010 Printing. 1010 Printing pays dividends regularly and for the year ended 31 December 2016, its dividend yield was 5.2%. The Group received approximately RM2.0 million in dividends from 1010 Printing during the year.

Asiatravel is an online travel company that offers various travel products through its multi-channel distribution platforms. The company continues to face stiff competition in the online travel space. During the year, Asiatravel raised S$17.7 million via a placement of new shares to a unit of its substantial shareholder. The share price of Asiatravel tumbled from S$0.20 at the end of 2015 to S$0.08 at the end of 2016.

The Equity Portfolio Fund is a discretionary mandate fund managed by a licensed firm of professional fund managers. This fund was started in 2012 with an initial injection of RM8 million which was subsequently increased by RM4.8 million in 2013 before the Group decided to redeem RM5 million in 2014. This fund is mandated to invest in high dividend yield stocks in the region.

Looking at the table below, with the exception of Asiatravel, the fair value of the Group's associates and AFS investments as at 31 December 2016 are significantly above the Group's cost of investment. The unrealised gains, with the exception of 104 Corporation, Innity and Asiatravel, have been recognised in other comprehensive income at this stage and will only be reclassified from equity (fair value reserves) into profit or loss when they are disposed. As associates, the unrealised gains on 104 Corporation and Innity have not been recognised at all, while the losses on Asiatravel has already been recognised in the profit or loss.

	Cost of Investment RM	**Carrying Value RM**	**Fair Value RM**
104 Corporation^	75,256,303	112,737,063	148,693,440
Innity^	8,487,984	12,427,775	17,988,775
1010 Printing	17,799,453	42,245,532	42,245,532
Asiatravel	3,381,639	1,149,924	1,149,923
Equity Portfolio Fund	7,789,481	12,153,064	12,153,064
	112,714,860	180,713,358	222,230,734

^ Accounted for using the equity method pursuant to MFRS 128, *Investments in Associates and Joint Ventures*

During 2016, the Group initiated a plan to restructure its cash. Firstly, the Group moved to convert substantially all of its HK dollar holdings including the dividends it received from 1010 Printing in 2016 as well as Taiwan dollar dividends received from 104 Corporation in 2016, into US dollars. Then, the Group placed RM71.9 million of its Ringgit holdings into several money market unit trust funds which invest primarily in short-term money market instruments and/or placement in short-term deposits. They are relatively liquid and generally can be redeemed within a day. In hindsight, the move to acquire US dollars benefited the Group as the Ringgit had weakened from USD1:RM4.077 at the beginning of September to USD1:RM4.486 at the end of December. However, global financial markets remained highly volatile entering into 2017, and the situation with the Ringgit and US Dollar could also reverse just as quickly.

While these moves are necessary to safeguard the Group's interests and are part of the Group's treasury activities, the focus of the Board and management is still on identifying new strategic investments which can contribute to the future growth of the Group. To be able to capitalise on any opportunities as and when they arise without sacrificing unduly on the Group's returns on its reserves, the Group will need to maintain an appropriate mix of long and short term investments and cash. In addition, on 22 February 2016, the Board had announced the discontinuation of the Company's dividend policy to retain cash to fund new acquisitions.

FUTURE PLANS AND PROSPECTS

The Board and management will endeavour to identify and evaluate new investments into businesses or companies which can contribute to the financial performance of the Group. Pending such investments to materialise, the Group's future prospects will depend primarily on the performance of its associates, 104 Corporation and Innity Corporation Berhad. Future prospects will also depend upon investment income from dividends, interest and distributions from the money market unit trust funds and its operating activities namely the provision of consultancy services in our Japan subsidiary and the rental income from its properties in Kuala Lumpur and Johor.

STATEMENT OF CORPORATE GOVERNANCE

The Board of Directors ("the Board") is fully committed to developing and maintaining high standards of corporate governance by implementing the principles and recommendations of the Malaysian Code on Corporate Governance 2012 ("the Code"). It recognizes that the principles of good corporate governance and business integrity are fundamental to the goals of enhancing shareholder value and protecting the interests of all stakeholders.

The Board is pleased to provide the following statement, which outlines how the Company has applied the principles of the Code during the financial year ended 31 December 2016 and the extent that it has followed the recommendations of the Code, Second Edition of the Corporate Governance Guide issued by Bursa Malaysia Berhad and Paragraph 15.25 of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad, as amended from time to time and any re-enactment thereof.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

1.1 Clear functions of the Board and Senior Management

The Board is responsible for the overall performance of the Group by setting goals, policies and targets while Senior Management, led by the Chief Executive Officer ("CEO"), is responsible for managing the day to day running of the Group's business activities as well as the implementation of Board policies and decisions. For the avoidance of doubt, the Board Charter which can be found on the Group's website, contains a section identifying matters reserved for the decision of the Board.

The Board delegates certain responsibilities to the Board Committees to assist in the discharge of its responsibilities. The role of Board Committees is to advise and make recommendations to the Board. Standing committees of the Board include the Nomination Committee, the Audit and Risk Committee (please refer to the Audit and Risk Committee Report set out on pages 30 to 32 of this Annual Report), the Remuneration Committee and the Investment Committee.

1.2 Clear roles and responsibilities

The Board is responsible for establishing the Group's goals and strategic plans, setting targets for Senior Management and monitoring the achievement of those goals and targets. The Board also oversees the process of evaluating the adequacy and effectiveness of the system of internal controls and risk management processes.

The roles and responsibilities of the Board are clearly defined in the Board Charter, which is available on the Group's website. The Board Charter further defines the roles and responsibilities of the Chairman, CEO and various Board Committees.

The Board assumes the following specific duties and responsibilities in discharging their stewardship responsibilities pursuant to the Code:

- Reviewing and adopting a strategic plan of the Group as developed by Senior Management;
- Overseeing and evaluating the conduct of the Group's businesses;
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- Establishing a succession plan including appointing, training, fixing the compensation of and where appropriate, replacing Executive Directors and Senior Management;
- Developing and implementing an investors relations programme or shareholder communication policy;

- Reviewing the adequacy and the integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines; and
- Ensuring that the Group adheres to high standards of ethics and corporate behaviour.

1.3 Code of Ethics

The Board has adopted and implemented a Code of Ethics ("the Code") for Directors of the Company and its subsidiaries. This Code is intended to focus the Board and each Director on areas of ethical risk, provide guidance to Directors to help them recognise and deal with ethical issues, provide mechanisms to report unethical conduct and help foster a culture of honesty and accountability. The Code establishes a standard of ethical behaviour for Directors based on acceptable belief and values. It also includes guidance on relationship with shareholders, employees, creditors and customers and the standard of conduct with regards to social responsibilities and the environment.

The Board further acknowledges its role in establishing a corporate culture comprising ethical conduct within the Group. Senior management and employees are guided by policies on acceptable conduct and ethics contained in the Group's employee handbook.

To enhance corporate governance practices across the Group, a whistle-blowing policy was adopted which provides directors, officers, employees and stakeholders of the Group with an avenue to report suspected improprieties such as illegal or unlawful conduct, contravention of the Group's policies and procedures, acts endangering the health or safety of any individual, public or employee, and any act of concealment of improprieties. The aim of this policy is to encourage the reporting of such matters in good faith, with the confidence that the person filing the report, to the extent possible, be protected from reprisal, victimization, harassment or subsequent discrimination.

Any person who wishes to report a suspected impropriety may submit his/her report to the Audit and Risk Committee via jcbwhistle@gmail.com. This is a secure email address accessible only by the Audit and Risk Committee members.

1.4 Promote sustainability

The Board is aware of the importance of business sustainability and ensures that there is a plan for promoting sustainability in the development of the Group's strategies, by balancing the environmental, social and governance aspects of business with the expectations of its various stakeholders. The need to promote sustainability is enshrined in the Board Charter.

1.5 Access to information and advice

Directors receive a set of Board papers at least one week prior to each Board meeting. This is to enable the Board to study matters to be discussed and obtain further explanations, where necessary, before the meeting. Directors also have full access, whether as full Board or in their individual capacity, to all information and Senior Management within the Group including that relating to financial, operational and technology matters

As provided in the Board Charter, Directors are entitled to obtain independent professional advice, whether as full Board or in their individual capacity, where necessary, in the furtherance of their duties and at the Group's expense. The procedure to seek the Board's approval for such independent professional advice is specified in the Board Charter.

1.6 Qualified and competent Company Secretaries

The Board has direct access to the advice and the services of the Company Secretaries who are responsible for ensuring that Board procedures are followed. The Board is satisfied that the current Company Secretaries are suitably qualified and competent to carry out their duties to ensure effective functioning of the Board. The removal and appointment of a successor, as permitted under their terms of appointment, is a matter for the Board to decide. The Company

Secretaries ensures that all Board meetings are properly convened and that accurate and proper records of the deliberations, proceedings and resolutions passed are recorded and maintained in the statutory register at the registered office of the Company.

1.7 Board Charter

The Board has formalised a Board Charter which serves as a source of reference for Directors. This Board Charter is to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and Senior Management with regards to the role of the Board and its committees, the requirements of Directors in carrying out their stewardship role and in discharging their duties towards the Company as well as the Board's processes and procedures. The Board periodically reviews and updates the Board Charter where appropriate. The Board Charter is published on the Group's website at www.jcbnext.com.

2. STRENGTHEN COMPOSITION

The Board consists of four members, comprising one Independent Non-Executive Chairman, one Executive Director who is also the CEO, one Non-Independent Non-Executive Director and one Independent Non-Executive Director. The Board composition complies with the Listing Requirements which requires that at least two (2) Directors or one-third (1/3) of the Board of the Company, whichever is the higher, to be Independent Directors. There is no individual Director or group of Directors who dominates the Board's decision-making. A brief profile of each Director is presented on pages 5 to 6 of this Annual Report. Collectively, the Board members provide an effective Board with a mix of industry-specific knowledge and broad business, financial, regulatory and technical experience. Furthermore, there is effective check and balance on the Board, with three quarters of the Board members being Non-Executive Directors. The Board is satisfied that the current Board composition fairly reflects the interests of minority shareholders in the Company and provides the appropriate balance and size to govern the Company effectively.

2.1 Nomination Committee

The Nomination Committee comprised of the following members:

Chairman	:	Datuk Ali bin Abdul Kadir *(Independent Non-Executive Chairman)*
Members	:	Teo Koon Hong *(Independent Non Executive Director)*
		Lim Chao Li *(Non-Independent Non-Executive Director) (Appointed on 9 May 2016)*
		Ng Kay Yip *(Non-Independent Non-Executive Director) (Resigned on 9 May 2016)*

The Nomination Committee consists entirely of Non-Executive Directors with the majority being independent. The Committee assists the Board, amongst others, in ensuring that the Board comprises Directors with the appropriate mix of skills and experience, as well as to ensure a proper balance between Executive Directors and Independent Non-Executive Directors. The terms of reference of the Nomination Committee is available on the Group's website.

In accordance with the Company's Articles of Association, all Directors who are appointed by the Board are subject to re-election by shareholders at the first opportunity after their appointment. The Articles also provide that at least one-third of the Board is subject to re-election at regular intervals and at least once in every three years.

The Nomination Committee recommended to the Board on the endorsement of the retiring Director, Datuk Ali bin Abdul Kadir, for re-election at the forthcoming Thirteenth Annual General Meeting ("AGM").

During the financial year under review, one (1) meeting was held and attended by all its members.

A summary of work undertaken by the Nomination Committee during the financial year are as follows:

(i) Reviewed and assessed the performance and effectiveness of the Board and the respective Board Committees as a whole and the respective contributions of each individual Director for the year 2015;
(ii) Proposed to recommend to the Board the re-election/re-appointment of Directors who would be due to retire at the next AGM;
(iii) Assessed the independence of the Independent Non-Executive Directors and to recommend to the Board for Datuk Ali bin Abdul Kadir to continue to act as an Independent Director of the Company;
(iv) Reviewed the training undertaken by individual Directors; and
(v) Reviewed the character, experience, integrity, competence and time commitment of the CEO and Chief Financial Officer to effectively discharge their duties.

2.2 Criteria for recruitment and assessment

The Nomination Committee identifies and recommends to the Board suitable candidates for appointment to the Board and Board Committees. In recommending candidates whether men or women for appointment to the Board, the Nomination Committee assesses the candidates' background, experience, competencies, existing commitments and the ability to contribute and add diversity (including gender diversity) to the Board. While the Board does not have a specific policy on gender diversity, the Nomination Committee acknowledges the need to promote gender diversity in accordance with Recommendation 2.2 of the Code and emphasis will be placed on this in the event that vacancies for directors arise.

On appointment, Non-Executive Directors are briefed on the Group's business and the competitive environments in which it operates. The Company will also arrange for the newly appointed Director to attend the Mandatory Accreditation Programme.

The Nomination Committee is also responsible for assessing on an annual basis, the effectiveness of the Board, its Committees and the contribution of each individual Director including Independent Non-Executive Directors as well as the CEO.

For the financial year ended 31 December 2016, the Nomination Committee performed the following assessments:

(1) Effectiveness of the Board and Board Committees
(2) Self-assessment of character, experience, integrity, competence and time commitment of Board Members and Chief Financial Officer
(3) The Board's mix of skills and experience
(4) Level of independence of Independent Directors
(5) Effectivess of the Audit and Risk Committee

For Board and Board Committee assessments, the criteria include board structure and operation, relationship with management, roles and responsibilities and the role of the Chairman. The criteria for self-assessment covers areas such as contributions to matters discussed, willingness to probe management and personality traits which contribute to the effectiveness of the Board. The independence of Independent Directors were assessed based on the criteria prescribed in the Listing Requirements, relationship or arrangement with any director, officer or major shareholder, if any, and the involvement of immediate family members with the Group.

All assessments and evaluations carried out by Nomination Committee in the discharge of all its functions are properly documented. The annual assessment of the Board for the financial year ended 31 December 2016 was conducted on 27 February 2017. The Nomination Committee was satisfied that the size, structure and composition of the Board remained appropriate and concluded that the Board and Board Committees generally have a good mix of skills, knowledge, experience and professional qualifications required to contribute positively to the Group and was operating in an effective manner and that each Director continued to make effective contributions to the work of the Board.

2.3 Remuneration Committee and Directors' Remuneration

The Remuneration Committee is comprised the following members:

Chairman : Teo Koon Hong *(Independent Non-Executive Director)*
Members : Lim Chao Li *(Non-Independent Non-Executive Director)*
Chang Mun Kee *(Executive Director, Founder & CEO) (Appointed on 9 May 2016)*
Ng Kay Yip *(Non-Independent Non-Executive Director) (Resigned on 9 May 2016)*

The majority of the Remuneration Committee consists of Non-Executive Directors. The Remuneration Committee is responsible for recommending to the Board the remuneration framework for Directors as well as reviewing the remuneration package for Executive Directors and senior management. The policy practiced on Directors' remuneration is to provide the remuneration packages needed to attract, retain and motivate Directors of the quality required to manage the business of the Group and to align the interests of the Directors with those of the shareholders, without paying more than is necessary for this purpose.

None of the Executive Directors participated in any way in determining their individual remuneration. Executive Directors' remuneration is linked to their performance.

The Board as a whole determines the fees for the services of Non-Executive Directors with individual Directors abstaining from decisions in respect of their individual remuneration. In deciding an appropriate level of fees for each Non-Executive Director, the Board will take into consideration the responsibility and time commitments based on the number of expected Board meetings, special meetings and the time required for reading Board and other papers, whether as Independent Directors or otherwise, and the membership and chairmanship of Board Committees.

The Remuneration Committee meets as and when required. For the financial year under review, one (1) meeting was held and was attended by all its members.

Further details of Directors' remuneration are set out below and in Note 17 to the financial statements:

Group	**Executive Directors RM'000**	**Non-Executive Directors RM'000**
Directors' fees	-	225
Salaries	816	-
Bonuses	183	-
Allowances	107	-
Benefits-in-kind	4	
EPF	13	-
Total	**1,123**	**225**

Company	**Executive Directors RM'000**	**Non-Executive Directors RM'000**
Directors' fees	-	225
Salaries	108	-
Bonuses	-	-
Allowances	-	-
Benefits-in-kind	4	
EPF	13	-
Total	**125**	**225**

The number of Directors whose total remuneration fell within specified bands were as follows:

Range of Remuneration	**No. of Directors**	
	Executive	**Non-Executive**
< RM50,000	-	-
RM 50,001 – RM 100,000	-	3
RM 1,100,001 – RM 1,150,000	1	-
Total	**1**	**3**

The Board has chosen to disclose the remuneration in bands pursuant to the Listing Requirements as separate and detailed disclosures of individual director's remuneration will not add significantly to the understanding and evaluation of the Company's governance.

3. REINFORCE INDEPENDENCE

The Independent Non-Executive Directors on the Board are of sufficient caliber and experience to bring objectivity, balance and independent judgment to Board decisions. They constitute half of the membership of the Board. This helps to ensure that the highest standards of corporate governance, ethical conduct and integrity are maintained by the Company to the benefit of all stakeholders.

The Independent Non-Executive Directors are not employees and they do not participate in the day-to-day running of the Group. They bring an external perspective, constructively challenge and advise on strategic planning, monitor the performance of Senior Management in meeting approved goals and objectives, and monitor the risk profile of the Group's business and the reporting of quarterly business performances.

3.1 Annual assessment of independence

The Board assesses the independence of the Independent Directors on an annual basis by taking into account the individual Director's ability to exercise independent judgment at all times and based on the criteria set out in the Listing Requirements.

Based on the assessment carried out on 27 February 2017 for the financial year ended 31 December 2016, the Board is satisfied with the level of independence demonstrated by the Independent Directors, namely Datuk Ali bin Abdul Kadir and Teo Koon Hong, and their ability to act in the best interest of the Group.

3.2 Tenure of Independent Directors

The Nomination Committee noted Recommendation 3.2 of the Code which states that the tenure of an independent director should not exceed a cumulative term of nine years and upon completion of the nine years, an independent director may continue to serve on the board subject to the director's re-designation as a non-independent director. In addition, Recommendation 3.3 of the Code states that the board must justify and seek shareholders' approval in the event it retains as an independent director, a person who has served in that capacity for more than nine years. Datuk Ali bin Abdul Kadir has served as an Independent Non-Executive Director on the Board since 2004. The Nomination Committee, having conducted the performance evaluation and assessment of Datuk Ali bin Abdul Kadir, was satisfied that he has met the independence guidelines as set out in the Listing Requirements and that his objective judgments have not been compromised by his long tenure on the Board. At the AGM held on 30 May 2016, the Board has sought and the shareholders have given their approval for the retention of Datuk Ali bin Abdul Kadir as an Independent Non-Executive Director of the Company until the conclusion of the next AGM. The Board will seek shareholders' approval at the forthcoming AGM for the retention of Datuk Ali bin Abdul Kadir as an Independent Non-Executive Director of the Company until the conclusion of the next AGM.

3.3 Separation of the Chairman and CEO roles

The Board recognises the importance of having a clearly accepted division of power and responsibilities. The Chairman and CEO roles are undertaken by separate persons. The Chairman's role is helmed by Datuk Ali bin Abdul Kadir, an Independent Non-Executive Director.

The responsibilities of the Chairman and the CEO are clearly divided in accordance with the requirements of the Code. The Chairman is responsible for running the Board and ensuring that all Directors receive sufficient information to enable them to participate actively in Board decisions. Datuk Ali bin Abdul Kadir is also the Senior Independent Non-Executive Director designated to clarify matters or enquiries that may be raised by shareholders or investors. Executive management is led by Chang Mun Kee as the CEO who is responsible for the day to day management of the business as well as the implementation of Board policies and decisions.

4. FOSTER COMMITMENT

4.1 Time commitment

Directors are expected to give sufficient time and attention to carry out their responsibilities. The Board charter sets out a policy where a director shall notify the Chairman officially before accepting any new directorships in other companies and the notification shall explain the expectation and an indication of time commitment that will be spent on the new appointments.

Based on the assessment carried out on 27 February 2017 for the financial year ended 31 December 2016, the Board is satisfied with the level of commitment demonstrated by individual Board members.

The Board ordinarily plans at least four scheduled meetings annually, with additional meetings to be held, as and when necessary. The Board met five (5) times for the financial year ended 31 December 2016 and the summary of attendance at the Board Meetings held was as follows:

	Number of Board Meetings	
Directors	**Held**	**Attended**
Datuk Ali bin Abdul Kadir (Chairman)	5	5
Teo Koon Hong	5	5
Chang Mun Kee	5	5
Lim Chao Li	5	5
Ng Kay Yip (resigned on 9 May 2016)	1	1

The Board receives documents on matters requiring its consideration prior to each meeting. The Board papers are comprehensive and encompasses both quantitative and qualitative factors so that informed decisions are made. All proceedings of the Board meetings are duly minuted and signed by the Chairman of the meeting. Representatives of senior management and external advisors are invited to attend the Board meetings to present the relevant agenda items.

4.2 Directors' training

All Directors have attended and completed the Mandatory Accreditation Programme (MAP) conducted by Bursatra Sdn Bhd in compliance with the Listing Requirements.

In addition, during the financial year under review, all Directors attended various forums, programmes, workshops and seminars as follows:-

1. ACE Listing Requirements & Financial Statements by Privasia Technology Berhad
2. Companies Act Updates by Enra Group Berhad
3. Anti Money Laundering training by Citibank
4. Liquity & Shariah training by Citibank
5. ICG Credit Risk Management Overview by Citibank
6. Market Risk training by Citibank
7. The Labuan International Finance Lecture Series by the Labuan Financial Services Authority
8. Wharton Global Conference
9. Construction Industry Development Board Course – Extension of Time
10. SIDC Capital Market Director Programme – Module 4: Current and Emerging Regulatory Issues in the Capital Market
11. Companies Act 2016: Overview by Christopher & Lee Ong organized by JcbNext Berhad
12. Genius of Warren Buffett
13. Board of Directors Training: Corporate M&A by 104 Corporation

The Directors are also encouraged to attend other training programmes as may be prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities") from time to time to enable them to discharge their responsibilities as directors more effectively.

5. UPHOLD INTEGRITY IN FINANCIAL REPORTING

5.1 Compliance with applicable financial reporting standards

In presenting the annual audited financial statements and interim financial results, the Board takes responsibility to ensure that these financial statements are drawn up in accordance with regulatory requirements and applicable financial reporting standards in Malaysia.

The Audit and Risk Committee assists the Board in overseeing the Group's financial reporting processes and the quality of its financial reporting.

The Statement by Directors pursuant to Section 169(15) of the Companies Act, 1965 is set out on page 105 of this Annual Report and the Statement explaining the Directors' responsibility for preparing the annual audited financial statements pursuant to paragraph 15.26 (a) of the Listing Requirements is set out below.

5.2 Assessment of suitability and independence of external auditors

The Audit and Risk Committee meets with the external auditors privately without the presence of Executive Directors and management twice a year and whenever necessary, to exchange independent views on matters which require the Audit and Risk Committee's attention.

The Audit and Risk Committee considered the non-audit services provided by the external auditors during the financial year ended 31 December 2016 and concluded that the provision of these services did not compromise the external auditors' independence and objectivity. The amount of fees incurred directly to the external auditors on these non-audit services totalled RM16,000 which was considered insignificant when compared to the total fees paid to the external auditors.

The external auditors have confirmed to the Audit and Risk Committee that they are not aware that their firm, the engagement partner, the engagement quality control reviewer and members of the audit engagement team are not, and have not been, independent for the purpose of the external audit in accordance with the By-Laws of the Malaysian Institute of Accountants.

At the Audit and Risk Committee held on 24 April 2017, the Audit and Risk Committee assessed the suitability and independence of the external auditors and have recommended to the Board to propose to shareholders at the forthcoming AGM the reappointment of the external auditors to hold office for the ensuing year.

6. RECOGNISE AND MANAGE RISK

The Board has overall responsibility of maintaining a system of internal controls, which provides reasonable assurance of effective and efficient operations and compliance with laws and regulations as well as with internal policies and procedures.

The Board recognizes that risks cannot be fully eliminated. As such, the systems, processes and procedures being put in place are aimed at minimizing and managing them and to provide reasonable and not absolute assurance against material misstatement, loss or fraud.

6.1 Risk management framework

The Board through the Audit and Risk Committee has adopted the Enterprise Risk Management Framework to have a common strategic and formal approach to risk management so as to improve decision making, enhance outcomes and accoutability.

The Enterprise Risk Management Framework sets out the Group's risk management strategy, risk profile, risk assessment processes, risk communication and action plans.

A Risk Management Working Committee assists the Audit and Risk Committee and the Board in identifying, mitigating and monitoring critical risks. The Working Committee is responsible for implementing risk management policies and strategies approved by the Board. It monitors and managements the principal risk expsoures by ensuring that necessary steps have been taken to mitigate such risks and recommends actions where necessary. The Working Committee reports to the Audit and Risk Committee on a quarterly basis.

The Statement on Risk Management and Internal Control as set out on pages 33 to 34 of this Annual Report provides an overview of the management of risks and state of internal controls within the Group.

6.2 Internal audit function

The Board acknowledges their responsibility to maintain a system of internal control and risk management. The Board seeks regular assurance on the continuity and effectiveness of the internal control and risk management system through independent review by the internal auditors.

The internal audit function has been outsourced to an external professional firm of consultants who is independent of management and reports directly to the Audit and Risk Committee. The internal audit function provides reasonable assurance that the Group's system of internal control and risk management is satisfactory and operating effectively. The internal auditors adopt a risk-based approach towards the planning and conduct of their audits, and this is consistent with the Group's framework in designing, implementing and monitoring its internal control system.

The activities of the internal auditors during the financial year are set out in the Audit and Risk Committee Report on page 32 of the Annual Report.

7. ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

7.1 Corporate disclosure policy and investor relations

The Group strives to maintain its corporate credibility and instil investor confidence in the Group by practising a structured approach in corporate disclosure and investor relations activities. The Group has formalised a Corporate Disclosure and Investor Relations Policy which sets out the principles of communication and disclosure, handling of material and confidential information, step-by-step disclosure process, various mediums of communication approved by the Board and policies and procedures with regards to the handling of material information, confidential information, rumours and reports and forward-looking information.

As part of the Group's investor relations programme, discussions will be held between senior management and analysts/investors throughout the year. When necessary, presentations based on permissible disclosures are made to explain the Group's performance. Price-sensitive information about the Group is, however, not disclosed in these exchanges until after the prescribed announcement to Bursa Securities has been made.

However, pending any meaningful update to the Group's operations following the sale of the online job portal business to SEEK Asia Investments Pte Ltd in 2014, Management has not conducted any of such meetings and instead, relied on the Company's AGM, website, annual and quarterly reports and announcements made to Bursa Malaysia Securities Berhad as the primary means of communicating with shareholders, investors and analysts.

7.2 Leverage on information technology for effective dissemination of information

The Group's website, www.jcbnext.com, provides an alternative communications avenue, targeted at presenting an overview of the Group's business, management, operations, governance as well as updates on financial performance not just to shareholders but all other stakeholders comprising jobseekers, customers, employees and members of the public. The website is updated continually. In addition, the Group's website provides a facility for shareholders and stakeholders to register themselves to receive email alerts of new information posted on the website.

Shareholders and investors may also forward their queries to the Company via email to ir@jcbnext.com.

8. STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

8.1 Dialogue with shareholders

The Company's annual and extraordinary general meetings provide a vital platform for both private and institutional shareholders to share viewpoints and acquire information on issues relevant to the Group. At the AGM and EGM, shareholders will be encouraged to raise questions on the resolutions being proposed or on the Group's business operations in general.

8.2 Encourage shareholder participation at general meetings

The Annual Report which contains the Notice of AGM is sent to shareholders at least twenty-one days before the meeting. The Notice of AGM, which sets out the business to be transacted at the AGM, is also published in a major local newspaper. Items of special business included in the Notice of AGM will be accompanied by an explanation of the proposed resolutions.

At each meeting, the Board will be obliged to address any questions and concerns raised by shareholders in respect of the matters listed in the Notice of AGM.

8.3 Poll voting

Pursuant to Paragraph 8.29A of the Listing Requirements, all resolutions set out in the notice of any general meeting held on or after 1 July 2016 shall be voted by poll. An independent scrutineer shall be appointed to undertake the polling process. In satisfaction of this requirement, all resolutions at the forthcoming AGM shall be voted by poll.

8.4 Effective communication and proactive engagement

In maintaining its commitment to effective communication with shareholders, the Group adopts the practice of comprehensive, timely and continuing disclosures of information to shareholders as well as the general investing public.

The Company's investor relations function endeavors to conduct regular dialogues and discussions with fund managers, financial analysts, shareholders and media. These meetings provide these stakeholders with ongoing updates on the Group's activities to better understand the business and strategic direction of the Group. However, pending any meaningful update to the Group's operations following the sale of the online job portal business to SEEK Asia Investments Pte Ltd in 2014, Management has not conducted any of such meetings and instead, relied on the Company's AGM, website, annual and quarterly reports and announcements made to Bursa Malaysia Securities Berhad as the primary means of communicating with shareholders, investors and analysts.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act, 1965 to prepare financial statements which give a true and fair view of the state of affairs of the Group and of the Company as at the end of each financial year and of the results and cash flows of the Group and of the Company for the financial year then ended. The Directors ensure that suitable accounting policies have been used and applied consistently, and that reasonable and prudent judgments and estimates have been made, in the preparation of the financial statements. The Directors also ensure that applicable approved accounting standards have been followed. The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Companies Act, 1965.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Listing Requirements.

Audit and Non-Audit Fees

The amount of audit fees and non-audit fees paid or payable to the Company's external auditors by the Group and the Company for the financial year 2016 are as follows:

	Group RM	Company RM
Audit fees	94,500	86,500
Non-audit fees	133,968[1]	133,968[1]
Total	228,468	220,468

[1] Included a payment of RM112,791 to an overseas affiliate of the Company's external auditors for tax services in relation to the Group's investment in 104 Corporation for the financial years 2011 to 2014.

Material Contracts

During the financial year under review, there were no material contracts (not being contracts entered into in the ordinary course of business) or loans entered into by the Company and its subsidiaries which involved Directors' or major shareholders' interests which were still subsisting at the end of the financial year under review or which were entered into since the end of the previous financial period.

Recurrent Related Party Transactions

At the 12th AGM of the Company held on 30 May 2016, the Company had obtained the approval of the shareholders for a mandate to allow the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature, which are necessary for its day-to-day operations and in the ordinary course of business ("RRPTs"), with related parties.

The said mandate is effective from 30 May 2016 until the conclusion of the forthcoming AGM of the Company.

In accordance with Paragraph 3.1.5 of Practice Note No. 12 of the Listing Requirements, details of the RRPTs transacted during the financial year ended 31 December 2016 pursuant to the said mandate are as follows:

Companies within JCB Group transacting with related parties	**Nature of transactions**	**Related party[1]**	**Actual Value Transacted (RM)**
JCB	Provision of accounting related services by JMY to JCB	JMY	92,114
JCB	Provision of legal and regulatory, corporate secretarial, treasury, tax, risk management, Information Technology ("IT"), Human Resources ("HR") and sales support services by JSS to JCB	JSS	54,389
JcbNext Pte Ltd (f.k.a. Enerpro Pte Ltd)	Sharing of office space & utilities at 10 Anson Road #05-20 International Plaza, Singapore 079903 to Enerpro based on headcount, payable monthly	JSG	128,813
JCB	Rental of office space measuring 16,416⌖ square feet at Wisma JobStreet.com, No. 27 Lorong Medan Tuanku 1, 50300 Kuala Lumpur, to JSS, payable monthly	JSS	713,670
JCB	Rental of office space measuring 10,400 square feet at Wisma JobStreet.com, No. 27 Lorong Medan Tuanku 1, 50300 Kuala Lumpur to JMY payable monthly; rental of shoplot at 19, Jalan Sasa 3, Taman Gaya, 81800 Ulu Tiram, Johor Darul Takzim, to JMY payable monthly; and granting of naming rights to Wisma JobStreet.com to JMY payable monthly	JMY	607,200
JCB	Rental of office space measuring 174 square feet at Wisma JobStreet.com, No. 27 Lorong Medan Tuanku 1, 50300 Kuala Lumpur, to JRS payable monthly	JRS	7,320
JCB	70% of revenues generated from sales of Direct and Learning products shall be payable by JCB to JSG. Direct refers to banner advertisements on JobStreet.com website and Learning refers to online advertisements to advertise training courses on JobStreet.com website. The payment is for the use of JSG's website, systems and intellectual property.	JSG	223,420

[1] JobStreet.com Pte Ltd ("JSG"), JobStreet.com Sdn Bhd ("JMY"), JobStreet.com Shared Services Sdn Bhd ("JSS"), JS Recruitment Solutions Sdn Bhd ("JRS") (collectively, the "JobStreet group") were previously subsidiaries of the Company which have been sold to SEEK Asia Investments Pte Ltd ("SEEK Asia") in 2014. SEEK Asia is controlled by SEEK International Pty Ltd which was a major shareholder of the Company with an equity interest of 20.17% until 25 November 2016 when it sold its entire equity interest in the Company to Chang Mun Kee.

At the forthcoming AGM, the Company will not be seeking the approval of the shareholders of the Company for mandate on the renewal of recurrent related party transactions of a revenue or trading nature pursuant to the cessation of SEEK International Investment Pty Ltd as a substantial shareholder of the Company on 25 November 2016.

AUDIT AND RISK COMMITTEE REPORT

MEMBERSHIP

Chairman : Teo Koon Hong *(Independent Non-Executive Director)*
Members : Datuk Ali bin Abdul Kadir *(Independent Non-Executive Chairman)*
Lim Chao Li *(Non-Independent Non-Executive Director)*

Further information of the members of the Audit and Risk Committee ("ARC") is set out in the Profile of Directors of this Annual Report.

The ARC is in compliance with Paragraphs 15.09 and 15.10 of the Listing Requirements.

MEETINGS

The ARC held six (6) meetings during the financial year. The attendance of the ARC members was as follows: -

Committee Members	Number of meetings attended during ARC Members' tenure in office
Teo Koon Hong (Chairman)	6/6
Datuk Ali bin Abdul Kadir	6/6
Lim Chao Li	6/6

During the financial year, the ARC has met with the external auditors twice without the Executive Board members and management present.

The ARC shall meet at least four (4) times a year and such additional meetings, as the Chairman shall decide in order to fulfil its duties. Upon the request of the external auditors or internal auditors (if any), the Chairman of the ARC shall convene a meeting of the Committee to consider any matters that the auditors believe should be brought to the attention of the Directors or shareholders.

The Company Secretary or other appropriate senior official shall act as Secretary of the ARC and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to committee members prior to each meeting and taking attendance for the ARC meeting. The Secretary shall also be responsible for keeping the minutes of ARC and circulating them to committee members and to the other members of the Board of Directors.

In order to form a quorum for the meeting, the majority of members present must be independent directors. The Chief Financial Officer, the Head of Internal Audit and a representative of the external auditors shall normally attend meetings. Other Board members and employees may attend the ARC Meeting upon the invitation of the Committee. However, at least twice a year the ARC shall meet with the external auditors without executive Board members, management and employees present.

The Company must ensure that other directors and employees attend any particular ARC meeting only at the ARC's invitation, specific to the relevant meeting.

AUTHORITY AND DUTIES OF THE ARC

The ARC is governed by its Terms of Reference, which is available on the Company's website at www.jcbnext.com.

SUMMARY OF WORK DURING THE FINANCIAL YEAR

In respect of the financial year under review, the ARC has carried out the following duties and work activities which are in line with its responsibilities as set out in its Terms of Reference:

1. Financial statements

(a) Reviewed the unaudited quarterly financial reports and year-end audited financial statements before they were presented to the Board for approval;

(b) In its review of the quarterly financial reports, the ARC discussed with Management the financial accounting standards applied, including the judgements exercised in the application of those standards and explanations for significant items and the disclosure thereof; and

(c) In its review of the year-end audited financial statements, the ARC discussed with both Management and the external auditors the financial accounting standards applied, including the judgements exercised in the application of those standards, audit focus areas and disclosures in the financial statements.

2. Matters relating to external audit

(a) Reviewed with the external auditors, the Group's audit plan for the year prior to the commencement of the annual audit, including the audit timetable and coordination with auditors of significant components;

(b) Reviewed the external auditors' audit report and the significant audit findings underlying their report. These were presented once a year by the external auditors upon completion of the year-end audit;

(c) Met with the external auditors without Executive Board members and management present twice, on 22 February 2016 and 28 November 2016, in order to provide the external auditors an avenue to express any concerns they may have, including those relating to their ability to perform their work without restraint or interference;

(d) Evaluated the external auditors' independence and objectivity, as well as their ability to serve the Group in terms of technical competencies and manpower resource sufficiency. Also reviewed the reasonableness of the audit fees charged against the size and complexity of the Group; and

(e) Recommended to the Board to propose to shareholders the reappointment of the external auditors at the Annual General Meeting of the Company.

3. Matters relating to internal audit

(a) Reviewed the adequacy of the scope, function, competency and resources of the internal audit function;

(b) Reviewed and deliberated on the internal audit reports prepared by the internal auditors, including recommendations for corrective actions, management's response and actions taken to improve the Group's system of internal controls and operating procedures; and

(c) Met with the internal auditors without Executive Board members and management present once, on 19 April 2016.

4. Matters relating to risk management and internal control

(a) Reviewed the Group's Enterprise Risk Management framework, process and structure; and

(b) Reviewed the risk scorecards, risk ratings and action plans identified by management.

5. Matters relating to related party transactions

(a) Reviewed recurrent related party transactions of a revenue and trading nature of the Company and the adequacy of the Group's procedures in identifying, monitoring, reporting and reviewing related party transactions.

6. Matters relating to corporate governance

(a) Reviewed the Statement of Corporate Governance, ARC Report and the Statement on Risk Management and Internal Control and recommended the same to the Board for approval; and

(b) Reviewed and recommended to the Board the revised Terms of Reference of the ARC for approval.

ARC TRAINING

During the financial year under review, members of the ARC attended training programmes on various subject matters such as regulatory, investment, risk management and other business related programmes to enable them to discharge their responsibilities as members of the ARC more effectively. Details of the training are disclosed in the Statement of Corporate Governance.

INTERNAL AUDIT FUNCTION

The Internal Audit function has been outsourced to PKF Advisory Sdn. Bhd., an external professional firm of consultants. In addition, the ARC has appointed the Chief Executive from PKF Advisory Sdn. Bhd. as the Head of Internal Audit in August 2008. Through discussions with management, the Head of Internal Audit is tasked to lead discussions and work sessions in identifying key risk areas and directing internal audit efforts towards those risk areas, and thereafter report directly to the ARC to preserve the independence of the internal audit function. The appointment of the Head of Internal Audit does not preclude the ARC, Board of Directors and Management from implementing board policies on risk and control. In fulfilling its responsibilities, the ARC, Board of Directors and management identifies and evaluates the risks faced by the Group, and design, operate and monitor a suitable system of internal control which implements the policies adopted by the Board of Directors.

The Head of Internal Audit will be responsible to review and appraise the effectiveness of the risk management, internal control and governance process within the Company. In addition, he will also be responsible to enhance the quality assurance and improvement programme of the internal audit function. The results will be officially presented to the ARC at least once a year.

During the financial year, the consultants have executed internal audit reviews in accordance with the strategic internal audit plan on the following processes:-

a) Best Practices of Corporate Governance Review;

b) Review of the Group's risk and internal control processes; and

c) Review of the Group's fixed asset management, cash and bank, procurement and payment management

Further details of the work of the Internal Audit Function are set out in the Statement on Risk Management and Internal Control of this Annual Report.

During the financial year under review, there were no material internal control failure that would have resulted in any significant loss to the Group.

The total fees incurred in supporting the Internal Audit Function for the financial year amounted to approximately RM36,000.00.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

This statement on risk management and internal control has been prepared in compliance to the Main Market Listing Requirements of Bursa Securities and with reference to the "Statement on Risk Management & Internal Control – Guidelines for Directors of Public Listed Companies" which outlines the processes to be adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control system of the Group.

BOARD RESPONSIBILITIES

The Board recognizes the importance of a sound system of internal control and risk management to safeguard shareholders' investment and the Group's assets. The Board has overall responsibility for the Group's system of risk management and internal control including the establishment of an appropriate control environment as well as reviewing its adequacy and integrity.

However, there are limitations that are inherent in any system of internal control and that such systems are designed to manage and control risks appropriately rather than to eliminate them. Accordingly, internal controls can only provide reasonable and not absolute assurance against material misstatement or loss. Notwithstanding this, the Board requires that the procedures and controls in place are subject to regular review as part of an ongoing process for identifying, evaluating and managing the significant risks faced by the Group.

As part of its review process, the Board will continue taking necessary measures to strengthen its internal control system to address any weaknesses identified.

INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORK

During the year, the Group monitored significant risks and risk mitigation strategies on an ongoing basis through its management and Board meetings. Under the purview of the Chief Executive Officer, the respective head of each operating subsidiary and department of the Group are empowered with the responsibility of managing their respective operations.

In addition, the Audit and Risk Committee constantly reviews and improves on the existing risk management framework for identifying, evaluating and managing significant risks faced by the Group. In view of a constantly evolving environment and competitive landscape, the Board is committed in maintaining a system of internal control and risk management that comprises the following control environment, key processes and monitoring systems:

- Audit and Risk Committee reviews the adequacy and effectiveness of the Group's risk management and internal control procedures as well as any internal control issues identified by the external and internal auditors;
- A risk-mapping and on-going business process review that assists the management to continuously identify significant risks associated with key processes within a changing business and operating environment;
- An annual budgeting process against which performance is monitored on an ongoing basis;
- Quarterly business reports and management accounts are submitted by the respective business units for review by senior management;
- Disaster recovery plans including technical infrastructure monitoring processes to help ensure the risk of system outages is minimized;
- Segregation of duties and limits of authority are practiced to ensure accountability and responsibility;
- Clear, formalised and documented internal policies and procedures are in place to ensure compliance with internal controls and relevant laws and regulations;
- Employee handbook which contains, amongst others, the Company's policies on acceptable conduct and ethics;
- Periodic internal audits which focuses on compliance with policies and procedures and evaluates the effectiveness and efficiency of the Group's internal control system; and
- Whistle-blowing policy which provides directors, officers, employees and stakeholders of the Group with an avenue to report suspected improprieties such as illegal or unlawful conduct, contravention of the Group's policies and procedures, acts endangering the health or safety of any individual, public or employee, and any act of concealment of improprieties.

INTERNAL AUDIT REVIEW

The Audit and Risk Committee is tasked by the Board with the duty of reviewing and monitoring the adequacy and effectiveness of the Group's system of internal control and risk management. In carrying out its responsibilities, the Committee relies on the support of an external professional firm of consultants appointed by the Committee, PKF Advisory Sdn. Bhd., which carries out internal audits on various operating units within the Group. These audits review the internal controls in the key activities of the Group's business based on the detailed internal audit plan approved by the Audit and Risk Committee. Based on these audits, the Internal Auditors provide the Committee with periodic reports highlighting observations, recommendations and management action plans to improve the system of internal control. In addition, subsequent to the year under review, the Internal Auditors performed a review of the Group's risk management and internal control processes and presented its findings and recommendations for improvement to the Audit and Risk Committee. No major deficiencies were noted.

ASSOCIATED COMPANIES AND JOINTLY-CONTROLLED ENTITIES

The Group's system of internal controls does not cover associates and joint venture.

WEAKNESSES IN INTERNAL CONTROLS THAT RESULT IN MATERIAL LOSSES

There were no material losses or contingencies requiring disclosure in the annual report under review as a result from weaknesses in internal control.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Recommended Practice Guide ("RPG") 5 (Revised 2015), *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 December 2016, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

(a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or

(b) is factually inaccurate.

RPG 5 (Revised 2015) does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

CONCLUSION

The Board is satisfied that the system of internal control and risk management that is in place for the year under review and up to the date of approval of this Statement, given the current size of the Group's operations, industry dynamics and competitive landscape, is adequate and effective.

The Board has received written assurances from the CEO and CFO as well as the Head of Internal Audit that the Group's risk management and internal control system is in place and operating adequately and effectively, in all material aspects, based on the risk management approach adopted by the Group.

This statement was approved by the Board of Directors on 25 April 2017.

FINANCIAL STATEMENTS

DIRECTORS' REPORT
for the financial year ended 31 December 2016

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The principal activities of the Company are the provision of interactive marketing services and investment holding, whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

CHANGE OF COMPANY'S NAME

On 1 June 2016, the Company changed its name from JobStreet Corporation Berhad to JcbNext Berhad.

RESULTS

	Group RM	Company RM
Profit for the year attributable to:		
Owners of the Company	11,351,763	6,750,969
Non-controlling interests	62,935	-
	11,414,698	6,750,969

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

DIVIDENDS

Since the end of the previous financial year, the Company declared and paid:

i) a fourth interim single tier dividend of 0.625 sen per ordinary share amounting to RM874,386 in respect of the financial year ended 31 December 2015 on 24 March 2016; and

ii) a final single tier dividend of 1.00 sen per ordinary share amounting to RM1,398,840 in respect of the financial year ended 31 December 2015 on 30 June 2016.

The Directors recommend the payment of a final single tier dividend of 2.00 sen per ordinary share amounting to RM2,797,154 in respect of the financial year ended 31 December 2016. This is computed based on the outstanding issued and paid-up share capital as at 31 December 2016, and subject to the approval of shareholders at the forthcoming Annual General Meeting. The proposed final dividend has not been accounted for in the financial statements.

DIRECTORS OF THE COMPANY

Directors who served since the date of the last report are:

Datuk Ali bin Abdul Kadir
Teo Koon Hong
Lim Chao Li
Chang Mun Kee
Ng Kay Yip (resigned on 9 May 2016)

DIRECTORS' INTERESTS

The interests and deemed interests in the ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests, if any, of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares of RM0.50 each			
	At 1.1.2016	**Bought**	**Sold**	**At 31.12.2016**
Interest in the Company:				
Datuk Ali bin Abdul Kadir	740,000	-	-	740,000
Lim Chao Li	9,713,226	-	(9,213,226)	500,000
Chang Mun Kee	12,920,150	57,093,104	-	70,013,254
Deemed interests in the Company:				
Datuk Ali bin Abdul Kadir	42,000	-	-	42,000
Chang Mun Kee	4,705,000	-	-	4,705,000

The other Director holding office at 31 December 2016 had no interests in the ordinary shares of the Company and of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

ISSUE OF SHARES AND DEBENTURES

There were no changes in the authorised, issued and paid-up capital of the Company during the financial year except as disclosed in the share buy-back note.

There were no debentures issued during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

SHARE BUY-BACK

On 30 May 2016, the shareholders of the Company renewed their approval for the Company to buy-back its own shares. During the financial year, the Company bought back from the open market, 1,000 of its issued ordinary shares of RM0.50 each ("JcbNext Shares") listed on the Main Market of Bursa Malaysia Securities Berhad, at a buy-back price of RM1.78 per ordinary share. The total consideration paid for the share buy-back of JcbNext Shares by the Company during the financial year was RM1,780 and was financed by internally generated funds. As of 31 December 2016, the JcbNext Shares bought back are held as treasury shares in accordance with Section 67A Subsection 3(A)(b) of the Companies Act, 1965.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2016 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Significant event during the financial year is as disclosed in Note 28 to the financial statements.

AUDITORS

The auditors, Messrs KPMG PLT (converted from a conventional partnership, KPMG, on 27 December 2016), have indicated their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

LIM CHAO LI
Director

CHANG MUN KEE
Director

Kuala Lumpur

Date: 25 April 2017

STATEMENTS OF FINANCIAL POSITION
as at 31 December 2016

		Group		Company	
		2016	**2015**	**2016**	**2015**
	Note	**RM**	**RM**	**RM**	**RM**
Assets					
Property and equipment	3	376,152	434,178	360,826	408,468
Investment properties	4	20,188,000	20,188,000	20,188,000	20,188,000
Investments in subsidiaries	5	-	-	-	-
Investments in associates	6	125,164,838	113,855,799	83,744,287	83,744,287
Investment in a joint venture	7	-	-	-	-
Other investments	8	55,800,029	47,120,434	55,577,595	46,907,350
Total non-current assets		201,529,019	181,598,411	159,870,708	151,248,105
Other investments	8	94,379,859	22,748,338	94,379,859	22,748,338
Current tax assets		179,745	459,750	179,745	459,750
Trade and other receivables	10	838,413	797,518	507,871	331,856
Prepayments and other assets		118,887	103,683	86,415	81,015
Cash and cash equivalents	11	36,377,129	101,629,445	35,585,616	101,230,289
Total current assets		131,894,033	125,738,734	130,739,506	124,851,248
Total assets		333,423,052	307,337,145	290,610,214	276,099,353
Equity					
Share capital		70,000,000	70,000,000	70,000,000	70,000,000
Reserves		261,032,519	234,738,895	219,104,987	204,267,907
Total equity attributable to owners of the Company	12	331,032,519	304,738,895	289,104,987	274,267,907
Non-controlling interests		21,519	(38,179)	-	-
Total equity		331,054,038	304,700,716	289,104,987	274,267,907
Liabilities					
Deferred tax liabilities	9	87,220	147,500	87,220	147,500
Total non-current liabilities		87,220	147,500	87,220	147,500
Loan and borrowing	13	160,845	107,578	-	-
Deferred income	14	-	94,000	-	94,000
Trade and other payables	15	2,114,019	2,280,925	1,418,007	1,589,946
Current tax payables		6,930	6,426	-	-
Total current liabilities		2,281,794	2,488,929	1,418,007	1,683,946
Total liabilities		2,369,014	2,636,429	1,505,227	1,831,446
Total equity and liabilities		333,423,052	307,337,145	290,610,214	276,099,353

The notes on pages 49 to 104 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2016

		Group		Company	
		2016	2015	2016	2015
	Note	RM	RM	RM	RM
Continuing operations					
Revenue	16	7,842,864	6,619,085	14,528,772	12,618,437
Other operating income		2,448,797	3,520,623	2,451,581	3,509,694
Contract and outsourcing cost		(808,875)	(116,822)	-	-
Depreciation of property and equipment	3	(132,663)	(271,238)	(122,092)	(265,776)
Rental of office and equipment		(162,969)	(176,204)	(4,269)	(26,071)
Staff costs	18	(4,824,581)	(4,995,858)	(2,685,410)	(2,785,625)
Telecommunication expenses		(26,301)	(36,059)	(8,475)	(16,269)
Travelling expenses		(167,872)	(147,112)	(46,001)	(71,772)
Other operating expenses		(2,348,211)	(3,774,414)	(2,224,573)	(2,676,588)
Results from operating activities		1,820,189	622,001	11,889,533	10,286,030
Interest income		1,401,335	3,228,348	1,681,929	3,211,380
Loss on dilution of interest in an associate		(785,609)	-	-	-
(Loss)/Gain on financial assets classified as fair value through profit or loss		(1,776,857)	420,776	(1,776,857)	420,776
Gain on disposal of investments in quoted shares		-	12,461,609	-	12,461,609
Impairment loss on amounts due from subsidiaries		-	-	(3,119,486)	(3,809,797)
Share of profit of equity accounted associates, net of tax		12,686,117	10,203,045	-	-
Profit before tax	19	13,345,175	26,935,779	8,675,119	22,569,998
Tax expense	20	(1,930,477)	(1,558,513)	(1,924,150)	(1,552,660)
Profit for the year		11,414,698	25,377,266	6,750,969	21,017,338

	Note	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Profit for the year		11,414,698	25,377,266	6,750,969	21,017,338
Other comprehensive income, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Revaluation of property and equipment upon transfer of properties to investment properties		-	5,742,256	-	5,443,353
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		(314,202)	(847,360)	-	-
Fair value of available-for-sale financial assets		10,361,117	14,900,748	10,361,117	14,900,748
Available-for-sale financial assets – reclassified to profit or loss		-	(12,461,609)	-	(12,461,609)
Share of gain of equity-accounted associates		7,166,715	15,852,749	-	-
Total other comprehensive income for the year, net of tax		17,213,630	23,186,784	10,361,117	7,882,492
Total comprehensive income for the year		28,628,328	48,564,050	17,112,086	28,899,830
Profit attributable to:					
Owners of the Company		11,351,763	25,570,546	6,750,969	21,017,338
Non-controlling interests		62,935	(193,280)	-	-
Profit for the year		11,414,698	25,377,266	6,750,969	21,017,338
Basic earnings per ordinary share based on profit attributable to owners of the Company (sen):	21	8.12	18.27		
Total comprehensive income attributable to:					
Owners of the Company		28,568,630	48,746,362	17,112,086	28,899,830
Non-controlling interests		59,698	(182,312)	-	-
Total comprehensive income for the year		28,628,328	48,564,050	17,112,086	28,899,830

The notes on pages 49 to 104 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
for the year ended 31 December 2016

Group	Note	Share capital RM	Share premium RM	Capital reserve RM	Capital redemption reserve RM	Translation reserve RM	Fair value reserve RM	Revaluation reserve RM	Treasury shares RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
		<---------- Attributable to owners of the Company									---------->		
		<---------- *Non-distributable*							---------->	*Distributable*			
At 1 January 2015		70,795,380	143,419,217	1,479,616	1,788,720	2,034,378	16,011,274	-	(19,383,590)	59,490,926	275,635,921	144,133	275,780,054
Foreign currency translation differences for foreign operations		-	-	-	-	(858,328)	-	-	-	-	(858,328)	10,968	(847,360)
Revaluation of property and equipment upon transfer of properties to investment properties		-	-	-	-	-	-	5,742,256	-	-	5,742,256	-	5,742,256
Fair value of available-for-sale financial assets		-	-	-	-	-	14,900,748	-	-	-	14,900,748	-	14,900,748
Available-for-sale financial assets - reclassified to profit or loss		-	-	-	-	-	(12,461,609)	-	-	-	(12,461,609)	-	(12,461,609)
Share of other comprehensive income of equity-accounted associates		-	-	268,717	-	15,629,976	-	-	-	(45,944)	15,852,749	-	15,852,749
Total other comprehensive income for the year		-	-	268,717	-	14,771,648	2,439,139	5,742,256	-	(45,944)	23,175,816	10,968	23,186,784
Profit for the year		-	-	-	-	-	-	-	-	25,570,546	25,570,546	(193,280)	25,377,266
Total comprehensive income for the year		-	-	268,717	-	14,771,648	2,439,139	5,742,256	-	25,524,602	48,746,362	(182,312)	48,564,050
Contributions by and distributions to owners of the Company													
- Treasury shares acquired	12	-	-	-	-	-	-	-	(219,087)	-	(219,087)	-	(219,087)
- Dividends	22	-	-	-	-	-	-	-	-	(19,424,301)	(19,424,301)	-	(19,424,301)
Total transactions with owners of the Company		-	-	-	-	-	-	-	(219,087)	(19,424,301)	(19,643,388)	-	(19,643,388)
Cancellation of treasury shares	12	(795,380)	(19,383,590)	-	795,380	-	-	-	19,383,590	-	-	-	-
At 31 December 2015		70,000,000	124,035,627	1,748,333	2,584,100	16,806,026	18,450,413	5,742,256	(219,087)	65,591,227	304,738,895	(38,179)	304,700,716
		Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12				

Group	Note	Share capital RM	Share premium RM	Capital reserve RM	Capital redemption reserve RM	Translation reserve RM	Fair value reserve RM	Revaluation reserve RM	Treasury shares RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
		<---- Attributable to owners of the Company									---->		
		<---- *Non-distributable*							---->	*Distributable*			
At 31 December 2015/ 1 January 2016		70,000,000	124,035,627	1,748,333	2,584,100	16,806,026	18,450,413	5,742,256	(219,087)	65,591,227	304,738,895	(38,179)	304,700,716
Foreign currency translation differences for foreign operations		-	-	-	-	(310,965)	-	-	-	-	(310,965)	(3,237)	(314,202)
Fair value of available-for-sale financial assets		-	-	-	-	-	10,361,117	-	-	-	10,361,117	-	10,361,117
Share of other comprehensive income of equity-accounted associates		-	-	188,318	-	6,978,397	-	-	-	-	7,166,715	-	7,166,715
Total other comprehensive income for the year		-	-	188,318	-	6,667,432	10,361,117	-	-	-	17,216,867	(3,237)	17,213,630
Profit for the year		-	-	-	-	-	-	-	-	11,351,763	11,351,763	62,935	11,414,698
Total comprehensive income for the year		-	-	188,318	-	6,667,432	10,361,117	-	-	11,351,763	28,568,630	59,698	28,628,328
Contributions by and distributions to owners of the Company													
- Treasury shares acquired	12	-	-	-	-	-	-	-	(1,780)	-	(1,780)	-	(1,780)
- Dividends	22	-	-	-	-	-	-	-	-	(2,273,226)	(2,273,226)	-	(2,273,226)
Total transactions with owners of the Company		-	-	-	-	-	-	-	(1,780)	(2,273,226)	(2,275,006)	-	(2,275,006)
At 31 December 2016		70,000,000	124,035,627	1,936,651	2,584,100	23,473,458	28,811,530	5,742,256	(220,867)	74,669,764	331,032,519	21,519	331,054,038
		Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12				

The notes on pages 49 to 104 are an integral part of these financial statements.

Company	Note	Share capital RM	Share premium RM	Capital redemption reserve RM	Fair value reserve RM	Revaluation reserve RM	Treasury shares RM	Retained earnings RM	Total equity RM
		<---- Attributable to owners of the Company						---->	
		<---- *Non-distributable*					---->	*Distributable*	
At 1 January 2015		70,795,380	143,419,217	1,788,720	16,011,274	-	(19,383,590)	52,380,464	265,011,465
Revaluation of property and equipment upon transfer of properties to investment properties		-	-	-	-	5,443,353	-	-	5,443,353
Fair value of available-for-sale financial assets		-	-	-	14,900,748	-	-	-	14,900,748
Available-for-sale financial assets – reclassified to profit or loss		-	-	-	(12,461,609)	-	-	-	(12,461,609)
Total other comprehensive income for the year		-	-	-	2,439,139	5,443,353	-	-	7,882,492
Profit for the year		-	-	-	-	-	-	21,017,338	21,017,338
Total comprehensive income for the year		-	-	-	2,439,139	5,443,353	-	21,017,338	28,899,830
Contributions by and distributions to owners of the Company									
- Treasury shares acquired	12	-	-	-	-	-	(219,087)	-	(219,087)
- Dividends	22	-	-	-	-	-	-	(19,424,301)	(19,424,301)
Total transactions with owners of the Company		-	-	-	-	-	(219,087)	(19,424,301)	(19,643,388)
Cancellation of treasury shares		(795,380)	(19,383,590)	795,380	-	-	19,383,590	-	-
At 31 December 2015		70,000,000	124,035,627	2,584,100	18,450,413	5,443,353	(219,087)	53,973,501	274,267,907
		Note 12	Note 12	Note 12	Note 12	Note 12	Note 12		

Company	Note	<------ Attributable to owners of the Company ------							
		<------ *Non-distributable* ------>						***Distributable***	
		Share capital RM	**Share premium RM**	**Capital redemption reserve RM**	**Fair value reserve RM**	**Revaluation reserve RM**	**Treasury shares RM**	**Retained earnings RM**	**Total equity RM**
At 31 December 2015/1 January 2016		70,000,000	124,035,627	2,584,100	18,450,413	5,443,353	(219,087)	53,973,501	274,267,907
Fair value of available-for-sale financial assets		-	-	-	10,361,117	-	-	-	10,361,117
Total other comprehensive income for the year		-	-	-	10,361,117	-	-	-	10,361,117
Profit for the year		-	-	-	-	-	-	6,750,969	6,750,969
Total comprehensive income for the year		-	-	-	10,361,117	-	-	6,750,969	17,112,086
Contributions by and distributions to owners of the Company									
- Treasury shares acquired	12	-	-	-	-	-	(1,780)	-	(1,780)
- Dividends	22	-	-	-	-	-	-	(2,273,226)	(2,273,226)
Total transactions with owners of the Company		-	-	-	-	-	(1,780)	(2,273,226)	(2,275,006)
At 31 December 2016		70,000,000	124,035,627	2,584,100	28,811,530	5,443,353	(220,867)	58,451,244	289,104,987
		Note 12	Note 12	Note 12	Note 12	Note 12	Note 12		

The notes on pages 49 to 104 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
for the year ended 31 December 2016

	Note	Group		Company	
		2016	2015	2016	2015
		RM	RM	RM	RM
Cash flows from operating activities					
Profit before tax		13,345,175	26,935,779	8,675,119	22,569,998
Adjustments for:					
Depreciation of property and equipment	3	132,663	271,238	122,092	265,776
Property and equipment written off		-	1,238	-	-
Gain on disposal of property and equipment		-	(100)	-	-
Share of profit after tax of equity-accounted associates		(12,686,117)	(10,203,045)	-	-
Dividend income		(1,964,756)	(2,337,118)	(9,722,940)	(9,078,742)
Interest income		(1,401,335)	(3,228,348)	(1,681,929)	(3,211,380)
Investment distribution income		(2,208,447)	(607,110)	(2,208,447)	(607,110)
Impairment loss on amounts due from subsidiaries		-	-	3,119,486	3,809,797
Gain on disposal of investments in quoted shares		-	(12,461,609)	-	(12,461,609)
Gain on disposal of subsidiaries, net of transaction cost		-	(1,280,800)	-	-
Loss/(Gain) on financial assets classified as fair value through profit or loss		1,776,857	(420,776)	1,776,857	(420,776)
Loss on dilution of interest in an associate		785,609	-	-	-
Unrealised foreign exchange gain		(3,506,941)	(1,148,622)	(3,506,940)	(1,148,343)
Operating loss before working capital changes		(5,727,292)	(4,479,273)	(3,426,702)	(282,389)
Changes in trade and other receivables		228,223	1,672,457	211,440	(2,069,338)
Changes in prepayments and other assets		(14,483)	169,003	(5,400)	36,076
Changes in deferred income		(94,000)	(73,670)	(94,000)	421
Changes in trade and other payables		(506,902)	(22,919,254)	(171,941)	(21,475,480)
Cash used in operations		(6,114,454)	(25,630,737)	(3,486,603)	(23,790,710)
Income tax paid		(1,710,860)	(2,367,456)	(1,704,425)	(2,360,410)
Interest received		1,401,335	3,228,348	1,681,929	3,211,380
Net cash used in operating activities		(6,423,979)	(24,769,845)	(3,509,099)	(22,939,740)

	Note	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Cash flows from investing activities					
Investment distribution income received		2,208,447	607,110	2,208,447	607,110
Acquisition of other investments		(74,135,655)	(20,819,464)	(74,135,655)	(20,607,110)
Acquisition of property and equipment		(74,450)	(103,747)	(74,450)	(80,810)
Acquisition of treasury shares		(1,780)	(219,087)	(1,780)	(219,087)
Proceeds from disposal of property and equipment		-	100	-	-
Proceeds from disposal of investments in quoted shares		-	19,839,482	-	19,839,482
Proceeds from disposal of other investments		2,418,150	-	2,418,150	-
Disposal of subsidiaries, net of cash disposed		-	1,280,800	-	-
Dividends received from an associate		7,758,184	6,741,624	7,758,184	6,741,624
Dividends received from other investments		1,964,756	2,337,118	1,964,756	2,337,118
Net cash (used in)/generated from investing activities		(59,862,348)	9,663,936	(59,862,348)	8,618,327
Cash flows from financing activities					
Dividends paid to shareholders of the Company		(2,273,226)	(19,424,301)	(2,273,226)	(19,424,301)
Proceeds from short term borrowings		44,829	114,704	-	-
Repayment of borrowings		-	(3,095)	-	-
Net cash used in financing activities		(2,228,397)	(19,312,692)	(2,273,226)	(19,424,301)
Net decrease in cash and cash equivalents		(68,514,724)	(34,418,601)	(65,644,673)	(33,745,714)
Cash and cash equivalents at beginning of the year		101,629,445	135,932,869	101,230,289	134,976,003
Effects of exchange rate fluctuations on cash held		3,262,408	115,177	-	-
Cash and cash equivalents at end of year	(i)	36,377,129	101,629,445	35,585,616	101,230,289

(i) Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Deposits with licensed banks	33,494,831	25,617,580	33,433,286	25,500,000
Cash and bank balances	2,882,298	76,011,865	2,152,330	75,730,289
	36,377,129	101,629,445	35,585,616	101,230,289

The notes on pages 49 to 104 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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

Registered office
Lot 6.05, Level 6
KPMG Tower, 8 First Avenue
Bandar Utama
47800, Petaling Jaya
Selangor Darul Ehsan

Principal place of business
Wisma JobStreet.com
No. 27, Lorong Medan Tuanku 1
(Off Jalan Sultan Ismail)
50300 Kuala Lumpur

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2016 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in associates and a joint venture. The financial statements of the Company as at and for the financial year ended 31 December 2016 do not include other entities.

On 1 June 2016, the Company changed its name from JobStreet Corporation Berhad to JcbNext Berhad.

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.

These financial statements were authorised for issue by the Board of Directors on 25 April 2017.

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The following are accounting standards, amendments and interpretations of MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017

- Amendments to MFRS 12, *Disclosure of Interests in Other Entities (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 107*, Statement of Cash Flows – Disclosure Initiative*
- Amendments to MFRS 112, *Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9*, Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*
- Clarifications to MFRS 15, *Revenue from Contracts with Customers*
- IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 2, *Share-based Payment – Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 4, *Insurance Contracts – Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 140, *Investment Property – Transfers of Investment Property*

1. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (cont'd)

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019
- MFRS 16, *Leases*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed
- Amendments to MFRS 10, *Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, amendments and interpretations:

- from the annual period beginning on 1 January 2017 for those amendments that are effective for annual periods beginning on or after 1 January 2017.

- from the annual period beginning on 1 January 2018 for those accounting standards, amendments and interpretation that are effective for annual periods beginning on or after 1 January 2018, except for amendments to MFRS 2 and 4 which are not applicable to the Group and the Company.

- from the annual period beginning on 1 January 2019 for the accounting standard that is effective for annual periods beginning on or after 1 January 2019.

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company except as mentioned below:

(i) MFRS 15, *Revenue from Contracts with Customers*

MFRS 15 replaces the guidance in MFRS 111, *Construction Contracts*, MFRS 118, *Revenue*, IC Interpretation 13, *Customer Loyalty Programmes*, IC Interpretation 15, *Agreements for Construction of Real Estate*, IC Interpretation 18, *Transfers of Assets from Customers* and IC Interpretation 131, *Revenue - Barter Transactions Involving Advertising Services*.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 15.

(ii) MFRS 9, *Financial Instruments*

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 9.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

1. BASIS OF PREPARATION (CONT'D)

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with Malaysian Financial Reporting Standards ("MFRSs") 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 estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale of distribution. The cost of investment includes transaction costs.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (cont'd)

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Acquisitions of non-controlling interests

The Group accounts all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. 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.

(iv) Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within the Group equity and any resulting gain/loss is recognised directly in equity.

(v) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (cont'd)

(vi) Associates

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

Investments in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses, unless it is considered as held for sale or distribution. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, 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 associate, the carrying amount of that interest including any long-term investments is reduced to zero, 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 associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses. The cost of the investment includes transaction costs.

(vii) Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns.

Joint arrangements are classified and accounted for as follows:

- A joint arrangement is classified as "joint operation" when the Group or the Company has rights to the assets and obligations for the liabilities relating to an arrangement. The Group and the Company account for each of its share of the assets, liabilities and transactions, including its share of those held or incurred jointly with the other investors, in relation to the joint operation.

- A joint arrangement is classified as "joint venture" when the Group has rights only to the net assets of the arrangements. The Group accounts for its interest in the joint venture using the equity method. Investments in joint venture are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale of distribution. The cost of investment includes transaction costs.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (cont'd)

(viii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit and loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(ix) Transactions eliminated on consolidation

Intra-group balances and transactions, 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 associates and joint venture associates are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(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 transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those 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 profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments which are recognised in other comprehensive income.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the translation reserve in equity.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Foreign currency (cont'd)

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

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period, except for goodwill and fair value adjustments arising from business combinations before 1 January 2012 (the date when the Group first adopted MFRS) which are treated as assets and liabilities of the Company. The income and expenses of foreign operations, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the translation reserve in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(c) Financial instruments

(i) Initial recognition and measurement

A financial asset or financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

(a) Financial assets at fair value through profit or loss

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination or financial assets that are specifically designated into this category upon initial recognition.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Financial instruments (cont'd)

(ii) Financial instrument categories and subsequent measurement (cont'd)

Financial assets (cont'd)

(a) Financial assets at fair value through profit or loss (cont'd)

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(b) Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

(c) Available-for-sale financial assets

Available-for-sale category comprises investment in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss.

On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment (see Note 2(h)(i)).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination or financial liabilities that are specifically designated into this category upon initial recognition.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Financial instruments (cont'd)

(ii) Financial instrument categories and subsequent measurement (cont'd)

Financial liabilities (cont'd)

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments that do not have a quoted price in an active market for identical instruments whose fair values otherwise cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(iii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Fair value arising from financial guarantee contracts are classified as deferred income and is amortised to profit or loss using a straight-line method over the contractual period or, when there is no specified contractual period, recognised in profit or loss upon discharge of the guarantee. When settlement of a financial guarantee contract becomes probable, an estimate of the obligation is made. If the carrying value of the financial guarantee contract is lower than the obligation, the carrying value is adjusted to the obligation amount and accounted for as a provision.

(iv) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

(a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
(b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

(v) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the control of the asset is not retained or substantially all of the risk and rewards of ownership of the financial assets are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Financial instruments (cont'd)

(v) Derecognition (cont'd)

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the profit or loss.

(d) Property and equipment

(i) Recognition and measurement

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

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour.

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 between knowledgeable willing parties in an arm's length transaction after proper marketing wherein the parties has 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 when available and replacement cost when appropriate.

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.

The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of property and equipment and is recognised net within "other operating income" and "other operating expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component 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 component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Property and equipment (cont'd)

(iii) Depreciation (cont'd)

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property and equipment. Freehold land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Building	50 years
Computers	3 - 4 years
Furniture and fittings	5 - 10 years
Office equipment	3 - 5 years
Renovations	4 - 5 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period, and adjusted as appropriate.

(e) Leased assets

Operating leases

Leases, where the Group or the Company does not assume substantially all the risks and rewards of ownership are classified as operating leases and the leased assets are not recognised on the statement of financial position.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

(f) Investment properties

(i) Investment properties carried at fair value

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured initially at cost and subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise. Where the fair value of the investment property under construction is not reliably determinable, the investment property under construction is measured at cost until either its fair value becomes reliably determinable or construction is complete, whichever is earlier.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Investment properties (cont'd)

(ii) Reclassification to/from investment properties

When an item of property and equipment is transferred to investment properties following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity as a revaluation of property and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

When the use of a property changes such that it is reclassified as property and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

(g) 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 fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short term commitments.

(h) Impairment

(i) Financial assets

All financial assets (except for financial assets categorised as fair value through profit or loss, investments in subsidiaries, investments in associates and investment in a joint venture) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment. If any such objective evidence exists, then the impairment loss of the financial asset is estimated.

An impairment loss in respect of loans and receivables is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Impairment (cont'd)

(i) Financial assets (cont'd)

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

(ii) Other assets

The carrying amounts of other assets (except for deferred tax assets and investment properties measured at fair value) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. 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 or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in the profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the cash-generating unit (groups of cash-generating units) on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period 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 since the last impairment loss was recognised. 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 profit or loss in the financial year in which the reversals are recognised.

(i) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Ordinary shares

Ordinary shares are classified as equity.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Equity instruments (cont'd)

(ii) Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled are classified as treasury shares in the statement of changes in equity.

When treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the share premium account or distributable reserves, or both.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity, and the resulting surplus or deficit on the transaction is presented in share premium.

(j) 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 liability 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.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(k) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(l) Revenue and other income

(i) Services rendered

Revenue is recognised in profit or loss 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Revenue and other income (cont'd)

(ii) Rental income

Rental income from investment properties is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(iii) Dividend and investment distribution income

Dividend and investment distribution income are recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss.

(m) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(n) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the temporary differences that affects neither accounting nor taxable profit or 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 end of the reporting period.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Income tax (cont'd)

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 2(f), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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

(o) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

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, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

(p) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment's operating results are reviewed regularly by the chief operating decision maker, which in this case is the Chief Executive Officer of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(ii) Contingent assets

When an inflow of economic benefits of an asset is probable where it arises from past events and where existence will be confirmed only by the occurrence or the non-occurrence of one or more uncertain future events not wholly within the control of the entity, the asset is not recognised in the statements of financial position but is being disclosed as a contingent asset. When the inflow of economic benefit is virtually certain, then the related asset is recognised.

(r) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial assets, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: unobservable inputs for assets or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfer.

3. PROPERTY AND EQUIPMENT

Group	Note	Freehold land RM	Building RM	Computers RM	Furniture and fittings RM	Office equipment RM	Renovations RM	Total RM
Cost								
At 1 January 2015		9,500,000	4,888,000	348,673	45,719	76,174	1,639,920	16,498,486
Additions		-	-	42,860	-	-	62,000	104,860
Disposals		-	-	(3,203)	-	-	-	(3,203)
Reclassification		-	310,000	-	-	-	(310,000)	-
Transfer to investment properties:								
- Offset of accumulated depreciation		-	(526,756)	-	-	-	-	(526,756)
- Revaluation of properties transferred		5,400,000	616,756	-	-	-	-	6,016,756
- Transfer of carrying amount	4	(14,900,000)	(5,288,000)	-	-	-	-	(20,188,000)
Written off		-	-	(212,021)	(50,816)	(78,553)	-	(341,390)
Exchange difference		-	-	21,462	5,097	7,879	-	34,438
At 31 December 2015/ 1 January 2016		-	-	197,771	-	5,500	1,391,920	1,595,191
Additions		-	-	74,450	-	-	-	74,450
Exchange difference		-	-	459	-	-	-	459
At 31 December 2016		-	-	272,680	-	5,500	1,391,920	1,670,100

3. PROPERTY AND EQUIPMENT (CONT'D)

Group	Freehold land RM	Building RM	Computers RM	Furniture and fittings RM	Office equipment RM	Renovations RM	Total RM
Depreciation							
At 1 January 2015	-	426,929	230,076	44,446	70,680	953,255	1,725,386
Depreciation for the year	-	99,827	18,575	431	1,758	150,647	271,238
Offset of accumulated depreciation on properties transferred to investment properties	-	(526,756)	-	-	-	-	(526,756)
Written off	-	-	(203,259)	(47,045)	(73,615)	-	(323,919)
Exchange difference	-	-	9,502	2,168	3,394	-	15,064
At 31 December 2015/ 1 January 2016	-	-	54,894	-	2,217	1,103,902	1,161,013
Depreciation for the year	-	-	43,636	-	1,099	87,928	132,663
Exchange difference	-	-	272	-	-	-	272
At 31 December 2016	-	-	98,802	-	3,316	1,191,830	1,293,948
Carrying amounts							
At 1 January 2015	9,500,000	4,461,071	118,597	1,273	5,494	686,665	14,773,100
At 31 December 2015/1 January 2016	-	-	142,877	-	3,283	288,018	434,178
At 31 December 2016	-	-	173,878	-	2,184	200,090	376,152

3. PROPERTY AND EQUIPMENT (CONT'D)

Company	Note	Freehold land RM	Building RM	Computers RM	Office equipment RM	Renovations RM	Total RM
Cost							
At 1 January 2015		9,500,000	4,888,000	24,470	4,841	949,988	15,367,299
Additions		-	-	18,810	-	62,000	80,810
Reclassification		-	310,000	-	-	(310,000)	-
Transfer to investment properties:							
- Offset of accumulated depreciation		-	(227,853)	-	-	-	(227,853)
- Revaluation of properties transferred		5,400,000	317,853	-	-	-	5,717,853
- Transfer of carrying amount	4	(14,900,000)	(5,288,000)	-	-	-	(20,188,000)
At 31 December 2015/1 January 2016		-	-	43,280	4,841	701,988	750,109
Additions		-	-	74,450	-	-	74,450
At 31 December 2016		-	-	117,730	4,841	701,988	824,559

3. PROPERTY AND EQUIPMENT (CONT'D)

Company	Freehold land RM	Building RM	Computers RM	Office equipment RM	Renovations RM	Total RM
Depreciation						
At 1 January 2015	-	128,027	4,522	845	170,324	303,718
Depreciation for the year	-	99,826	14,335	968	150,647	265,776
Offset of accumulated depreciation on properties transferred to investment properties	-	(227,853)	-	-	-	(227,853)
At 31 December 2015/1 January 2016	-	-	18,857	1,813	320,971	341,641
Depreciation for the year	-	-	33,196	968	87,928	122,092
At 31 December 2016	-	-	52,053	2,781	408,899	463,733
Carrying amounts						
At 1 January 2015	9,500,000	4,759,973	19,948	3,996	779,664	15,063,581
At 31 December 2015/1 January 2016	-	-	24,423	3,028	381,017	408,468
At 31 December 2016	-	-	65,677	2,060	293,089	360,826

4. INVESTMENT PROPERTIES

	Note	Group and Company 2016 RM	2015 RM
At 1 January		20,188,000	-
Transfer from property and equipment	3	-	20,188,000
At 31 December		20,188,000	20,188,000

Included in the above are:

	Group and Company 2016 RM	2015 RM
At fair value		
Freehold land	14,900,000	14,900,000
Buildings	5,288,000	5,288,000
	20,188,000	20,188,000

Investment properties comprise freehold land and buildings that are leased to a third party who was a related party during the year up to 25 November 2016. In the previous financial year, the freehold land and buildings were transferred from property and equipment (Note 3) to investment properties, since the freehold land and buildings were no longer used by the Group and the Company.

The following are recognised in profit or loss in respect of investment properties:

	Note	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Rental income	16	2,183,216	2,039,354	2,204,937	2,061,074
Direct operating expenses:					
- income generating investment properties		(892,511)	(1,028,126)	(892,511)	(1,028,126)

Fair value information
Fair value of investment properties are categorised as follows:

	2016 Level 3 RM	2015 Level 3 RM
Group and Company		
Freehold land	14,900,000	14,900,000
Buildings	5,288,000	5,288,000
	20,188,000*	20,188,000*

* RM19,800,000 is determined by external and independent property valuers.

Level 3 fair value
The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

4. INVESTMENT PROPERTIES (CONT'D)

Fair value information (cont'd)

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Sales comparison approach: Sales price of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size, age (time factor) and location.	Premium made for differences in: 1) Age (Time factor) = 7.5% - 20.0% 2) Location = (17.5%) – 0.0%	The estimated fair value would increase/(decrease) if premium made for differences in age (time factor) and location was higher/(lower).
Discounted cash flows: The valuation method considers the present value of net cash flows to be generated from the property. The expected net cash flows are discounted using an average yield of shopoffices/medium-rise office buildings in the vicinity of the property.	1) Void periods = 0.5 months per year 2) Risk-adjusted discount rate = 4%	The estimated fair value would increase/(decrease) if void periods were shorter/(longer) or risk-adjusted discount rate were (lower)/higher.

Valuation processes applied by the Group and the Company for Level 3 fair value

The fair value of investment properties is determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The valuation company provides the fair value of the Group and the Company's investment property every twelve months. The fair value of another building is based on the estimates by the Directors.

5. INVESTMENTS IN SUBSIDIARIES

	Company	
	2016 RM	**2015 RM**
At cost	2,144,451	2,144,451
Less: Accumulated impairment losses	(2,144,451)	(2,144,451)
	-	-

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest and voting interest 2016 %	2015 %
Autoworld.com.my Sdn. Bhd.	Malaysia	Automobile online advertising services	100	100
JcbNext Pte. Ltd. (formerly known as Enerpro Pte. Ltd.) *	Singapore	Investment Holding	100	100

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest and voting interest 2016 %	2015 %
JobStreet.com India Pvt. Ltd. **	India	Ceased operations	100	100
JS Overseas Holdings Limited **	British Virgin Islands	Investment Holding	100	100
Greenfield Japan Kabushiki Kaisha **	Japan	Search and selection, staffing and career consultancy	60	60

* Audited by firms of auditors other than KPMG International

** Consolidated using management accounts as there is no legal requirement for the entity to be audited

Non-controlling interests in subsidiaries

The Group does not have any material non-controlling interests ("NCI").

6. INVESTMENTS IN ASSOCIATES

	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
At cost:				
Investments in associates:				
Quoted shares	83,744,287	83,744,287	83,744,287	83,744,287
Share of post-acquisition profits	14,279,805	10,136,065	-	-
Post acquisition foreign exchange translation reserve	25,258,029	18,279,632	-	-
Post acquisition capital reserve	1,882,717	1,695,815	-	-
	125,164,838	113,855,799	83,744,287	83,744,287
Market value:				
Quoted shares in Malaysia	17,988,775	9,360,013	17,988,775	9,360,013
Quoted shares outside Malaysia	148,693,440	139,008,681	148,693,440	139,008,681

6. INVESTMENTS IN ASSOCIATES (CONT'D)

Details of material associates are as follows:

Name of entity	Country of incorporation	Principal activities	Effective ownership interest and voting interest 2016 %	2015 %
Innity Corporation Berhad*	Malaysia	Provider of interactive online marketing platforms and technologies for advertisers and publishers	21.13	21.13
104 Corporation#	Taiwan	Provider of advertising and consultancy services	22.95	23.48

* Audited by firms of auditors other than KPMG International

Audited by other member firms of KPMG International

The following table summarises the information of the Group's material associates, adjusted for any difference in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associates.

Summarised financial information

2016	Innity Corporation Berhad RM	104 Corporation RM
As at 31 December		
Non-current assets	7,377,923	35,461,200
Current assets	62,233,657	285,630,605
Non-current liabilities	(1,044,183)	(622,781)
Current liabilities	(32,659,552)	(101,622,403)
Non-controlling interest	(509,638)	(975,374)
Net assets	35,398,207	217,871,247
Year ended 31 December		
Profit for the year	4,337,059	50,125,736
Other comprehensive income	439,901	30,126,685
Total comprehensive income	4,776,960	80,252,421
Included in comprehensive income is		
Revenue	95,650,853	202,501,618

6. INVESTMENTS IN ASSOCIATES (CONT'D)

Summarised financial information (cont'd)

2016	Innity Corporation Berhad RM	104 Corporation RM	Total RM
Reconciliation of net assets to carrying amount as at 31 December			
Group's share of net assets	7,481,057	50,008,205	57,489,262
Goodwill	4,946,718	47,868,950	52,815,668
Effects of exchange rate fluctuations	-	14,859,908	14,859,908
Carrying amount in the statement of financial position	12,427,775	112,737,063	125,164,838
Group's share of results for the year ended 31 December			
Group's share of profit	916,594	11,769,523	12,686,117
Group's share of comprehensive income	92,969	7,073,746	7,166,715
	1,009,563	18,843,269	19,852,832
Other information			
Dividend received by the Group	-	7,758,184	

2015	Innity Corporation Berhad RM	104 Corporation RM
As at 31 December		
Non-current assets	6,606,711	28,048,570
Current assets	51,686,707	282,646,610
Non-current liabilities	(977,553)	(605,853)
Current liabilities	(26,833,637)	(122,501,494)
Non-controlling interest	139,019	(996,870)
Net assets	30,621,247	186,590,963
Year ended 31 December		
Profit for the year	2,922,216	40,823,951
Other comprehensive income	542,651	67,027,536
Total comprehensive income	3,464,867	107,851,487
Included in comprehensive income is		
Revenue	75,228,286	333,437,341

6. INVESTMENTS IN ASSOCIATES (CONT'D)

Summarised financial information (cont'd)

2015	Innity Corporation Berhad RM	104 Corporation RM	Total RM
Reconciliation of net assets to carrying amount as at 31 December			
Group's share of net assets	6,471,495	43,811,558	50,283,053
Goodwill	4,946,718	47,868,950	52,815,668
Effects of exchange rate fluctuations	-	10,757,078	10,757,078
Carrying amount in the statement of financial position	11,418,213	102,437,586	113,855,799
Group's share of results for the year ended 31 December			
Group's share of profit	617,581	9,585,464	10,203,045
Group's share of comprehensive income	114,684	15,738,065	15,852,749
	732,265	25,323,529	26,055,794
Other information			
Dividend received by the Group	-	6,741,624	

7. INVESTMENT IN A JOINT VENTURE

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
At cost:				
Investment in a joint venture:				
Unquoted shares	3,316,465	3,316,465	3,316,465	3,316,465
Less: Impairment loss	-	-	(3,316,465)	(3,316,465)
Share of post-acquisition profits	(3,155,673)	(3,155,673)	-	-
Post acquisition foreign exchange translation reserve	(160,792)	(160,792)	-	-
	-	-	-	-

JobStreet Recruitment (Thailand) Co., Ltd. ("JobStreet Thailand"), the only joint arrangement in which the Group participates, is principally engaged in online recruitment and human resource management services. JobStreet Thailand is structured as a separate vehicle and provides the Group rights to the net assets of the entity. Accordingly, the Group classified the investment in JobStreet Thailand as a joint venture. JobStreet Thailand has ceased operations.

8. OTHER INVESTMENTS

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Non-current				
Available-for-sale financial assets:				
- Overseas (Quoted shares)	55,548,520	46,907,350	55,548,520	46,907,350
- Overseas (Unquoted shares)	3,838,709	3,649,484	29,075	-
Less: Impairment loss	(3,587,200)	(3,436,400)	-	-
	251,509	213,084	29,075	-
	55,800,029	47,120,434	55,577,595	46,907,350
Current				
Financial assets at fair value through profit or loss - held for trading:				
- Malaysia (Quoted shares)	94,379,859	22,748,338	94,379,859	22,748,338
	150,179,888	69,868,772	149,957,454	69,655,688
Market value of quoted investments	149,928,379	69,655,688	149,928,379	69,655,688

9. DEFERRED TAX ASSETS/(LIABILITIES)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Group and Company	Assets 2016 RM	Assets 2015 RM	Liabilities 2016 RM	Liabilities 2015 RM	Net 2016 RM	Net 2015 RM
Property and equipment	-	-	(8,544)	(7,907)	(8,544)	(7,907)
Investment properties	-	-	(274,500)	(274,500)	(274,500)	(274,500)
Provisions	195,824	134,907	-	-	195,824	134,907
Net tax assets/(liabilities)	195,824	134,907	(283,044)	(282,407)	(87,220)	(147,500)

Movement in temporary differences during the year

Group and Company	At 1.1.2015 RM	Recognised in profit or loss RM (Note 20)	Recognised directly in equity RM (Note 20)	At 31.12.2015/ 1.1.2016 RM	Recognised in profit or loss RM (Note 20)	At 31.12.2016 RM
Property and equipment	-	(7,907)	-	(7,907)	(637)	(8,544)
Investment properties	-	-	(274,500)	(274,500)	-	(274,500)
Provisions	-	134,907	-	134,907	60,917	195,824
	-	127,000	(274,500)	(147,500)	60,280	(87,220)

9. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Unrecognised deferred tax assets

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

	Group	
	2016 RM	2015 RM
Deductible temporary difference	10,000	47,000
Tax losses carry-forward	8,743,000	6,069,000
Unabsorbed capital allowances	22,000	22,000
	8,775,000	6,138,000

The tax losses carry forward and unabsorbed capital allowances do not expire under current tax legislation.

10. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2016 RM	2015 RM	2016 RM	2015 RM
Trade					
Trade receivables		178,308	276,293	76,430	196,019
Non-trade					
Amount due from subsidiaries	a	-	-	11,773,440	8,595,557
Less: Impairment losses		-	-	(11,715,043)	(8,595,557)
		-	-	58,397	-
Other receivables		660,105	521,225	373,044	135,837
		660,105	521,225	431,441	135,837
		838,413	797,518	507,871	331,856

Note a
The amount due from subsidiaries is unsecured, subject to interest at KLIBOR + 1% (2015: KLIBOR + 1%) and repayable on demand.

11. CASH AND CASH EQUIVALENTS

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Deposits with licensed banks	33,494,831	25,617,580	33,433,286	25,500,000
Cash and bank balances	2,882,298	76,011,865	2,152,330	75,730,289
	36,377,129	101,629,445	35,585,616	101,230,289

12. CAPITAL AND RESERVES

Share capital

		Group and Company			
	Note	**Amount 2016 RM**	**Number of shares 2016**	**Amount 2015 RM**	**Number of shares 2015**
Authorised:					
Ordinary shares of RM0.50#					
At 1 January		100,000,000	200,000,000	100,000,000	1,000,000,000
Share consolidation		-	-	-	(800,000,000)
Ordinary shares of RM0.50 At 31 December		100,000,000	200,000,000	100,000,000	200,000,000
Issued and fully paid shares:					
Ordinary shares of RM0.50#					
At 1 January		70,000,000	140,000,000	70,795,380	707,953,800
Cancellation of treasury shares of RM0.10 each		-	-	(795,380)	(7,953,800)
Share consolidation	a	-	-	-	(560,000,000)
Ordinary shares of RM0.50 At 31 December		70,000,000	140,000,000	70,000,000	140,000,000

The ordinary shares as at 1 January 2015 refers to ordinary shares of RM0.10 each.

Note a
On 7 May 2015, the Company completed the consolidation of every five ordinary shares of RM0.10 each into one ordinary share of RM0.50 each. On even date, 700,000,000 ordinary shares of RM0.10 each were consolidated into 140,000,000 ordinary shares of RM0.50 each.

Ordinary shares

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 and rank equally with regard to the Company's residual assets only to the extent of the par value of the shares. In respect of the Company's treasury shares that are held by the Group, all rights are suspended until those shares are reissued.

Share premium

Share premium comprises the premium paid on subscription of shares in the Company over and above the par value of the shares.

Capital reserve

The capital reserve comprises the non-distributable share premium of the associated company.

Capital redemption reserve

The capital redemption reserve arises from the cancellation of treasury shares in accordance with Section 67A of the Companies Act, 1965.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM.

12. CAPITAL AND RESERVES (CONT'D)

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

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.

Revaluation reserve

The revaluation reserve relates to the revaluation of its property and equipment immediately prior to its reclassification as investment properties.

Treasury shares

On 14 April 2015, the Company cancelled 7,953,800 treasury shares held and an amount equivalent to their nominal value was transferred to the capital redemption reserve accordance with the requirement of Section 67A of the Companies Act, 1965. During the financial year, the Company bought back from the open market, 1,000 (2015: 141,300) of its issued ordinary shares of RM0.50 each ("JcbNext Shares") listed on the Main Market of Bursa Malaysia Securities Berhad at an average buy-back price of approximately RM1.78 (2015: RM1.55) per ordinary share. The total consideration paid for the share buy-back of JcbNext Shares by the Company during the financial year was RM1,780 (2015: RM219,087) and was financed by internally generated funds. The JcbNext Shares bought back during the current and preceding financial years amounting to 142,300 JcbNext shares were held as treasury shares in accordance with Section 67A Subsection 3(A)(b) of the Companies Act, 1965.

13. LOAN AND BORROWING

	Group	
	2016	**2015**
	RM	**RM**
Current		
Loan from an associate	160,845	107,578

Loan from an associate is unsecured, interest-free and repayable on demand.

14. DEFERRED INCOME

	Group		Company	
	2016	**2015**	**2016**	**2015**
	RM	**RM**	**RM**	**RM**
Current				
Prepaid services	-	94,000	-	94,000

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

15. TRADE AND OTHER PAYABLES

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Trade				
Trade payables	-	24,706	-	-
Non-trade				
Other payables and accrued expenses	2,114,019	2,256,219	1,418,007	1,589,946
	2,114,019	2,280,925	1,418,007	1,589,946

16. REVENUE

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Services	1,486,445	1,635,503	392,448	871,511
Rental income from investment properties	2,183,216	2,039,354	2,204,937	2,061,074
Dividends from other investments				
- quoted	1,964,756	2,337,118	1,964,756	2,337,118
Dividends from an associate				
- quoted	-	-	7,758,184	6,741,624
Investment distribution income	2,208,447	607,110	2,208,447	607,110
	7,842,864	6,619,085	14,528,772	12,618,437

17. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel compensations are as follows:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Directors				
- Fees	224,833	211,500	224,833	211,500
- Remuneration	1,123,073	1,929,304	124,988	443,520
Total employees' short-term benefits	1,347,906	2,140,804	349,821	655,020
Other key management personnel:				
- Remuneration	2,327,591	3,624,360	1,567,480	2,903,040
	3,675,497	5,765,164	1,917,301	3,558,060

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 Group entities either directly or indirectly.

18. STAFF COSTS

	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Salaries and other employee benefits	4,558,722	4,742,257	2,505,326	2,638,877
Contributions to state plans	265,859	253,601	180,084	146,748
	4,824,581	4,995,858	2,685,410	2,785,625

19. PROFIT BEFORE TAX

	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Profit before tax is arrived at after charging:				
Auditors' remuneration				
- Audit fees				
KPMG Malaysia	94,500	79,000	86,500	70,000
Other auditors	12,741	23,067	-	-
- Non-audit fees				
KPMG Malaysia	16,000	16,000	16,000	16,000
Local affiliates of KPMG Malaysia	5,177	20,600	5,177	20,600
Overseas affiliates of KPMG Malaysia				
- under provision in prior years	112,791	-	112,791	-
Other auditors	2,998	3,036	-	-
Depreciation on property and equipment	132,663	271,238	122,092	265,776
Impairment loss on trade receivables	-	6,071	-	34,510
Impairment loss on amounts due from subsidiaries	-	-	3,119,486	3,809,797
Loss on dilution of interest in an associate	785,609	-	-	-
Loss on disposal of property and equipment	-	1,238	-	-
Net bad debts written off	-	20,958	-	-
Realised foreign exchange loss	1,063,024	15,941	1,055,360	8,758
and after crediting:				
Gain on disposal of investments in quoted shares	-	12,461,609	-	12,461,609
Reversal of impairment loss on trade receivables	63,423	1,643	33,030	-
Unrealised foreign exchange gain	3,506,941	1,148,622	3,506,940	1,148,343
Interest income	1,401,335	3,228,348	1,681,929	3,211,380

20. TAX EXPENSE

Recognised in profit or loss	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Income tax on continuing operations	1,930,477	1,558,513	1,924,150	1,552,660
Current tax expense				
Malaysia - current year	628,601	809,250	628,601	809,250
- prior year	361,168	27,697	361,168	27,707
Overseas - current year	1,000,988	848,566	994,661	842,703
Total current tax recognised in profit or loss	1,990,757	1,685,513	1,984,430	1,679,660
Deferred tax expense				
Reversal of temporary differences	(60,280)	(127,000)	(60,280)	(127,000)
Total tax expense	1,930,477	1,558,513	1,924,150	1,552,660
Reconciliation of tax expense				
Profit for the year	11,414,698	25,377,266	6,750,969	21,017,338
Total tax expense	1,930,477	1,558,513	1,924,150	1,552,660
Share of profit of equity-accounted associates and joint venture, net of tax	(12,686,117)	(10,203,045)	-	-
Adjusted profit before tax	659,058	16,732,734	8,675,119	22,569,998
Tax calculated using Malaysian tax rate of 24% (2015: 25%)	158,174	4,183,184	2,082,028	5,642,499
Effect of tax rates in foreign jurisdictions*	151,562	180,557	-	-
Effect of changes in tax rate	24,271	14,054	9,609	-
Effect of deferred tax assets not recognised	453,833	7,989	-	-
Recognition of previously unrecognised temporary differences	-	-	-	(442,790)
Tax incentives	-	(34,032)	-	(34,032)
Non-taxable income	(1,072,065)	(4,171,660)	(2,934,029)	(5,857,065)
Non-deductible expenses	858,873	508,021	1,410,713	1,373,638
Taxes arising in foreign jurisdictions	994,661	842,703	994,661	842,703
	1,569,309	1,530,816	1,562,982	1,524,953
Under provided in prior year	361,168	27,697	361,168	27,707
Tax expense	1,930,477	1,558,513	1,924,150	1,552,660

* Subsidiaries operate in tax jurisdictions with different tax rates from Malaysia.

20. TAX EXPENSE (CONT'D)

Under the Multimedia Super Corridor ("MSC") status, the Company has been granted pioneer status under the Promotion of Investments Act, 1986 in respect of its internet related services. The income from pioneer activities of the Company is fully exempted from Malaysian income tax for five years from 19 May 2005 to 18 May 2010. The exemption has been extended to 18 May 2015.

Tax recognised directly in equity

	Group and Company	
	2016	**2015**
	RM	**RM**
Deferred tax liabilities arising from revaluation of investment properties (Note 9)	-	274,500

21. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per share at 31 December 2016 was based on the profit attributable to owners of the Company and a weighted average number of ordinary shares outstanding calculated as follows:

	Group	
	2016	**2015**
	RM	**RM**
Profit for the year attributable to owners of the Company	11,351,763	25,570,546
Issued ordinary shares at 1 January	140,000,000	140,000,000
Effect of treasury shares held	(141,882)	(51,076)
Weighted average number of ordinary shares at 31 December	139,858,118	139,948,924

	Group	
	2016	**2015**
Basic earnings per ordinary share (sen)	8.12	18.27

Diluted earnings per ordinary share

No diluted earnings per share is disclosed in the financial statements as there are no dilutive potential ordinary shares.

22. DIVIDENDS

Dividends recognised by the Company are:

	Sen per share	Total amount RM	Date of payment
2016			
Fourth interim 2015 single tier	0.625 per 50 sen share	874,386	24 March 2016
Final 2015 single tier	1.00 per 50 sen share	1,398,840	30 June 2016
Total amount		2,273,226	
2015			
Fourth interim 2014 single tier	1.75 per 10 sen share	12,250,315	27 March 2015
First interim 2015 single tier	0.625 per 50 sen share	875,249	25 June 2015
Final 2014 single tier	3.25 per 50 sen share	4,550,221	23 July 2015
Second interim 2015 single tier	0.625 per 50 sen share	874,121	23 September 2015
Third interim 2015 single tier	0.625 per 50 sen share	874,395	30 December 2015
Total amount		19,424,301	

The Directors recommend the payment of a final single tier dividend of 2.00 sen per ordinary share amounting to RM2,797,154 in respect of the financial year ended 31 December 2016. This is computed based on the outstanding issued and paid-up share capital as at 31 December 2016, and subject to the approval of shareholders at the forthcoming Annual General Meeting. The proposed final dividend has not been accounted for in the financial statements.

23. OPERATING SEGMENTS

The information reported to the Group's chief operating decision maker, who is also the Group's Chief Executive Officer, for the purposes of resource allocation and assessment of performance is segregated according to the following segments:

Investment holding	Includes equity investments, property investments, treasury investments, investment in associates, and property leasing
Others	Includes online advertising and contract staffing

Segment profit

Reporting on segmental profit includes items directly attributable to the segments identified, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer.

Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the Chief Executive Officer. Hence, no disclosure is made on segment liability.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property and equipment, and intangible assets.

23. OPERATING SEGMENTS (CONT'D)

2016	Investment holding RM	Others RM	Eliminations RM	Consolidated RM
Segment revenue				
Revenue from external customers	2,183,216	1,486,445	-	3,669,661
Inter-segment revenue	21,720	-	(21,720)	-
Dividends	9,722,940	-	(7,758,184)	1,964,756
Investment distribution income	2,208,447	-	-	2,208,447
Revenue for the year	14,136,323	1,486,445	(7,779,904)	7,842,864
Segment profit/(loss)				
Operating profit/(loss) for reportable segments	9,631,034	(52,661)	(7,758,184)	1,820,189
Interest income	1,388,409	12,926	-	1,401,335
Loss on financial assets classified as fair value through profit or loss	(1,776,857)	-	-	(1,776,857)
Loss on dilution of interest in an associate	(785,609)	-	-	(785,609)
Impairment loss on amounts due from subsidiaries	(3,119,486)	-	3,119,486	-
Share of profit of equity accounted associates	12,686,117	-	-	12,686,117
Profit before tax	18,023,608	(39,735)	(4,638,698)	13,345,175
Income tax expense	(1,905,249)	(25,228)	-	(1,930,477)
Profit for the year	16,118,359	(64,963)	(4,638,698)	11,414,698

23. OPERATING SEGMENTS (CONT'D)

2016	Investment holding RM	Others RM	Eliminations RM	Consolidated RM
Segment assets	332,574,505	906,944	(58,397)	333,423,052
Included in the measure of segment assets are:				
Investment in associates	125,164,838	-	-	125,164,838
Non-current assets other than financial instruments and deferred tax assets	20,561,497	2,655	-	20,564,152
Additions to non-current assets other than financial instruments and deferred tax assets	74,450	-	-	74,450
Other segment information				
Depreciation of property and equipment	128,475	4,188	-	132,663

23. OPERATING SEGMENTS (CONT'D)

2015	Investment holding RM	Others RM	Eliminations RM	Consolidated RM
Segment revenue				
Revenue from external customers	2,039,354	1,635,503	-	3,674,857
Inter-segment revenue	21,720	-	(21,720)	-
Dividends	9,078,742	-	(6,741,624)	2,337,118
Investment distribution income	607,110	-	-	607,110
Revenue for the year	11,746,926	1,635,503	(6,763,344)	6,619,085
Segment profit/(loss)				
Operating profit/(loss) for reportable segments	8,107,105	(743,481)	(6,741,623)	622,001
Interest income	3,211,380	16,968	-	3,228,348
Gain on financial assets classified as fair value through profit or loss	420,776	-	-	420,776
Gain on disposal of quoted securities	12,461,609	-	-	12,461,609
Impairment loss on amounts due from subsidiaries	(3,809,797)	-	3,809,797	-
Share of profit of equity accounted associates	10,203,045	-	-	10,203,045
Profit before tax	30,594,118	(726,513)	(2,931,826)	26,935,779
Income tax expense	(1,487,653)	(70,860)	-	(1,558,513)
Profit for the year	29,106,465	(797,373)	(2,931,826)	25,377,266

23. OPERATING SEGMENTS (CONT'D)

2015	Investment holding RM	Others RM	Eliminations RM	Consolidated RM
Segment assets	306,395,555	941,590	-	307,337,145
Included in the measure of segment assets are:				
Investment in associates	113,855,799	-	-	113,855,799
Non-current assets other than financial instruments and deferred tax assets	20,615,336	6,842	-	20,622,178
Additions to non-current assets other than financial instruments and deferred tax assets	100,218	4,642	-	104,860
Other segment information				
Depreciation of property and equipment	266,353	4,885	-	271,238

24. FINANCIAL INSTRUMENTS

24.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(a) Loans and receivables ("L&R");
(b) Fair value through profit or loss ("FVTPL") – Held for trading ("HFT");
(c) Available-for-sale financial assets ("AFS"); and
(d) Financial liabilities measured at amortised cost ("FL").

2016	Carrying amount RM	L&R RM	FVTPL -HFT RM	AFS RM
Financial assets				
Group				
Other investments	150,179,888	-	94,379,859	55,800,029
Trade, other receivables and other assets (excluding prepayment)	893,558	893,558	-	-
Cash and cash equivalents	36,377,129	36,377,129	-	-
	187,450,575	37,270,687	94,379,859	55,800,029
Company				
Other investments	149,957,454	-	94,379,859	55,577,595
Trade, other receivables and other assets (excluding prepayment)	539,710	539,710	-	-
Cash and cash equivalents	35,585,616	35,585,616	-	-
	186,082,780	36,125,326	94,379,859	55,577,595

2016	Carrying amount RM	FL RM
Financial liabilities		
Group		
Trade and other payables	(2,114,019)	(2,114,019)
Loan and borrowing	(160,845)	(160,845)
	(2,274,864)	(2,274,864)
Company		
Trade and other payables	(1,418,007)	(1,418,007)

24. FINANCIAL INSTRUMENTS (CONT'D)

24.1 Categories of financial instruments (cont'd)

2015	**Carrying amount RM**	**L&R RM**	**FVTPL -HFT RM**	**AFS RM**
Financial assets				
Group				
Other investments	69,868,772	-	22,748,338	47,120,434
Trade, other receivables and other assets (excluding prepayment)	872,132	872,132	-	-
Cash and cash equivalents	101,629,445	101,629,445	-	-
	172,370,349	102,501,577	22,748,338	47,120,434
Company				
Other investments	69,655,688	-	22,748,338	46,907,350
Trade, other receivables and other assets (excluding prepayment)	390,097	390,097	-	-
Cash and cash equivalents	101,230,289	101,230,289	-	-
	171,276,074	101,620,386	22,748,338	46,907,350

	Carrying amount RM	**FL RM**
2015		
Financial liabilities		
Group		
Trade and other payables	(2,280,925)	(2,280,925)
Loan and borrowing	(107,578)	(107,578)
	(2,388,503)	(2,388,503)
Company		
Trade and other payables	(1,589,946)	(1,589,946)

24. FINANCIAL INSTRUMENTS (CONT'D)

24.2 Net gains and losses arising from financial instruments

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Net (losses)/gains on:				
Fair value through profit or loss:				
- held for trading	(1,776,857)	420,776	(1,776,857)	420,776
Available-for-sale financial assets:				
- recognised in other comprehensive income	10,361,117	2,439,139	10,361,117	2,439,139
- reclassified from equity to profit or loss	-	12,461,609	-	12,461,609
	10,361,117	14,900,748	10,361,117	14,900,748
Loans and receivables	3,908,675	4,297,233	1,047,053	506,658
	12,492,935	19,618,757	9,631,313	15,828,182

24.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

24.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its other investments and receivables from customers. The Company's exposure to credit risk arises principally from its other investments, trade receivables, advances to subsidiaries and financial guarantees given to banks for credit facilities granted to a subsidiary.

Receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

24. FINANCIAL INSTRUMENTS (CONT'D)

24.4 Credit risk (cont'd)

Receivables (cont'd)

Exposure to credit risk and credit quality

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 180 days, which are deemed to have higher credit risk, are monitored individually.

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic region was:

	Group	
	2016	**2015**
	RM	**RM**
Malaysia	82,920	245,006
Others	95,388	31,287
	178,308	276,293

Impairment losses

The Group and Company maintain an ageing analysis in respect of trade receivables only. The ageing of trade receivables as at the end of the reporting period was:

Group	**Gross RM**	**Impairment losses RM**	**Net RM**
2016			
Not past due	101,876	-	101,876
Past due 1 - 30 days	2	-	2
Past due 31 - 180 days	69,430	-	69,430
Past due more than 180 days	13,780	(6,780)	7,000
	185,088	(6,780)	178,308
2015			
Not past due	109,737	-	109,737
Past due 1 - 30 days	39,204	-	39,204
Past due 31 - 180 days	118,943	-	118,943
Past due more than 180 days	78,612	(70,203)	8,409
	346,496	(70,203)	276,293

24. FINANCIAL INSTRUMENTS (CONT'D)

24.4 Credit risk (cont'd)

Receivables (cont'd)

Exposure to credit risk and credit quality (cont'd)

Company	Gross RM	Impairment losses RM	Net RM
2016			
Not past due	-	-	-
Past due 1 - 30 days	-	-	-
Past due 31 - 180 days	69,430	-	69,430
Past due more than 180 days	13,780	(6,780)	7,000
	83,210	(6,780)	76,430
2015			
Not past due	80,176	-	80,176
Past due 1 - 30 days	37,764	-	37,764
Past due 31 - 180 days	78,079	-	78,079
Past due more than 180 days	39,810	(39,810)	-
	235,829	(39,810)	196,019

The movements in the allowance for impairment losses of trade receivables during the financial year were:

	Group		Company	
	2016 RM	**2015 RM**	**2016 RM**	**2015 RM**
At 1 January	70,203	65,775	39,810	5,300
Impairment loss recognised	-	6,071	-	34,510
Impairment loss reversed	(63,423)	(1,643)	(33,030)	-
At 31 December	6,780	70,203	6,780	39,810

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Investments and other financial assets

Risk management objectives, policies and processes for managing the risk

Investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group.

Exposure to credit risk and credit quality

As at the end of the reporting period, the Group has invested in domestic and overseas securities. The maximum exposure to the credit risk is represented by the carrying amounts in the statements of financial position.

In view of the sound credit rating of counterparties, management does not expect any counterparty to fail to meet its obligations.

The investments and other financial assets are unsecured.

24. FINANCIAL INSTRUMENTS (CONT'D)

24.4 Credit risk (cont'd)

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk and credit quality

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

24.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loan and borrowing.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

2016	**Carrying amount RM**	**Contractual interest rate**	**Contractual cash flows RM**	**Within 1 year RM**
Group				
Non-derivative financial liabilities				
Trade and other payables	2,114,019	-	2,114,019	2,114,019
Loan and borrowing	160,845	-	160,845	160,845
	2,274,864		2,274,864	2,274,864
Company				
Non-derivative financial liabilities				
Trade and other payables	1,418,007	-	1,418,007	1,418,007

24. FINANCIAL INSTRUMENTS (CONT'D)

24.5 Liquidity risk (cont'd)

Maturity analysis (cont'd)

2015	**Carrying amount RM**	**Contractual interest rate**	**Contractual cash flows RM**	**Within 1 year RM**
Group				
Non-derivative financial liabilities				
Trade and other payables	2,280,925	-	2,280,925	2,280,925
Loan and borrowing	107,578	-	107,578	107,578
	2,388,503		2,388,503	2,388,503
Company				
Non-derivative financial liabilities				
Trade and other payables	1,589,946	-	1,589,946	1,589,946

24.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices will affect the Group's financial position or cash flows.

24.6.1 Currency risk

The Group is exposed to foreign currency risk on cash that are held in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD") and Hong Kong Dollar ("HKD"). The Group does not hedge its currency risk.

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

	Group		**Company**	
	2016 RM	**2015 RM**	**2016 RM**	**2015 RM**
Cash and cash equivalents held in:				
USD	34,083,575	6,251,302	34,079,182	6,247,003
HKD	6,039	17,038,574	6,039	17,038,574
Exposure in the statement of financial position	34,089,614	23,289,876	34,085,221	23,285,577

Currency risk sensitivity analysis

Foreign currency risk arises from Group entities which have a RM functional currency. The exposure to currency risk of Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

24. FINANCIAL INSTRUMENTS (CONT'D)

24.6 Market risk (cont'd)

24.6.1 Currency risk (cont'd)

Currency risk sensitivity analysis (cont'd)

A 7.5% (2015: 7.5%) strengthening of the RM against the USD and HKD at the end of the reporting period would have decreased pre-tax profit by the amounts shown below. This analysis is based on foreign currency exchange rate variance that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remained constant.

	Group		Company	
	2016 Profit or loss RM	2015 Profit or loss RM	2016 Profit or loss RM	2015 Profit or loss RM
USD	(2,556,268)	(468,848)	(2,555,939)	(468,525)
HKD	(453)	(1,277,893)	(453)	(1,277,893)

A 7.5% (2015: 7.5%) weakening of RM against the USD and HKD at the end of the reporting period would have had equal but opposite effect on the USD and HKD to the amounts shown above, on the basis that all other variables remained constant.

24.6.2 Interest rate risk

The Group's and the Company's exposure to interest rate risk arises from interest-earning assets. The Group does not hedge its interest rate risk. Investment in equity securities and short term receivables and payables are not significantly exposed to interest rate risk.

Deposits are placed with licensed banks with varying maturity dates.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Fixed rate instruments				
Financial assets				
Deposits with licensed banks	33,494,831	25,617,580	33,433,286	25,500,000

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

24. FINANCIAL INSTRUMENTS (CONT'D)

24.6 Market risk (cont'd)

24.6.3 Other price risk

Other price risk arises from the Group's quoted investments.

Risk management objectives, policies and processes for managing the risk

Management of the Group monitors the quoted investments on a portfolio basis. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors.

Equity price risk sensitivity analysis

This analysis assumes that all other variables remain constant and the Group's short term and long term quoted investments moved in correlation with the stock exchange of Malaysia, Singapore and Hong Kong.

A 10% (2015: 10%) strengthening in the abovementioned stock exchanges and financial markets at the end of the reporting period would result in the following impact to equity and profit or loss:

	2016		2015	
	Equity RM	Profit or loss RM	Equity RM	Profit or loss RM
Group				
Long term other investments	5,580,003	-	4,712,043	-
Short term other investments	9,437,986	9,437,986	2,274,834	2,274,834
Company				
Long term other investments	5,557,759	-	4,690,735	-
Short term other investments	9,437,986	9,437,986	2,274,834	2,274,834

A 10% (2015: 10%) weakening in the abovementioned stock exchanges and financial markets would have had equal but opposite effect on equity and profit or loss respectively.

24. FINANCIAL INSTRUMENTS (CONT'D)

24.7 Fair value information

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

It was not practicable to estimate the fair value of the Group's investment in unquoted shares due to the lack of comparable quoted prices in an active market and their fair value cannot be reliably measured.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair value and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
2016	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group										
Financial assets										
Investments in quoted shares	149,928,379	-	-	149,928,379	-	-	-	-	149,928,379	149,928,379
Company										
Financial assets										
Investments in quoted shares	149,928,379	-	-	149,928,379	-	-	-	-	149,928,379	149,928,379

24. FINANCIAL INSTRUMENTS (CONT'D)

24.7 Fair value information (cont'd)

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
2015	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group										
Financial assets										
Investments in quoted shares	69,655,688	-	-	69,655,688	-	-	-	-	69,655,688	69,655,688
Company										
Financial assets										
Investments in quoted shares	69,655,688	-	-	69,655,688	-	-	-	-	69,655,688	69,655,688

24. FINANCIAL INSTRUMENTS (CONT'D)

24.7 Fair value information (cont'd)

24.7.1 Fair value hierarchy

Policy on transfer between levels
The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value
Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value
Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Transfer between Level 1 and Level 2 fair values
There has been no transfer between Level 1 and Level 2 fair values during the financial year (2015: no transfer in either direction).

Level 3 fair value
Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

25. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

26. CAPITAL COMMITMENTS

	Group		Company	
	2016 RM	**2015 RM**	**2016 RM**	**2015 RM**
Investment in unquoted shares				
Contracted but not provided for:	2,212,925	-	2,215,925	-

27. RELATED PARTIES

Identity of related parties

For the purpose of these financial statements, parties are considered to be related or jointly control to the Group if the Group or the Company 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 or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

27. RELATED PARTIES (CONT'D)

Identity of related parties (cont'd)

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group. The key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

The Group has related party relationship with its significant investors, associates, joint venture, subsidiaries and key management personnel.

Significant related party transactions

Related party transactions have been entered into the normal course of business under normal trade terms. The significant related party transactions of the Group and the Company, other than key management personnel compensation (see Note 17), are as follows:

	Transactions value year ended 31 December	
	2016	**2015**
Group and Company	**RM**	**RM**
SEEK International Pty Ltd* Group		
Operational support services	145,772	310,561
Provision of office space and facilities	119,936	65,859
Cost of services sold	223,420	606,522
Rental income	(1,985,659)	(2,039,354)
Management and support services	-	(1,089,309)
Associate		
Sale of services	(6,847)	(77,761)
Company		
Significant investor and its affiliates		
Operational support services	145,772	310,561
Provision of office space and facilities	-	5,388
Cost of services sold	223,420	606,522
Rental income	(1,985,659)	(2,039,354)
Management and support services	-	(1,089,309)
Subsidiaries		
Rental income	(21,720)	(21,720)

* Substantial shareholder of the Company until 25 November 2016

Balances with subsidiaries are as disclosed in Note 10.

28. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 25 November 2016, Chang Mun Kee ("Mark Chang") had acquired 28,205,314 ordinary shares of RM0.50 each in JcbNext Berhad ("JcbNext Shares") representing approximately 20.17% of the issued and paid-up capital of the Company for a total cash consideration of RM33.8 million or RM1.20 per JcbNext Share from SEEK International Pty Ltd, which was effected via a direct business transaction ("First Shares Acquisition").

Following the First Shares Acquisition, the shareholding of Mark Chang in the Company had increased from approximately 21.96% to approximately 42.13%. Mark Chang also has an indirect equity interest of approximately 3.36% in the Company. In addition, the collective shareholding of the Joint Offerors being Mark Chang and Wong Siew Hui and persons acting in concert with them, namely Gregory Charles Poarch, JPOS Trust, Lim Chao Li, Ng Kay Yip, Suresh A/L Thirugnanam and Voyager Assets Limited (collectively, the "PACs"), had increased from approximately 37.96% to approximately 58.13%.

The Company had on 25 November 2016 received a notice of unconditional mandatory take-over offer ("Notice") from AmInvestment Bank Berhad, on behalf of the Joint Offerors in accordance with Section 218(2) of the Capital Markets and Services Act, 2007 and Paragraph 4.01 of the Rules on Take-Overs, Mergers and Compulsory Acquisitions, to acquire all the remaining JcbNext Shares (excluding treasury shares) not already owned by the Joint Offerors and the PACs ("Offer Shares") for a cash offer price of RM1.20 per Offer Share.

On 2 December 2016, Mark Chang had acquired an aggregate of 11,080,000 JcbNext Shares from JG Summit Philippines, Ltd and PT Sinar Mas Multiartha TBK for a total cash consideration of RM13.3 million or RM1.20 per JcbNext share via direct business transactions ("Second Shares Acquisition"). Following the Second Shares Acquisition, the shareholding of Mark Chang in the Company had increased from approximately 42.13% to approximately 50.05% and the collective shareholdings of the Joint Offerors and the PACs had increased from approximately 58.13% to approximately 66.05%.

The unconditional mandatory take-over offer was completed in January 2017 with 226,480 JcbNext shares acquired by Mark Chang pursuant to acceptances of the Offer.

29. SUPPLEMENTARY INFORMATION ON THE BREAKDOWN OF REALISED AND UNREALISED PROFITS OR LOSSES

The breakdown of the retained earnings of the Group and of the Company as at 31 December, into realised and unrealised profits, pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, are as follows:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Total retained earnings of the Company and its subsidiaries				
- realised	32,272,376	32,113,068	55,845,004	53,085,753
- unrealised	2,606,240	887,748	2,606,240	887,748
	34,878,616	33,000,816	58,451,244	53,973,501
Total share of retained earnings of associated companies				
- realised	14,319,364	9,300,863	-	-
- unrealised	(47,550)	(102,411)	-	-
	14,271,814	9,198,452	-	-
Total share of accumulated losses of joint venture				
- realised	(3,155,674)	(3,155,674)	-	-
	45,994,756	39,043,594	58,451,244	53,973,501
Add: Consolidation adjustments	28,675,008	26,547,633	-	-
Total retained earnings	74,669,764	65,591,227	58,451,244	53,973,501

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements,* issued by Malaysian Institute of Accountants on 20 December 2010.

STATEMENT BY DIRECTORS
pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 40 to 103 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2016 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the Directors, the information set out in Note 29 on page 104 to the financial statements has been compiled in accordance with the Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

LIM CHAO LI
Director

CHANG MUN KEE
Director

Kuala Lumpur

Date: 25 April 2017

STATUTORY DECLARATION
pursuant to Section 169(16) of the Companies Act, 1965

I, **Gregory Charles Poarch**, the officer primarily responsible for the financial management of JcbNext Berhad, do solemnly and sincerely declare that the financial statements set out on pages 40 to 104 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Gregory Charles Poarch, NRIC: 651226-91-5027, at Kuala Lumpur in the Federal Territory of Kuala Lumpur on 25 April 2017.

GREGORY CHARLES POARCH

Before me:

Commissioner of Oaths

INDEPENDENT AUDITORS' REPORT

to the members of **JcbNext Berhad** (Formerly known as JobStreet Corporation Berhad)
(Company No. 641378-W) (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JcbNext Berhad (formerly known as JobStreet Corporation Berhad), which comprise the statements of financial position as at 31 December 2016 of the Group and of the Company, the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 40 to 103.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2016, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Investment in an associate

Refer to Note 2(a)(vi) – Significant accounting policies: "Associates" and Note 6 - Investments in associates.

The key audit matter

The Group owns 22.95% in 104 Corporation ("104C"), an associate listed on the Taiwan Stock Exchange. The Group's share of results from this associate for the year ended 31 December 2016 was RM18,843,269 and with carrying amounts of RM112,737,063. This associate has contributed approximately 66% and 34% to the Group's total comprehensive income and total assets respectively which are significant in the context of the consolidated financial statements.

Given that this is a foreign investment, the carrying amount of this investment in the consolidated financial statements which is accounted under equity method is reassessed by applying appropriate adjustments on consolidation for any differences in accounting policies by the management.

Key Audit Matters (cont'd)

The key audit matter (cont'd)

We identified the accounting for the results and the investment in this associate as a key audit matter because of the material impact that the associate has on the consolidated financial statements.

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- We engaged in a continuous communication with 104C auditor throughout the audit to satisfy our requirements under the international auditing standards.
- We instructed the 104C auditor to perform an audit on the financial information and issued instructions to 104C auditor to communicate the overall Group's audit strategy.
- We obtained an understanding of the procedures planned to be performed by the 104C auditor of significant risks identified and considered whether the planned procedures were appropriate for the purpose of the audit of the consolidated financial statements.
- We assessed the adequacy of the work performed by the 104C auditor by inspecting their audit documentation and the consistency of the Group's accounting policies applied.
- We obtained the reporting from 104C auditor and discussed with the auditor on the matters of significance in their audit which could impact the Group's consolidated financial statements.
- We assessed whether the carrying amount of this associate which is accounted under equity method after the adjustments made by the management was prepared in accordance with the Group's accounting policies.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Directors for the Financial Statements (cont'd)

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in note 5 to the financial statements.

Other Reporting Responsibilities

The supplementary information set out in Note 29 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Chong Dee Shiang
Approval Number: 02782/09/2018 J
Chartered Accountant

Date: 25 April 2017

Petaling Jaya, Selangor

LIST OF PROPERTIES

Location	Description	Existing Use	Age of Building (Years)	Built-Up Area (Sq m)	Tenure	Carrying Value as at 31.12.2016 (RM)	Date of Acquisition
Wisma JobStreet.com No. 27, Lorong Medan Tuanku 1, Off Jalan Sultan Ismail, 50300 Kuala Lumpur	8-storey office building with basement	Office	32	3,917	Freehold	19,800,000	6.12.2005
19, Jalan Sasa 3, Taman Gaya, 81800 Ulu Tiram, Johor Darul Takzim	2-storey shop office	Office	9	357	Freehold	388,000	19.5.2006

ANALYSIS OF SHAREHOLDINGS
as at 31 March 2017

Total Number of Issued Shares	:	140,000,000.00*
Class of Share	:	Ordinary shares
Voting Right	:	One vote per ordinary share held

* Inclusive of 143,300 treasury shares

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%#
Less than 100 shares	278	12.92	11,941	0.01
100 – 1,000 shares	706	32.82	403,869	0.29
1,001 – 10,000 shares	835	38.82	3,427,832	2.45
10,001 – 100,000 shares	260	12.09	8,475,455	6.06
100,001 to less than 5% of issued shares#	69	3.21	45,333,963	32.41
5% and above of issued shares	3	0.14	82,203,640	58.78
Total	**2,151**	**100.00**	**139,856,700**	**100.00**

Excludes 143,300 ordinary shares bought back by the Company and held as treasury shares as at 31 March 2017

SUBSTANTIAL SHAREHOLDERS
(As per register of substantial shareholders)

	No. of Shares Held			
Name	**Direct**	**%#**	**Indirect**	**%#**
Chang Mun Kee	70,229,494	50.22	4,705,000*	3.36
Wong Siew Hui	12,200,626	8.72	-	-

* Registered in the name of HSBC Trustee (S) Ltd for Voyager Asset Limited, the trustee of a discretionary trust for estate planning purposes, the beneficiaries of which are members of Mr. Chang Mun Kee's family and himself.

Excludes 143,300 ordinary shares bought back by the Company and held as treasury shares as at 31 March 2017

DIRECTORS' SHAREHOLDINGS

(As per register of directors' shareholdings)

	No. of Shares Held			
Name of Directors	**Direct**	**%#**	**Indirect**	**%#**
Datuk Ali bin Abdul Kadir	740,000	0.53	42,000 *	0.03
Teo Koon Hong	-	-	-	-
Chang Mun Kee	70,229,494	50.22	4,705,000**	3.36
Lim Chao Li	500,000	0.36	-	-

Note : * Deemed interested by virtue of Section 8(4) of the Companies Act 2016.

** Registered in the name of HSBC Trustee (S) Ltd for Voyager Asset Limited, the trustee of a discretionary trust for estate planning purposes, the beneficiaries of which are members of Mr. Chang Mun Kee's family and himself.

Excludes 143,300 ordinary shares bought back by the Company and held as treasury shares as at 31 March 2017

30 LARGEST SHAREHOLDERS

Name		**No. of Shares Held**	**%**
1.	AMSEC Nominees (Tempatan) Sdn Bhd *Ambank (M) Berhad for Chang Mun Kee (5032-1101)*	57,082,864	40.82
2.	Citigroup Nominees (Tempatan) Sdn Bhd *UBS AG Singapore for Chang Mun Kee*	12,920,150	9.24
3.	Wong Siew Hui	12,200,626	8.72
4.	Citigroup Nominees (Asing) Sdn Bhd *PLL for Acacia Partners LP*	4,837,080	3.46
5.	HSBC Nominees (Asing) Sdn Bhd *EXEMPT AN for the Hongkong and Shanghai Banking Corporation Limited (HBAP-SGDIV-ACCL)*	4,705,000	3.36
6.	Suresh A/L Thirugnanam	4,226,164	3.02
7.	HSBC Nominees (Tempatan) Sdn Bhd *Exempt AN for Credit Suisse (SG BR-TST-TEMP)*	3,421,870	2.45
8.	Cartaban Nominees (Asing) Sdn Bhd *BBH (LUX) SCA for Fidelity Funds Asean*	3,031,160	2.17
9.	Lim Kuan Gin	1,428,000	1.02
10.	HSBC Nominees (Asing) Sdn Bhd *Exempt AN for Credit Suisse (SG BR-TST-ASING)*	1,350,000	0.97
11.	Lin Hai Moh @ Lin See Yan	1,340,000	0.96
12.	Yap Swee Hang	1,032,500	0.74
13.	Yeoh Liew Se	1,000,000	0.72

30 LARGEST SHAREHOLDERS (CONT'D)

	Name	No. of Shares Held	%
14.	Lim Gaik Bway @ Lim Chiew Ah	944,800	0.68
15.	Lee Sau Eng	915,600	0.65
16.	Chua Leacy	824,700	0.59
17.	Cartaban Nominees (Asing) Sdn Bhd *BBH (LUX) SCA for Fidelity Funds Malaysia*	711,200	0.51
18.	DB (Malaysia) Nominee (Asing) Sdn Bhd *Exempt AN for Deutsche Bank AG London (Prime Brokerage)*	689,620	0.49
19.	Alliancegroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Yap Swee Hang (100060)*	684,800	0.49
20.	Ng Kay Ian	651,558	0.47
21.	HLIB Nominees (Tempatan) Sdn Bhd *Pledged securities account for Yap Swee Hang (CCTS)*	644,700	0.46
22.	Yap Swee Hang	643,900	0.46
23.	JF Apex Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Lim Gaik Bway @ Lim Chiew Ah (Margin)*	600,000	0.43
24	AmBank (M) Berhad *Pledged Securities Account for Ali bin Abdul Kadir (Smart)*	592,000	0.42
25.	TMF Trustees Malaysia Berhad *JPOS Trust*	506,000	0.36
26.	Lim Chao Li	500,000	0.36
27.	Yeoh Phaik Seok	494,800	0.35
28.	Yap Swee Hang	431,000	0.31
29.	Lim Eng Hock	414,000	0.30
30.	Tay Kok Choon	407,258	0.29

NOTICE OF THIRTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirteenth ("13th") Annual General Meeting of JCBNEXT BERHAD (FORMERLY KNOWN AS JOBSTREET CORPORATION BERHAD) ("JcbNext" or "the Company") will be held and convened at Wilayah 1, 1st Floor, Prescott Hotel Kuala Lumpur – Medan Tuanku, 23 Lorong Medan Tuanku 1, Off Jalan Sultan Ismail, 50300 Kuala Lumpur on Thursday, 29 June 2017 at 11.00 a.m. to transact the following businesses:-

A G E N D A

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors and Auditors thereon.

   (Please refer to Note 1 of the Explanatory Notes)

2. To approve the payment of Final Dividend of 2 sen per ordinary share under single-tier system in respect of the financial year ended 31 December 2016

   Ordinary Resolution 1

3. To approve the increase of Directors' Fees to RM224,833.00 for the financial year ended 31 December 2016 and the payment thereof.

   Ordinary Resolution 2

4. To approve the Directors' Fees up to an aggregate amount of RM300,000.00 per annum for the financial year ending 31 December 2017.

   Ordinary Resolution 3

5. To re-elect Datuk Ali bin Abdul Kadir who is retiring under Article 85 of the Articles of Association of the Company.

   Ordinary Resolution 4

6. To re-appoint Messrs KPMG PLT (converted from a conventional partnership, KPMG, on 27 December 2016) as Auditors of the Company and to authorise the Directors to fix their remuneration.

   Ordinary Resolution 5

As Special Business

To consider and, if thought fit, to pass the following resolutions:

7. Authority to Allot Shares pursuant to Section 76 of the Companies Act 2016

"THAT pursuant to Section 76 of the Companies Act 2016 (the "Act"), the Directors be and are hereby empowered to allot and issue shares in the share capital of the Company at any time until the conclusion of the next AGM, upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issue."

Ordinary Resolution 6

8. Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares of up to 10% of the Issued and Paid-Up Share Capital ("Proposed Share Buy-Back")

"THAT subject to the Act, rules, regulations and orders made pursuant to the Act, provisions of the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and any other relevant authority, the Directors of the Company be and are hereby unconditionally and generally authorised, to the extent permitted by law, to make purchases of ordinary shares comprised in the Company's total number of issued shares, such purchases to be made through Bursa Securities and to take all such steps as necessary (including opening and maintaining of a central depositories account under the Securities Industry (Central Depository) Act, 1991) and enter into any agreements, arrangements, and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any), as may be imposed by the relevant authorities from time to time subject further to the following:

(i) the maximum aggregate number of ordinary shares in the Company ("JcbNext Shares") which may be purchased and/or held by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company, subject to the provisions of the Listing Requirements;

(ii) the maximum funds to be allocated by the Company for the purpose of purchasing the JcbNext Shares under the Proposed Share Buy-Back shall not exceed the retained profits of the Company for the time being. Based on the audited financial statements of the Company for the financial year ended 31 December 2016, the audited retained profits of the Company stood at approximately RM58.45 million;

(iii) the authority conferred by this resolution to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until:

a. the conclusion of the next AGM of the Company, following the general meeting at which this resolution was passed at which time it will lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions but not as to prejudice the completion of purchase by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Act, the rules and regulations made pursuant thereto and the guidelines issued by Bursa Securities and/or any other relevant authority;

b. the expiration of the period within which the next AGM after that date is required by law to be held; or

c. revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company of the JcbNext Shares before the aforesaid expiry date and, made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authority; and

upon the purchase(s) of the JcbNext Shares by the Company, the Directors of the Company be and are hereby authorised to cancel any portion or all of the JcbNext Shares so purchased or to retain the JcbNext Shares so purchased as treasury shares, of which may be distributed as dividends to shareholders, and/or resold on Bursa Securities, and/or subsequently cancelled or to retain part of the JcbNext Shares so purchased as treasury shares and cancel the remainder and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements and any other relevant authority for the time being in force;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to effect the purchase(s) of the JcbNext Shares by the Company with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the said Directors may deem fit and expedient in the best interest of the Company to give effect to and to complete the purchase of the JcbNext Shares."

Ordinary Resolution 7

9. **Authority for Datuk Ali bin Abdul Kadir to continue in office as Independent Non-Executive Director**

"THAT authority be and is hereby given to Datuk Ali Bin Abdul Kadir who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM in accordance with the Malaysian Code on Corporate Governance 2012 ("MCCG 2012")."

Ordinary Resolution 8

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT, subject to the approval of the shareholders at the 13th Annual General Meeting to be held on Thursday, 29 June 2017, a Final Dividend of 2 sen per ordinary share under single-tier system in respect of the financial year ended 31 December 2016 will be paid to shareholders on 27 July 2017. The entitlement date for the said dividend shall be on 11 July 2017.

A Depositor shall qualify for entitlement to the Dividend only in respect of:

(a) Shares transferred into the Depositor's securities account before 4.00 p.m. on 11 July 2017 in respect of the transfers; and

(b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA 7009143)
CHOONG LEE WAH (MAICSA 7019418)
Secretaries

Selangor Darul Ehsan
Date: 28 April 2017

NOTES :

1. A member entitled to attend and vote is entitled to appoint not more than two (2) proxies. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy, failing which the appointment shall be invalid. There shall be no restriction as to the qualification of the proxy.

2. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

3. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's common seal or under the hand of an officer of attorney duly authorised.

4. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the Company's Share

Registrar Office at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

5. In respect of deposited securities, only members whose names appear on the record of Depositors on 22 June 2017 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his behalf.

6. Pursuant to Paragraph 8.29A(1) of the Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of the 13th AGM will be put to vote by way of poll.

EXPLANATORY NOTES ON THE SPECIAL BUSINESS

1. To receive the Audited Financial Statements

Agenda item no. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

2. Ordinary Resolution 6 - Authority to Allot Shares pursuant to Section 76 of the Act

The Company had, during its Twelfth Annual General Meeting ("AGM") held on 30 May 2016, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 76 of the Act. As at the date of this notice, the Company has not issued any shares pursuant to that mandate.

Ordinary Resolution 6 proposed under item 7 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Section 76 of the Act. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total 10% of the total number of issued shares (excluding treasury shares, if any) of the Company for such purposes as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding investment project(s), working capital and/or acquisitions.

3. Ordinary Resolution 7 on the Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares of up to 10% of the Issued and Paid-Up Share Capital

The proposed Ordinary Resolution 7, if passed, will give the Directors of the Company authority to take all such steps as are necessary or expedient to implement, finalise, complete and/or to effect the purchase(s) of JcbNext Shares by the Company as the Directors may deem fit and expedient in the best interest of the Company. The authority will, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM of the Company following the Thirteenth AGM is required by law to be held.

Further information on the Proposed Share Buy-Back is set out in the Share Buy-Back Statement of the Company dated 28 April 2017 which was despatched together with this Annual Report.

4. Ordinary Resolution No. 8 - Authority for Datuk Ali bin Abdul Kadir to continue in office as Independent Non-Executive Director

In respect of Ordinary Resolution 8, in observing the recommendation in relation to the tenure of an Independent Director as prescribed by MCCG 2012, the Board of Directors ("Board") has via the Nomination Committee conducted an annual performance evaluation and assessment of Datuk Ali bin Abdul Kadir, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and recommended him to continue to act as Independent Non-Executive Director of the Company based on the following justifications:-

(i) he has fulfilled the criteria under the definition on Independent Director as stated in the Listing Requirements, and therefore is able to bring independent and objective judgment to the Board;

(ii) he has been with the Company for more than nine (9) years and therefore understands the Company's business operations which enable him to participate actively and contribute during deliberations or discussions at ARC and Board meetings;

(iii) he has contributed sufficient time and efforts and attended all the Committee and Board meetings to ensure informed and balanced decision making;

(iv) he has exercised due care during his tenure as Independent Non-Executive Director of the Company and discharged his professional and fiduciary duties in the best interest of the Company and shareholders; and

(v) the current Independent Directors are strong individuals demonstrating independence. Independence is a result of a Director's state of mind and integrity and not dependent on years of service. The experience of the Independent Directors in the Group is valuable for determining the strategic direction for the continued stability and growth.

Personal data privacy:

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.*

PROXY FORM

JCBNEXT BERHAD (FORMERLY KNOWN AS JOBSTREET CORPORATION BERHAD)

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

CDS Account No.
No. of shares held

I/We, ...NRIC No. / Company No.: ....
of ....
being a member(s) of JCBNEXT BERHAD (FORMERLY KNOWN AS JOBSTREET CORPORATION BERHAD), hereby appoint ....
of ……..
or failing him/her, …...
of ....
or failing him/her, *the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Thirteenth Annual General Meeting of the Company to be held at at Wilayah 1, 1st Floor, Prescott Hotel Kuala Lumpur – Medan Tuanku, 23 Lorong Medan Tuanku 1, Off Jalan Sultan Ismail, 50300 Kuala Lumpur on Thursday, 29 June 2017 at 11.00 a.m. and at any adjournment thereof in respect of my/our shareholding in the manner indicated below:-

** Please delete the words "Chairman of the Meeting" if you wish to appoint some other person to be your proxy.*

No.	Resolution	For	Against
Ordinary Resolution 1	Approval of the payment of Final Dividend of 2 sen per ordinary share under single-tier system in respect of the financial year ended 31 December 2016		
Ordinary Resolution 2	Approval of the Directors' Fees of RM224,833.00 for the financial year ended 31 December 2016 and payment thereof		
Ordinary Resolution 3	Approval of the Directors' Fees up to an aggregate amount of RM300,000.00 per annum for the financial year ending 31 December 2017		
Ordinary Resolution 4	Re-election of Datuk Ali bin Abdul Kadir as Director pursuant to the Article 85 of the Articles of Association of the Company.		
Ordinary Resolution 5	Re-appointment of Messrs KPMG PLT (converted from a conventional partnership, KPMG on 27 December 2016) as Auditors.		
Ordinary Resolution 6	Proposed Renewal of Authority for the Directors to allot and issue shares pursuant to Section 76 of the Companies Act 2016.		
Ordinary Resolution 7	Proposed Renewal of Authority for the Company to Purchase its Own Ordinary Shares		
Ordinary Resolution 8	Authority for Datuk Ali bin Abdul Kadir to continue in office as Independent Non-Executive Director		

[Please indicate with an "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.]

Dated this .... day of .... 2017.

The proportions of my/our holding to be represented by my/our proxies are as follows:

1st proxy		%
2nd proxy		%
TOTAL	100	%

…………………...….
Signature/Common Seal of Shareholder

NOTES :

1. A member entitled to attend and vote is entitled to appoint not more than two (2) proxies. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy, failing which the appointment shall be invalid. There shall be no restriction as to the qualification of the proxy.

2. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

3. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's common seal or under the hand of an officer of attorney duly authorised.

4. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the Company's Share Registrar Office at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

5. In respect of deposited securities, only members whose names appear on the record of Depositors on 22 June 2017 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his behalf.

6. Pursuant to Paragraph 8.29A(1) of the Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of the 13th AGM will be put to vote by way of poll.

Personal Data Privacy:
By submitting an instrument appointing a proxy(ies) and /or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 28 April 2017.

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Stamp

The Share Registrar

JCBNEXT BERHAD (FORMERLY KNOWN AS JOBSTREET CORPORATION BERHAD)

(Company No.: 641378-W)

c/o Boardroom Corporate Services (KL) Sdn Bhd

Lot 6.05, Level 6, KPMG Tower

8 First Avenue

Bandar Utama

47800 Petaling Jaya

Selangor Darul Ehsan

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