



JOBSTREET CORPORATION BERHAD
(Company No.: 641378-W)
Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan

JobStreet corporation berhad
Annual Report 2007
(Company no. 641378-W)



Our Purpose and Mission

Improving Lives Through Better Careers

Our Vision

To be Asia's Talent Bank

We accomplish this through our shared commitment
to the following principles :

Accept only Grade 'A' work

Continuous improvement

Selfless leadership

Managing unlimited needs with limited resources

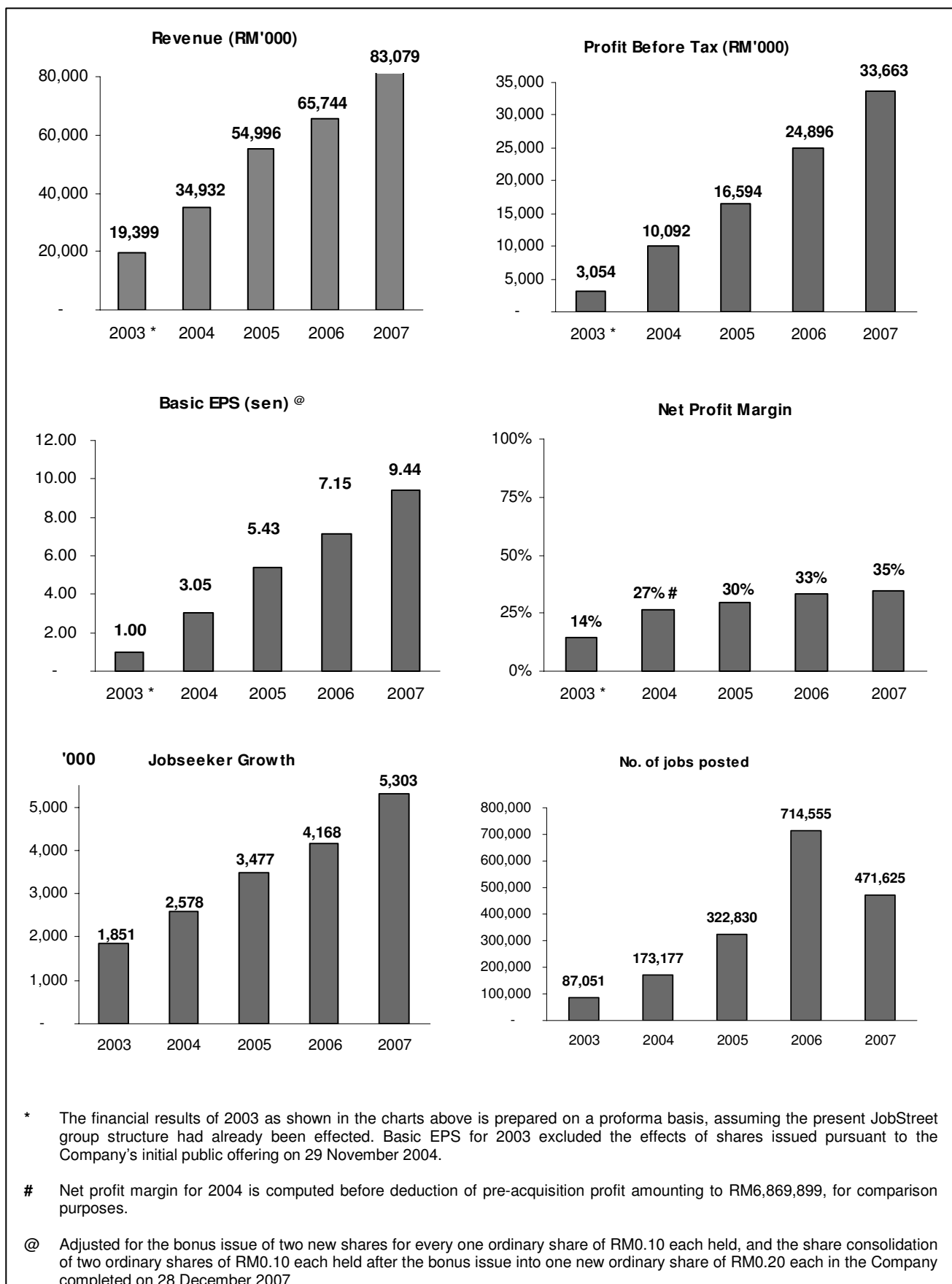
Being direct and upfront with problems

Measuring what we do

CONTENTS

Group Performance Highlights	3
Corporate Information	4
Corporate Structure & Product Family	5
Letter from the Chairman and Chief Executive Officer	6
Profile of Directors	10
Statement of Corporate Governance	11
Audit Committee Report	19
Statement of Internal Control	23
Financial Statements	24
List of Properties	74
Analysis of Shareholdings	75
Notice of Fourth Annual General Meeting	78
Statement Accompanying Notice of Fourth Annual General Meeting	81
Proxy Form	Enclosed

GROUP PERFORMANCE HIGHLIGHTS



CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Ali bin Abdul Kadir
Independent Non-Executive Chairman

Tan Sri Dato' Dr Lin See Yan
Independent Non-Executive Director

Chang Mun Kee
Executive Director, Founder & CEO

Suresh A/L Thirugnanam
Executive Director

Ng Kay Yip
Non-Independent Non-Executive Director

Lim Chao Li
Non-Independent Non-Executive Director

AUDIT COMMITTEE

Tan Sri Dato' Dr Lin See Yan
Chairman/ Independent Non-Executive Director

Datuk Ali bin Abdul Kadir
Member/ Independent Non-Executive Director

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

NOMINATION COMMITTEE

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

Tan Sri Dato' Dr Lin See Yan
Member, Independent Non-Executive Director

Ng Kay Yip
Member, Non-Independent Non-Executive Director

REMUNERATION COMMITTEE

Tan Sri Dato' Dr Lin See Yan
Chairman, Independent Non-Executive Director

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

Ng Kay Yip
Member, Non-Independent Non-Executive Director

ESOS COMMITTEE

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

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

Ng Kay Yip
Member, Non-Independent Non-Executive Director

AUDITORS

KPMG (AF 0758)
Chartered Accountants
Wisma KPMG, Jalan Dungun
Damansara Heights
50490 Kuala Lumpur

LISTING

Main Board of Bursa Malaysia Securities Berhad
Stock Name : JOBST
Stock Code : 0058

COMPANY SECRETARIES

Tai Yit Chan (MAICSA 7009143)
Liew Irene (MAICSA 7022609)

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

Symphony Share Registrars Sdn Bhd (378993-D)
Level 26, Menara Multi-Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Tel: 03-27212222
Fax: 03-27212531

PRINCIPAL BANKER

OCBC Bank (Malaysia) Berhad (295400-W)

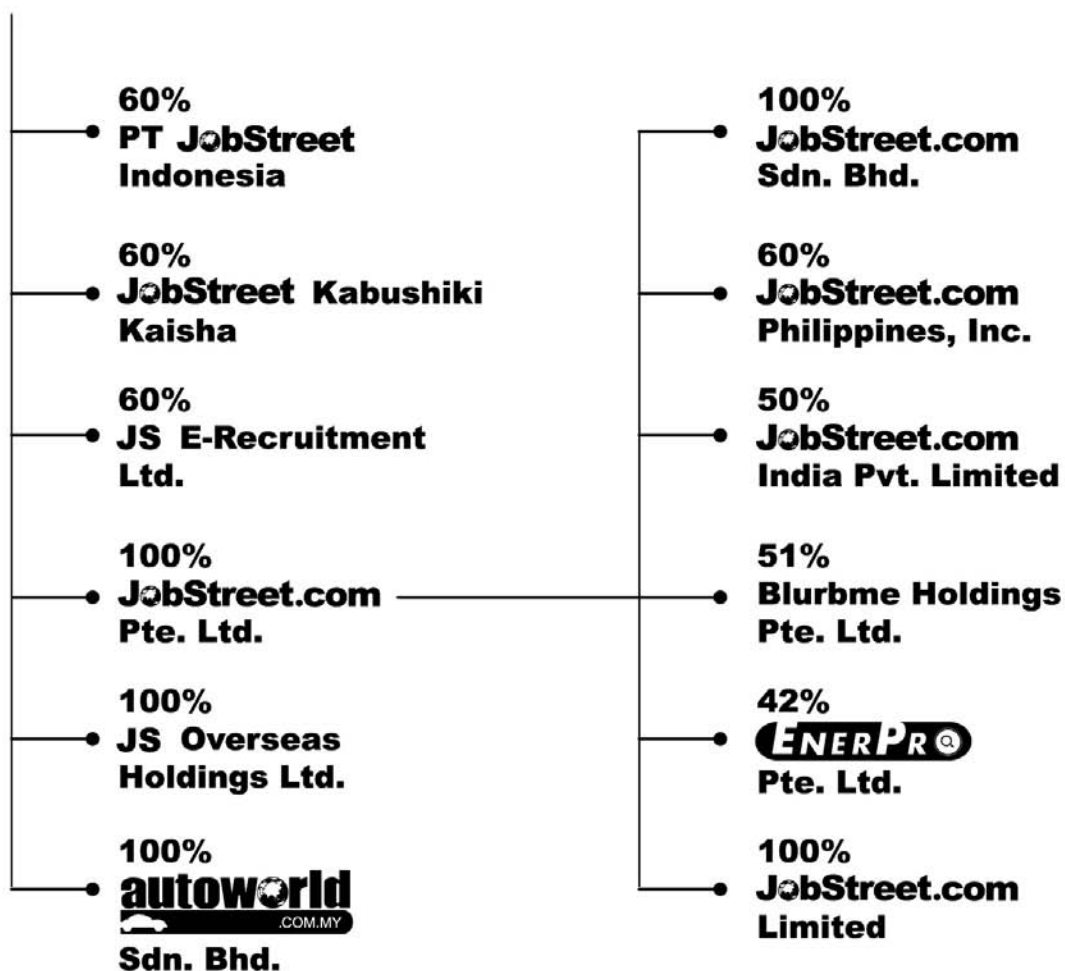
WEBSITE

www.jobstreet.com

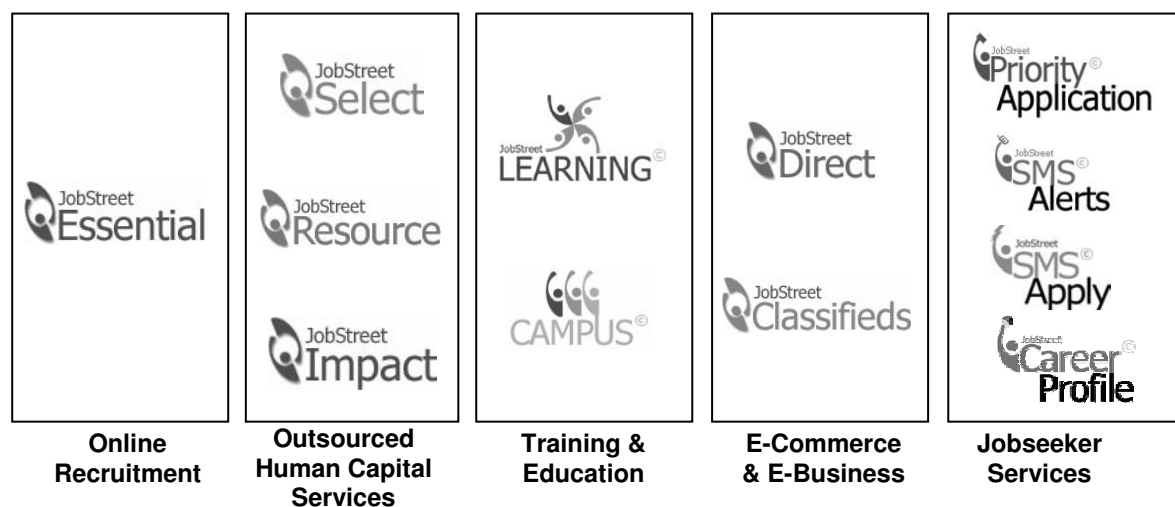
CORPORATE STRUCTURE

as at 30 April 2008

JobStreet corporation berhad



OUR PRODUCT FAMILY



LETTER FROM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Dear Shareholders,

It is our pleasure, on behalf of the Board of Directors, to present the Annual Report and Audited Financial Statements of JobStreet Corporation Berhad (“JobStreet” or “the Group”) for the financial year ended 31 December 2007 to you, our shareholders.

The Group performed well in 2007 as we continued to pursue our purpose and mission of “Improving Lives Through Better Careers”. The year ended 31 December 2007 marks five straight years of solid continuous profit growth for the Group. The Group’s bottom line grew by a compounded annual growth rate of 80% since 2003. During this period, the Group grew not only financially but also geographically by setting up subsidiaries in new markets such as Indonesia, Bangladesh and Japan. We also saw the Group maturing further in stature when it was successfully listed on the MESDAQ Market of Bursa Malaysia Securities Berhad on 29 November 2004. Armed with a solid financial track record and good fundamentals, the Group wasted no time in applying for a transfer of its listing to the Main Board of Bursa Malaysia Securities Berhad and on 27 December 2007, the listing and quotation of the entire issued and paid-up share capital of JobStreet Corporation Berhad was officially transferred to the premier board of the Malaysian Stock Exchange. It was indeed another proud moment for all of us.

The Group continued to receive various accolades from industry peers and media in 2007. JobStreet Corporation Berhad was ranked No. 2 in the annual KPMG Shareholder Value Awards 2008 (“SVA”) among the final list of 100 public listed companies in Malaysia that were eligible to be considered. The SVA recognizes public listed companies in Malaysia that have delivered exceptional value for its shareholders.

Our awards were not just limited within our shores. JobStreet Corporation Berhad also made it to the Forbes Asia 2007 Best Under A Billion List from among 200 companies drawn from over 22,500 listed companies in the Asia-Pacific region. Over in Singapore, our subsidiary, JobStreet.com Pte Ltd, was also awarded winners in the Singapore 1000 Awards under the ROE Excellence in the Service Industry and the Hitwise Singapore On-line Performance Awards 2006 under the Business & Finance – Employment and Training” category.

2008 will be another exciting year, albeit a year of challenges, as an expected slowdown in major economies in the world and inflationary pressures may undermine economic growth and result in reduced recruitment by some companies. Nevertheless, we perceive the market for online recruitment advertising services is still growing in Asia and will continue to grow at the expense of print media while attracting many small and medium enterprises to advertise career opportunities possibly for the first time. This may cushion the impact of any possible slow down in Asian economies as we endeavour to continue to grow.

To achieve this, we will embark on a combination of sales, marketing and branding strategies, product development projects, resource management and training, and mergers and acquisitions activities. This multi-throng approach is to ensure that the Group continues to grow organically while taking advantage of its financial resources to acquire stakes in similar businesses or enter into synergistic partnerships in new markets. Investment into our human resources is also vital to ensure there is sufficient depth of management talent going forward.

Though 2007 and the years before that have been exciting times for us, we will still push ourselves harder to achieve greater milestones. You can be assured that the Board of Directors and our core management team are committed to driving the organization towards greater success while adhering to high standards of corporate governance.

2007 IN REVIEW

For the financial year ended 31 December 2007, the Group was able to grow its top line by 26% with revenues of RM88.1 million compared with RM65.7 million in 2006. The growth in revenues was mainly in respect of the Group's core product, JobStreet Essential which contributed positively to the bottom line. Sales from JobStreet Essential, our online job posting service, continued to perform well in 2007 as the Group's three key markets – Malaysia, Singapore and the Philippines – registered healthy growth in their economies. Despite the fact that the Group holds a strong position in these markets, the Group was still able to secure approximately 9,000 new customers in 2007. Some of these customers are converted from our competitors, some from traditional print media while others are advertising their vacancies for the first time. The Group's revenue also increased due to revenue contribution from our new subsidiary in Japan, JobStreet Kabushiki Kaisha which was consolidated into the Group during the last quarter of 2007.

Growth in sales from JobStreet Essential will favourably impact the bottom line due to its high margins as we have developed the core technology and infrastructure since our inception and such development costs have already been expensed off in the past. This is evident from the Group's results from operating activities which surged 51% to RM31.4 million from RM20.9 million in 2006.

In terms of overall profitability, profit attributable to shareholders grew 33% to RM28.9 million from RM21.7 million in 2006. Apart from operational growth, the Group also recorded its share of profit from its 20% owned associate in Hong Kong, Recruit Group Limited, amounting to RM1.6 million. The lower growth in the bottom line compared with the growth in results from operating activities was due to a one-time RM3.3 million gain from the deemed disposal of 50% equity interest in JobStreet India which favourably impacted 2006's bottom line. The return on shareholders' equity was still an impressive 33.9%, slightly below the 36.0% achieved in 2006.

Shareholders' equity stood at RM85.2 million as at 31 December 2007, compared with RM60.3 million in the previous financial year. Share capital increased to RM61.4 million from RM20.3 million, as a result of the 2 for 1 Bonus Issue undertaken at the end of 2007 and the exercise of options under the Employees' Share Options Scheme.

Malaysia continues to be the strongest market for us as it contributes the lion's share of the Group's sales and profit. In 2007, our business in Malaysia grew approximately 19% to RM55.8 million in revenue. Regionally, we witnessed strong growth in our subsidiaries in Singapore and Philippines especially in the performance of the core JobStreet Essential service. Our total revenues grew by 39% and 50% in Singapore and Philippines respectively. Collectively, our regional operations contributed approximately 35% of the Group's revenues, slightly higher from 31% in 2006. We are seeing the results of the diversification strategy set in place by the management as far back as 1999.

The number of active users registered with JobStreet across the region is approximately 5.3 million at the end of the year, up by 27% from 2006. As we ramp up our below the line marketing activities in the Indonesian market, we hope to be able to build up a sizable database of users from one of the world's most populous countries.

As a Group operating primarily on the Internet, we have continued to invest heavily in our technology with a total of RM4.6 million invested during the year compared to RM3.6 million in 2006. We believe our ability to innovate and roll out new and improved services will help win more customers and drive growth as we help them find talent more efficiently.

CORPORATE DEVELOPMENTS AND INVESTMENTS

In February 2007, the Company acquired a 20% stake in Recruit Group Limited ("RGL") for HK\$15 million cash (equivalent to RM6.7 million). RGL is an investment holding company while its subsidiaries are involved in the provision of advertising services, primarily job advertising services and education/training advertising services in Hong Kong. The services are provided through its leading recruitment magazine known as "Recruit" and a website known as www.recruitonline.com. This investment has turned out well as it contributed profits of RM1.6 million to the Group's bottom line in 2007.

LETTER FROM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CONT'D)

The Group's entry into Bangladesh was formalized with the incorporation of our subsidiary, JS E-Recruitment Ltd and the allotment of shares to the Company in June 2007. Bangladesh is regarded as one of the most densely populated countries in the world. The Bangladesh market for online recruitment services is still at its infancy due to general political unrest which has negatively impacted the business climate as well as its low Internet penetration rate. We hope these issues will resolve at some point and our early entry in the market will be rewarded.

The Group also entered the Japanese market in a limited capacity of providing niche staff contracting services. The Group partnered with Asian Commission Corporation to set up our subsidiary, JobStreet Kabushiki Kaisha ("JobStreet Japan") in November 2007. Japan has an ageing population and is in need of professionals to be employed in their various industries. JobStreet Japan aims to meet this need by arranging cross border placements of suitably qualified professionals from across Asia to work in Japan on a contract basis. Selected candidates will be provided with basic training on the Japanese language, culture and customs prior to commencement of work.

The Company had also accumulated shares in 104 Corporation (Taiwan) ("104 Corp"). 104 Corp is the leading online recruitment portal in Taiwan. Its principal markets are in Taiwan and China. As at 31 December 2007, the Company had acquired a total of 452,000 shares in 104 Corp from the open market for a total consideration of RM5.8 million.

As at the year end, the Group has cash and quoted investments of RM54.5 million and RM21.9 million respectively. This is a reflection of the cash generating ability of our business, which in the year 2007 generated about RM40.7 million cash from operating activities, up 58% from RM25.7 million in 2006. As the Group's vision is to be Asia's largest human capital bank, the ability to acquire companies and businesses as the opportunities present themselves and to fund start up operations in new markets requires the Group to have sufficient readily available capital. In view of this, we will retain the majority of our profits to fund growth, regional expansion and aggressively defending our business against potential competitive threats. I am pleased to inform you that subsequent to the year end, the Board of Directors has approved and adopted a formal dividend policy of distributing at least 1/3 of its profits after tax and minority interests annually subject to the availability of distributable reserves.

GOING FORWARD

The Internet and the World Wide Web have come a long way since their commercialization and rapid adoption in the nineties. In the last 15 years or so, we have witnessed the proliferation of various Internet applications such as online banking, auctions, gaming, blogs, video streaming, networking, email, file-sharing and of course, online recruitment too. How many times have we heard the cliché that the Internet has changed the way we live, work and play? Yet, despite such progress and innovation, we have not seen the full potential of the Internet or what it could evolve into. Just when we thought we have seen it all, one extremely smart university 'drop-out' launches a social networking site to the adulation of the world just last year.

From what we've witnessed, it is clear that applications which promote convenience, information sharing, increased productivity, break down traditional walls of information inefficiencies, save time and so on, seemed to have done well. Online recruitment advertising and job application fulfills most if not all of these criteria and we have been fortunate enough to have entered this space early in the mid-90s and build up the JobStreet.com brand to what it is today. Even then, the potential for online recruitment is still enormous especially in Asia as economies, populations and Internet penetration grow. We are mindful of the constant and rapid evolvement of the Internet and technology, and will constantly study ways in which we can incorporate these innovations into our services.

In 2008, the Group will continue to leverage on its strengths and experience in the Malaysia, Singapore and Philippines markets to build and grow its operations in newer markets such as Indonesia, Bangladesh and Japan. Global financial uncertainties, high oil prices, inflationary pressures and political uncertainties may ultimately affect business confidence in the region and consequently result in a slow-down in recruitment activities. While this may negatively impact our performance, the Group believes that the high value propositions and lower cost of online recruitment advertising should appeal to hiring companies in such an environment and this may mitigate the adverse impact somewhat. The Group will also continue on its strategy of investing for the future by strengthening its R&D capabilities, investing into its brand and expanding into selective new markets in the region with potential for the e-recruitment industry while maintaining attractive margins.

LETTER FROM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CONT'D)

Prospects for the year ending 31 December 2008 are positive despite projected lower growth rates in most of the economies in the region. A healthy economic environment is a critical pre-requisite for the e-recruitment advertising business to grow further. Further, the trend of jobs moving into our markets continues especially in industries such as business process outsourcing sectors in Philippines and financial services in Singapore. Apart from economic fundamentals, the growth in Internet penetration and increasing Internet skill and usage among graduates are factors favouring the adoption of e-recruitment over traditional recruitment advertising. Other positive trends include the growing availability of broadband and adoption of Information Technology by smaller companies.

For the financial year ending 31 December 2008, we expect the Group's earnings to continue to be primarily from Malaysia with increasing contributions from Singapore and Philippines. These three markets should be the core markets that contribute to our profitability for 2008. We also look forward to our Indonesian operations breaking even as they ramp up their sales and marketing activities.

As the new 'kid' on the Main Board of the Malaysian Stock Exchange, we will strive hard to perform and meet the expectations placed on our shoulders. If our first quarter 2008 results are anything to go by, 2008 will be another good year for us. However, we would constantly remind you that our business is highly cyclical and dependent on the economic environment. We hope that the Group's diversification strategy and financial resources will help somewhat to mitigate against any slow-down of business in any of our markets.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

We firmly believe that by increasing transparency in the job market and the efficiency of intermediation between jobseekers and employers, the Group is in a position to help jobseekers find better careers, thereby improving the quality of their lives. In addition, we also promote equal and additional employment opportunities for persons with disabilities by making available a jobsite (<http://jobs4disabled.jobstreet.com>) where companies looking to employ persons with disabilities may advertise for free.

Through our services, we are also playing a part in the conservation of the environment by promoting a paperless process whereby the storage of resumes, application of jobs and processing of applications are all done online without the need to print hardcopies.

Our staff have also been encouraged to do their part for society and with that, the "JobStreet CARES" initiative was launched. Under this initiative, special projects focusing on underprivileged children and orphans have been organized during the year.

APPRECIATION

Again, we would like to record our sincere appreciation to all our valued customers, jobseekers, partners and shareholders for your continued support during the past year. Further, our appreciation goes out to the management and employees of JobStreet for your passion and commitment.

2007 has been great and we hope 2008 will be even better.

DATUK ALI BIN ABDUL KADIR
Chairman

MARK CHANG MUN KEE
Founder and Chief Executive Officer

PROFILE OF DIRECTORS

Datuk Ali bin Abdul Kadir

Independent Non-Executive Chairman

Datuk Ali bin Abdul Kadir, a Malaysian aged 58, was appointed to the Board on 1 October 2004. Datuk Ali is also the Chairman of the Nomination Committee and ESOS Committee, and a member of the Audit Committee. He is a Fellow of the Institute of Chartered Accountants in England and Wales, having started his career in accounting in 1969 and qualifying as a member of the institute in 1974. He is also a member of the Malaysian Institute of Chartered Public Accountants and the Malaysian Institute of Accountants. Datuk Ali is currently the Chief Executive Officer and Head of Asia of DIG Asia Sdn Bhd, a wholly owned subsidiary of Dubai Investment Group Limited and a Trustee of the Labuan Offshore Financial Services Authority, Force of Nature Aid Foundation, Kadir & Fatimah Foundation and Bukit Bintang Aid Foundation. Since 1st February 2008, he has been appointed as an Adjunct Professor in the Accounting and Business Faculty, University Malaya. Datuk Ali currently sits on the Boards of Microlink Solutions Berhad, Airocom Technology Berhad and Milux Corporation Berhad as well as several private limited companies.

Datuk Ali was appointed as the Chairman of Securities Commission of Malaysia on 1 March 1999 and served in that capacity until 29 February 2004. During his tenure, he launched the Capital Market Masterplan and chaired the Capital Market Advisory Council. He was a member of a number of national committees including the National Economic Consultative Council 11 (MAPEN 11), the Foreign Investment Committee and the Oversight Committee of National Asset Management Company (Danaharta). Datuk Ali was also a Trustee of the Financial Reporting Foundation, which oversees the financial reporting framework in Malaysia, and had served on the Finance Committee on Corporate Governance. 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 of Certified Public Accountants, chairing both its Executive Committee and Insolvency Practices Committee and co-chairing the Company Law Forum.

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 was a member of IOSCO's Executive Committee, during his tenure. In addition, he was also a Trustee of the Accounting and Auditing Organisation for Islamic Financial Institutions from November 2000 to October 2003. In 2006, he was appointed a Consultant to the Sri Lanka Securities & Exchange Commission for their Capital Market Strategic Plan.

Tan Sri Dato' Dr Lin See Yan

Independent Non-Executive Director

Tan Sri Dato' Dr Lin See Yan, a Malaysian aged 69, is an Independent Non-Executive Director of the Company and was appointed to the Board of Directors on 1 October 2004. Tan Sri Lin is also the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committees.

Tan Sri Lin is an independent strategic and financial consultant. Prior to 1998, he was Chairman/President and CEO of Pacific Bank Group and for 14 years previously, Deputy Governor of Bank Negara Malaysia, having been a central banker for 34 years. Tan Sri Lin continues to serve the public interest, including Advisor, Public-Private Centre at PM's EPU, and Member, National Economic Action Council Working Group, the PM-Private Investment Advisory Panel and the National Steering Committee to transform Higher Education; Economic Advisor, Associated Chinese Chambers of Commerce & Industry of Malaysia; Pro-Chancellor, Universiti Sains Malaysia; Trustee, Malaysia University for Science & Technology; Board Director, Monash University (Sunway Campus) Malaysia; and Governor, Asian Institute of Management, Manila as well as Member, Asian Financial Regulatory Shadow Committee. In addition, Tan Sri Lin sits on the Boards of several public listed companies including Ancom Berhad, Fraser & Neave Holdings Berhad and Group, Genting Berhad, KrisAssets Holdings Berhad, Resorts World Berhad and Wah Seong Corporation Berhad, and a number of private business enterprises in Malaysia, Singapore, Indonesia and Hong Kong. Tan Sri Lin is Chairman Emeritus, Harvard Graduate School Alumni Association Council at Harvard University in Cambridge, Massachusetts, USA as well as Regional Director for Asia, Harvard Alumni Association at Harvard

Tan Sri Dato' Dr Lin See Yan (cont'd)

University in addition to being Member, Visiting Committee on Asian Studies at the University and President, Harvard Club of Malaysia. He is also Professor of Economics (Adjunct), Universiti Utara Malaysia and a Trustee of the Tun Ismail Ali Foundation (PNB), Harvard Club of Malaysia Foundation, Malaysian Economic Association Foundation and MAKNA (National Cancer Council).

Professionally qualified in the United Kingdom as a chartered statistician, Tan Sri Lin is also a banker, economist and venture entrepreneur. He received three post-graduate degrees from Harvard University (including a PhD in Economics) where he was a Mason Fellow and Ford Scholar; and was founding Deputy President of the Association of Harvard University Alumni Clubs of Asia. He is an Eisenhower Fellow and a Fellow of the IMF Institute (Washington DC), Royal Statistical Society (London), Malaysian Institute of Bankers, Malaysian Insurance Institute (Hon.), Malaysian Institute of Management and Malaysian Economic Association. He is also a Distinguished Fellow, Institute of Strategic and International Studies.

Chang Mun Kee

Executive Director, Founder and CEO

Chang Mun Kee, a Malaysian aged 42, is an Executive Director of JobStreet and founder of the JobStreet Group. He has also been its Chief Executive Officer since its inception and a Director of the Company since its incorporation. 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.

Suresh A/L Thirugnanam

Executive Director

Suresh A/L Thirugnanam, a Malaysian aged 43, is an Executive Director and the Chief Operating Officer of the JobStreet Group, who has overall responsibility for the operations and customer care of the Group. He was appointed to the Board of Directors on 1 October 2004. Suresh obtained his Bachelor of Science in Mechanical Engineering from the Massachusetts Institute of Technology in 1989 and a Master of Science in Mechanical Engineering from the Massachusetts Institute of Technology in 1989. He started his career with Digital Equipment Corp, USA in 1989. In 1992, he worked briefly in Maxoptix Corporation, San Jose, USA before relocating back to Malaysia to join Motorola Malaysia Sdn Bhd ("Motorola") as a manufacturing engineer. He left Motorola in 1994 to join Maxis Communications Sdn Bhd where he held several positions, including Head of Network Services Operations and Head of Fixed Network Product and Planning Group before joining the JobStreet Group in 2000.

Ng Kay Yip

Non-Independent Non-Executive Director

Ng Kay Yip, a Malaysian aged 42, is a Non-Executive Director and co-founder of the JobStreet Group. He has been a Director of the Company since its incorporation and is a member of the Nomination and Remuneration Committees. Mr Ng graduated in 1988 with a Bachelor of Science in Electrical Engineering from the School of Engineering and Applied Science, University of Pennsylvania and a Bachelor of Science in Economics from the Wharton School of Business, University of Pennsylvania. In 1990, he obtained a Master of Science in Electrical Engineering from Massachusetts Institute of Technology. While completing his education in the United States, he worked as a research officer with Bell Communications Research. Since 1990, he has been the executive director of the Maran group of companies, a family business that is involved in timber, property and construction.

PROFILE OF DIRECTORS (CONT'D)

Lim Chao Li

Non-Independent Non-Executive Director

Lim Chao Li, a Malaysian aged 42, is a Non-Executive Director and co-founder of the JobStreet Group. He was appointed to the Board of Directors on 1 October 2004 and is a member of the Audit and Remuneration Committees. Mr Lim obtained his Bachelor of Science in Economics majoring in Accounting and Finance from the Wharton School of Business, University of Pennsylvania, USA and a Bachelor of Applied Science in Systems Engineering from the School of Engineering and Applied Science, University of Pennsylvania, USA. He commenced his career in 1989 as an Audit Assistant with Deloitte & Touche in Philadelphia, USA. In 1991, he moved back to Malaysia and joined Johnson & Johnson Sdn Bhd as an Accountant. He was promoted as its Finance & Administration Manager in 1993. He joined the Hotel Equatorial Group ("HEG") in 1994 as a Project Manager and became Vice President of Finance in 1997. He currently oversees HEG's hotel finance departments as well as several other private companies in the group. His geographical area of responsibility includes Malaysia and Vietnam.

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 within the past 10 years.

STATEMENT OF CORPORATE GOVERNANCE

The Board is fully committed to developing and maintaining high standards of corporate governance by implementing the prescriptions of the principles and best practices set out in Parts 1 and 2 respectively of the Malaysian Code on Corporate Governance ("the Code"). This is done with the recognition 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 the primary corporate governance practices adopted by the Group.

A. BOARD OF DIRECTORS

i) Composition of the Board

The Board consists of six members, comprising one Independent Non-Executive Chairman, two Executive Directors including the Chief Executive Officer, two Non-Independent Non-Executive Directors and one Independent Non-Executive Director. A brief profile of each Director is presented on pages 10 to 12 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 two-thirds of the Board members being Non-Executive Directors.

The responsibilities of the Chairman and the Chief Executive Officer are clearly divided in accordance with the requirements of the Code. The Board is led by Datuk Ali bin Abdul Kadir as the Independent Non-Executive Chairman. He 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 Chief Executive Officer who is responsible for the day to day management of the business as well as the implementation of Board policies and decisions.

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 one third 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.

ii) Board Responsibilities

The Board has overall responsibility for the performance of the Group. This includes strategic planning, overseeing financial and operational performance, monitoring risk management processes, merger and acquisition activities and reviewing the adequacy of internal control systems.

iii) Board Meetings and Supply of Information to the Board

The Board plans at least four scheduled meetings annually, with additional meetings to be held, as and when necessary. All proceedings of the Board Meetings are minuted which are then circulated to all Directors for their perusal prior to confirmation of the minutes at the following Board meeting.

Directors receive a set of Board papers prior to each Board meeting. This is to enable the Directors 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.

STATEMENT OF CORPORATE GOVERNANCE (CONT'D)

A. BOARD OF DIRECTORS (CONT'D)

The Directors may also obtain independent advice, whether as full Board or in their individual capacity, where necessary, in the furtherance of their duties and at the Group's expense.

Finally, Directors have direct access to the advice and the services of the Company Secretaries who are responsible for ensuring that Board procedures are followed.

The Board met five (5) times for the financial year ended 31 December 2007 and the summary of attendance at the Board Meetings held is as follows:

Directors	Number of Board Meetings	
	Held	Attended
Datuk Ali bin Abdul Kadir (Chairman)	5	5
Tan Sri Dato' Dr Lin See Yan	5	5
Chang Mun Kee	5	5
Suresh A/L Thirugnanam	5	5
Ng Kay Yip	5	5
Lim Chao Li	5	5

iv) Appointments and Re-Election to the Board

The Nomination Committee is comprised of the following members:

Chairman : Datuk Ali bin Abdul Kadir (*Independent Non-Executive Chairman*)
Members : Tan Sri Dato' Dr Lin See Yan (*Independent Non Executive Director*)
Ng Kay Yip (*Non-Independent Non-Executive Director*)

The Nomination Committee consists entirely of non-executive Directors with the majority being independent. The Committee identifies and recommends to the Board suitable nominees for appointment to the Board and Board Committees. The Committee is also responsible for assessing the effectiveness of the Board, its Committees and the contribution of each individual Director on an annual basis.

On appointment, non-executive Directors are briefed on the Group's business and the competitive environments in which it operates.

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.

During the financial year under review, one (1) meeting was held.

v) Directors' Training

All Directors have attended and completed the Mandatory Accreditation Programme (MAP) conducted by Bursatra Sdn Bhd in compliance with the Listing Requirements of Bursa Securities for Main Board ("Listing Requirements").

In addition, during the financial year under review, all Directors attended training programmes on various subject matters such as corporate governance, information technology, capital markets and investment, financial reporting, human resource management and other business related programmes. The Directors are also encouraged to attend other training programmes as may be prescribed by Bursa Securities from time to time to enable them to discharge their responsibilities as directors more effectively.

STATEMENT OF CORPORATE GOVERNANCE (CONT'D)

vi) Board Committees

Standing committees of the Board include the Nomination Committee, the Audit Committee (please refer to the Audit Committee Report set out on pages 19 to 22 of this Annual Report) and the Remuneration Committee.

B. DIRECTORS REMUNERATION

The Remuneration Committee is comprised of the following members:

Chairman : Tan Sri Dato' Dr Lin See Yan (*Independent Non-Executive Director*)
 Members : Lim Chao Li (*Non-Independent Non-Executive Director*)
 Ng Kay Yip (*Non-Independent Non-Executive Director*)

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 are 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 considered the responsibility and time commitments taking into account the number of Board meetings, special meetings and the time required for reading Board and other papers, as well as the membership and chairmanship of Board committees.

The Remuneration Committee meets as and when required. For the financial year under review, two (2) meetings were held.

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

	Executive Directors RM'000	Non-Executive Directors RM'000
Salaries and other emoluments	668	-
Fees	-	116
Total	668	116

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	-	4
RM300,001 – RM350,000	2	-
Total	2	4

C. SHAREHOLDERS

It is integral to the Group's philosophy on enhancing corporate governance and encouraging accountability and transparency that it maintains an active dialogue with its shareholders with the intention of giving shareholders as clear and complete picture of the Group's performance as possible. This is done through the Group's annual report, annual general meeting and the Group's website, www.jobstreet.com. This ensures that the shareholders are given as accurate and fair representation of the Group's performance and position as possible.

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. In addition, the annual and quarterly reports are available on www.bursamalaysia.com.

Annual General Meeting (AGM)

The Company's AGM provides a vital platform for both private and institutional shareholders to share viewpoints and acquire information on issues relevant to the Group. At the AGM, shareholders will be encouraged to raise questions on the resolutions being proposed or on the Group's business operations in general. The Notice of the AGM and related documents are issued to the shareholders at least twenty-one days before the meeting.

To keep the media informed, the Group will disseminate copies of the annual report to all relevant press and hold a press conference immediately following the AGM itself at which time the Chief Executive Officer will brief those present on details of the financial year results.

The Group's website, www.jobstreet.com, provides an alternative communications avenue, targeted at giving information on developments in the Group's business via company news to jobseekers, employees, shareholders and members of the public. The website is updated continually.

D. ACCOUNTABILITY AND AUDIT

Financial Reporting

In presenting the annual and quarterly reports, the Board aims to present a balanced and comprehensive assessment of the Group's position and prospects. The Audit 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 of the Companies Act, 1965 is set out on page 30 of the 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.

Internal Control

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

D. ACCOUNTABILITY AND AUDIT (CONT'D)

Relationship with External Auditors

The Company's external auditors, Messrs KPMG have continued to report to members of the Company on their findings which are included as part of the Company's financial reports with respect to this financial year's audit on the statutory financial statements. In doing so, the Company has established a transparent arrangement with the auditors to meet their professional requirements. The role of the Audit Committee in relation to the external auditors is set out in the Audit Committee Report on pages 19 to 22 of the Annual Report.

Directors' Responsibilities in Respect of 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.

E. OTHER INFORMATION

The following information provided is in respect of the financial year ended 31 December 2007.

Statement on Compliance with the Best Practices in Corporate Governance

The Board considers that the Company had complied with the Best Practices in Corporate Governance set out in Part 2 of the Malaysian Code on Corporate Governance during the year.

Utilisation of Proceeds

As at 31 December 2007, there were no balances of proceeds raised from any corporate proposal which has not been fully utilised.

Share Buybacks

During the financial year, the Company did not enter into any share buyback transactions.

Options, Warrants or Convertible Securities

The movement in the number of options offered to take up unissued ordinary shares of RM0.20 each and the option price pursuant to the Company's Employee Share Options Scheme (ESOS) is set out in the Directors' Report on page 28 of the Annual Report.

Pursuant to paragraph 9.25 and Part A of Appendix 9C (27) of the Listing Requirements, the breakdown of the options offered to and exercised by the Non-Executive Directors in respect of the ESOS during the financial year under review is set out as below:

STATEMENT OF CORPORATE GOVERNANCE (CONT'D)

E. OTHER INFORMATION (CONT'D)

	<i>Number of options over ordinary shares of RM0.10/RM0.20 each</i>				
	At 1.1.2007	Granted	Exercised	Adjustments	At 31.12.2007
Non-Executive Directors					
Datuk Ali bin Abdul Kadir	800,000	-	(200,000)	300,000	900,000
Tan Sri Dato' Dr Lin See Yan	800,000	-	(200,000)	300,000	900,000
Total	1,600,000	-	(400,000)	600,000	1,800,000

Apart from the aforementioned, no warrants or convertible securities were issued during the financial year under review.

American Depository Receipt (ADR) or Global Depository Receipt (GDR) Programme

During the financial year, the Company did not sponsor any ADR or GDR programme.

Sanctions and/or Penalties

There were no sanctions or penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies during the financial year under review.

Non-Audit Fees

The amount of non-audit fees paid or payable to the external auditors by the Group for the financial year ended 31 December 2007 was RM103,000 which was for non-audit related work.

Profit Estimates, Forecast or Projection

The Company did not issue any profit estimate, forecast or projection for the financial year.

Profit Guarantee

No profit guarantee was given by the Company and/ or its subsidiaries in respect of the financial year.

Material Contracts

During the financial year under review, there were no material contracts entered into by the Company and its subsidiaries which involved Directors' or major shareholders' interests.

Revaluation Policy

The Group does not have a revaluation policy in respect of the Group's property.

Recurrent Related Party Transactions of Revenue Nature

The Group did not have any recurrent related party transactions of revenue or trading nature during the financial year under review, which exceeded the materiality threshold stipulated in Paragraph 10.09 (1)(b) of the Listing Requirements.

AUDIT COMMITTEE REPORT

MEMBERSHIP AND ATTENDANCE

Chairman : Tan Sri Dato' Dr Lin See Yan (*Independent Non-Executive Director*)
Members : Datuk Ali bin Abdul Kadir (*Independent Non-Executive Chairman*)
Lim Chao Li (*Non-Independent Non-Executive Director*)

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

Committee Members	Number of meetings attended during Audit Committee Members' tenure in office
Tan Sri Dato' Dr Lin See Yan (Chairman)	6/6
Datuk Ali bin Abdul Kadir	6/6
Lim Chao Li	6/6

TERMS OF REFERENCE

1. COMPOSITION

The Audit Committee shall be appointed by the Directors from among their number (pursuant to a resolution of the Board of Directors) and shall be composed of not fewer than three (3) members (none of whom shall be Executive) of whom the majority shall be Independent Directors.

All the members shall be financially literate and at least one (1) member of the Audit Committee:

- a) must be a member of the Malaysian Institute of Accountants; or
- b) if he is not a member of the Malaysian Institute of Accountants, he must have at least three years' working experience and:
 - i) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - ii) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
- c) must be a person who fulfills such other requirements as prescribed by the Bursa Malaysia Securities Berhad.

The members of the Audit Committee shall elect a chairman from among their number who is an Independent Director. No alternate Director of the Board shall be appointed as a member of the Committee.

In the event the elected Chairman is not able to attend a meeting of the Audit Committee, a member of the Audit Committee shall be nominated as Chairman for the meeting. The nominated Chairman shall be an Independent Director.

A member of the Audit Committee who wishes to retire or resign should provide sufficient written notice to the Board of Directors so that a replacement may be appointed before he leaves.

If a member of the Audit Committee resigns, dies or for any other reason ceases to be a member resulting in the number of members being reduced to below three, the Board of Directors shall, within two (2) months, but in any case not later than three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three members.

The term of office and performance of the Audit Committee and each of the members shall be reviewed by the Board at least once every three years to determine whether the Audit Committee and its members have carried out their duties in accordance with their terms of reference.

2. FUNCTIONS

The functions of the Audit Committee are as follows:-

- (i) To review the appointment and performance of external auditors, the audit fee, any question of resignation or dismissal, any letter of resignation from the external auditors and whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointment before making recommendations to the Board of Directors and recommend the nomination of a person or persons as external auditors;
- (ii) To review the adequacy of existing external audit arrangements, with particular emphasis on the scope and quality of the audit;
- (iii) To ensure that the internal audit function is independent of the activities it audits and the internal auditors shall report directly to the Committee. The head of internal audit shall be responsible for the regular review and/or appraisal of the effectiveness of the risk management, internal control and governance processes within the Company;
- (iv) To take cognisance of resignations of internal audit staff members (for in-house internal audit function) or the internal audit service provider (for out-sourced internal audit function) and provide the resigning staff member or the internal audit service provider an opportunity to submit his/their reasons for resigning;
- (v) To review the adequacy of the internal audit scope and plan, including the internal programme; functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
- (vi) To review the quarterly results and financial statements of the Company with both the external auditors, if applicable, and management, prior to the approval by the Board of Directors, focusing particularly on:-
 - (a) Any changes in accounting policies and practices;
 - (b) Significant adjustments arising from the audit;
 - (c) The going concern assumption;
 - (d) Compliance with accounting standards and other legal requirements;
- (vii) To review the external auditors' audit report;
- (viii) To review any management letter sent by the external auditors to the Company and the management's response to such letter;
- (ix) To review the assistance given by the Company's officers to the external auditors;
- (x) To ensure management's compliance with the Listing Requirements and all relevant legislations, guidelines and regulations issued by regulatory authorities;
- (xi) To review proposals and plans to meet compliance;
- (xii) To review management's action plans to effect any proposals to meet and maintain required standards and guidelines;
- (xiii) To review all areas of significant financial risk and the arrangements in place to contain those risks to acceptable levels;
- (xiv) To review all related-party transactions and potential conflict of interests situations;
- (xv) To prepare reports, if the circumstances arise or at least once (1) a year, to the Board of Directors summarising the activities or work performed in fulfilling the Audit Committee's primary responsibilities, including details of relevant training attended by each Audit Committee Member; and
- (xvi) All other matters delegated by the Board of Directors.

2. FUNCTIONS (CONT'D)

The Chairman of the Audit Committee shall engage on a continuous basis with senior management, such as the Chairman of the Board of Directors, the Chief Executive Officer, the Financial Director, the Head of Internal Audit and the external auditors in order to be kept informed of matters affecting the Group.

3. ACCESS

The Audit Committee shall:-

- (i) Have explicit authority to investigate any matters within its terms of reference;
- (ii) Have the resources which it needs to perform its duties;
- (iii) Have full and unrestricted access to any information which it requires in the course of performing its duties;
- (iv) Have unrestricted access to the Chief Executive Officer and any other senior management staff of the Group;
- (v) Have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
- (vi) Be able to obtain independent professional or other advice in the performance of its duties at the cost of the Company;
- (vii) Be able to invite outsiders with relevant experience to attend its meetings if necessary; and
- (viii) Be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other Board of Directors and employees of the Company, whenever deemed necessary.

Where the Audit Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Audit Committee shall promptly report such matter to Bursa Malaysia Securities Berhad.

4. MEETINGS

The Audit Committee shall meet at least four (4) times a year and such additional meetings, as the Chairman shall decide in order to fulfill its duties. However, at least twice a year the Audit Committee shall meet with the external auditors without executive Board members, management and employees present. Upon the request of the external auditors or internal auditors (if any), the Chairman of the Audit Committee 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 Audit Committee 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 Audit Committee meeting.

The Secretary shall also be responsible for keeping the minutes of Audit Committee 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 Finance Director, the Head of Internal Audit (where such a function exists) and a representative of the external auditors shall normally attend meetings. Other board members and employees may attend the Audit Committee meeting upon the invitation of the Committee. In accordance with the code prior to its revision on 1 October 2007, the Audit Committee also met with the external auditors at least once a year without executive Board members, management and employees present.

5. REPORTING PROCEDURES

The Audit Committee shall assist the Board in preparing the following for publication in the Company's Annual Report:-

- (a) A summary of the activities of the Audit Committee;
- (b) Statement on the Company's application of the principles set out in Part 1 of the Malaysian Code on Corporate Governance;
- (c) Statement on the extent of compliance with the Best Practices in Corporate Governance set out in Part 2 of the Malaysian Code on Corporate Governance, specifying reasons for any areas of non-compliance (if any) and the alternatives adopted in such areas;
- (d) Statement on the Board's responsibility for preparing the annual audited financial statements; and
- (e) Statement about the state of internal control of the Group.

SUMMARY OF ACTIVITIES

During the financial year, the Audit Committee carried out its duties in accordance with its terms of reference. The Committee reviewed quarterly reports and annual financial statements prior to submission to the Board for consideration and approval, focusing particularly on significant acquisitions, unusual events, compliance with accounting standards and other legal requirements. The Committee also verified and ensured that the allocation of Employee Share Option Scheme options during the financial year is in compliance with the criteria specified in the scheme's Bye-Laws.

A summary of other activities undertaken by the Committee are as follows: -

- (a) Reviewed with the external auditors, the Group's audit plan for the year prior to the commencement of the annual audit;
- (b) Reviewed the financial statements, the audit report, and issues arising from the audits with the external auditors;
- (c) Reviewed the unaudited quarterly financial statements of the Company and recommended the same for approval to the Board, upon being satisfied that inter-alia the financial reporting and disclosure requirements of the relevant authorities have been complied with; and
- (d) Reviewed the unaudited consolidated management accounts of the Group for the period ended 30 April 2007 in relation to the application for the transfer of the Company from the MESDAQ Market to the Main Board of Bursa Malaysia Securities Berhad.

TRAINING

During the financial year, the members of the Audit Committee attended training programmes on various subject matters such as corporate governance, capital markets and investment, corporate management and other business related programmes.

INTERNAL AUDIT FUNCTION

During the financial year, the Board reviewed the 2-year detailed internal audit plan provided by the external professional firm of consultants to ensure adequate scope and coverage of key risk areas within the proposed quarterly internal audit programmes.

Further to the above, the Audit Committee reviewed the internal audit reports prepared by the consultants on a quarterly basis, including recommendations for corrective actions, management's response and actions taken by the same to improve the Group's system of internal controls and procedures.

STATEMENT OF INTERNAL CONTROL

This statement on internal control has been prepared in compliance to the Listing Requirements of Bursa Securities.

BOARD RESPONSIBILITIES

The Board recognizes the importance of a sound system of internal control to safeguard shareholders' investment and the Group's assets. The Board has overall responsibility for the Group's system of 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.

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.

The establishment of a formal risk management framework for identifying, evaluating and managing the significant risks faced by the Group is expected to be completed in 2008.

In view of a constantly evolving environment and competitive landscape, the Board is committed in maintaining a system of internal control that comprises the following control environment, key processes and monitoring systems:

- Audit 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 periodic risk-mapping process that assists the management to continuously identify significant risks associated with key processes within a changing business and operating environment;
- An annual budgeting process that establishes monthly budgets for each business unit against which performance is monitored on an ongoing basis;
- Weekly and monthly 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; and
- Segregation of duties and limits of authority are practiced to ensure accountability and responsibility.

INTERNAL AUDIT FUNCTION

The Audit Committee is tasked by the Board with the duty of reviewing and monitoring the effectiveness of the Group's system of internal control. In carrying out its responsibilities, the Committee relies on the support of an external professional firm of consultants appointed by the Committee, which carries out internal audits on various operating units within the Group on a quarterly basis. These audits review the internal controls in the key activities of the Group's business based on a 2-year detailed internal audit plan approved by the Audit 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.

This statement has been made in accordance with the resolution passed in the Board of Directors' meeting held on 16 May 2008.

FINANCIAL STATEMENTS

Directors' Report	25
Statement by Directors	30
Statutory Declaration	30
Report of the Auditors	31
Balance Sheets	32
Income Statements	33
Statement of Changes in Equity	34
Cash Flow Statements	36
Notes to the Financial Statements	38

DIRECTORS' REPORT

for the year ended 31 December 2007

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 December 2007.

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 year.

RESULTS

	Group RM	Company RM
Profit attributable to:		
Shareholders of the Company	28,886,030	18,817,219
Minority interests	1,397,222	-
	<hr/>	<hr/>
	30,283,252	18,817,219
	<hr/>	<hr/>

RESERVES AND PROVISIONS

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

DIVIDENDS

Since the end of the previous financial year, the Company paid an interim dividend of 1.5 sen per share tax exempt amounting to RM4,608,144 in respect of the financial year ended 31 December 2007 on 28 January 2008.

The Directors recommend the payment of a final dividend of 2.0 sen per share tax exempt amounting to RM6,144,192 in respect of the financial year ended 31 December 2007. This is computed based on the issued and paid-up share capital as at 31 December 2007.

DIRECTORS OF THE COMPANY

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

Datuk Ali bin Abdul Kadir
Tan Sri Dato' Dr. Lin See Yan
Lim Chao Li
Ng Kay Yip
Chang Mun Kee
Suresh A/L Thirugnanam

DIRECTORS' INTERESTS

The holdings and deemed holdings in the ordinary shares of the Company and of its related corporations of those who were Directors at year end as recorded in the Register of Directors' Shareholdings are as follows:

DIRECTORS' REPORT (CONT'D)

Shareholdings in which Directors have direct interest

The Company	Nominal value RM	Number of ordinary shares				
		At 1.1.2007	Acquired/ (Disposed)	Bonus issue	Share consolidation	At 31.12.2007
Datuk Ali bin Abdul Kadir	0.10 0.20	200,000 -	200,000 -	800,000 -	(1,200,000) 600,000	- 600,000
Tan Sri Dato' Dr. Lin See Yan	0.10 0.20	1,100,000 -	300,000 -	2,800,000 -	(4,200,000) 2,100,000	- 2,100,000
Lim Chao Li	0.10 0.20	17,188,710 -	1,149,600 -	36,676,620 -	(55,014,930) 27,507,465	- 27,507,465
Ng Kay Yip	0.10 0.20	18,965,540 -	1,164,600 -	40,260,280 -	(60,390,420) 30,195,210	- 30,195,210
Chang Mun Kee	0.10 0.20	25,700,250 -	- -	51,400,504 -	(77,100,754) 38,550,377	- 38,550,377
Suresh A/L Thirugnanam	0.10 0.20	8,336,940 -	- -	16,673,880 -	(25,010,820) 12,505,410	- 12,505,410

JobStreet.com Philippines Inc	Nominal value PHP	Number of ordinary shares			
		At 1.1.2007	Acquired	Disposed	At 31.12.2007
Chang Mun Kee	1.00	1*	-	-	1*

JobStreet.com Limited	Nominal value HKD	Number of ordinary shares			
		At 1.1.2007	Acquired	Disposed	At 31.12.2007
Chang Mun Kee	1.00	1*	-	-	1*

* Shares held in trust for JobStreet.com Pte Ltd

Shareholdings in which Directors have indirect interest

The Company	Nominal value RM	Number of ordinary shares				
		At 1.1.2007	Acquired/ (Disposed)	Bonus issue	Share consolidation	At 31.12.2007
Datuk Ali bin Abdul Kadir	0.10 0.20	- -	70,000 -	140,000 -	(210,000) 105,000	- 105,000

Company	Number of options over ordinary shares of RM0.10 / RM0.20 each				
	At 1.1.2007	Granted	Exercised	Adjustments*	At 31.12.2007
Datuk Ali bin Abdul Kadir	800,000	-	(200,000)	300,000	900,000
Tan Sri Dato' Dr Lin See Yan	800,000	-	(200,000)	300,000	900,000
Chang Mun Kee	1,500,000	-	-	750,000	2,250,000
Suresh A/L Thirugnanam	640,000	-	-	320,000	960,000

DIRECTORS' REPORT (CONT'D)

- * Adjustment for the bonus issue of two new ordinary shares for every one ordinary share of RM0.10 each held, and the share consolidation of two ordinary shares of RM0.10 each held after the bonus issue into one new ordinary share of RM0.20 each in the Company as completed on 28 December 2007.

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 related companies) by reason of a contract made by the Company or a related company 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 other than the options granted under the Company's Employee Share Option Scheme.

ISSUE OF SHARES

During the financial year, the Company increased its authorised share capital from RM50,000,000 divided into 500,000,000 ordinary shares of RM0.10 each to RM100,000,000 divided into 1,000,000,000 ordinary shares of RM0.10 each by the creation of an additional 500,000,000 ordinary shares of RM0.10 each.

Subsequently, the authorised share capital of the Company was amended from RM100,000,000 divided into 1,000,000,000 ordinary shares of RM0.10 each into RM100,000,000 divided into 500,000,000 ordinary shares of RM0.20 each.

During the financial year, the Company issued:

- a) 1,741,400 new ordinary shares of RM0.10 each for cash arising from the exercise of employees' share options at a weighted average exercise price of approximately RM0.69 per ordinary share; and
- b) 409,612,800 ordinary shares of RM0.10 each arising from the bonus issue of 2 ordinary shares for every ordinary share of RM0.10 each held on 27 December 2007 ("Bonus Issue") by way of capitalisation of share premium and retained earnings.

Subsequently, the Company consolidated 2 ordinary shares of RM0.10 each after the Bonus Issue into 1 new ordinary share of RM0.20 each in the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the year apart from the issue of options pursuant to the Employees' Share Option Scheme.

Employee Share Option Scheme

At an extraordinary general meeting held on 5 October 2004, the Company's shareholders approved the establishment of an Employee Share Option Scheme ("ESOS") involving up to 10% of the issued share capital of the Company at any time during the existence of the ESOS, to the Directors and eligible employees of the Group.

The salient features of the scheme are as follows:-

- i) Eligible employees are those who have been confirmed as employees of the Group at the date of the offer. Employees include both Executive Directors and Non-Executive Directors.

DIRECTORS' REPORT (CONT'D)

- ii) The option is personal to the grantee and is non-assignable.
- iii) The options granted may be exercised at such year that may be stipulated by the option committee within the duration of the scheme upon giving notice in writing.
- iv) The scheme shall be in force for a duration of five (5) years from the effective date of the implementation of the scheme.
- v) The options granted may be exercised in full or in lesser number of ordinary shares provided that the number shall be in multiples of 100 shares.

The persons to whom the options have been granted have no right to participate by virtue of the options in any share issue of any other company within the Group.

The options offered to take up unissued ordinary shares of RM0.10/RM0.20 each and the option prices are as follows:

Date of Offer	Adjusted Option Price	<i>Number of options over ordinary shares of RM0.10/RM0.20 each ('000)</i>						Balance at 31.12.2007
		Balance at 1.1.2007	Granted	Exercised	Lapsed	Forfeited	Adjustments*	
29.11.2004	RM0.36	10,245	-	(1,425)	(343)	-	4,244	12,721
23.02.2006	RM0.90	2,090	-	(316)	(419)	-	671	2,026
28.03.2007	RM1.08	-	1,475	-	(320)	-	577	1,732
		12,335	1,475	(1,741)	(1,082)	-	5,492	16,479

* Adjustment for the bonus issue of two new ordinary shares for every one ordinary share of RM0.10 each held, and the share consolidation of two ordinary shares of RM0.10 each held after the bonus issue into one new ordinary share of RM0.20 each in the Company as completed on 28 December 2007.

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the names of option holders to whom less than 200,000 options have been granted during the financial year and details of their holdings. The remaining option holders are as follows:-

	<i>Number of options over ordinary shares of RM0.10/RM0.20 each</i>				Balance at 31.12.2007
	Balance at 1.1.2007	Granted	Exercised	Adjustments*	
Si Thean Choy	-	210,000	-	105,000	315,000

* Adjustment for the bonus issue of two new ordinary shares for every one ordinary share of RM0.10 each held, and the share consolidation of two ordinary shares of RM0.10 each held after the bonus issue into one new ordinary share of RM0.20 each in the Company as completed on 28 December 2007.

OTHER STATUTORY INFORMATION

Before the income statements and balance sheets 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) all current assets have been stated at the lower of cost and net realisable value.

DIRECTORS' REPORT (CONT'D)

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 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 in 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 results of the operations of the Group and of the Company for the financial year ended 31 December 2007 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 EVENTS

The significant events during the financial year are as disclosed in Note 29 to the financial statements.

SUBSEQUENT EVENTS

Material events subsequent to the balance sheet date are as disclosed in Note 30 to the financial statements.

AUDITORS

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

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

CHANG MUN KEE

LIM CHAO LI

Kuala Lumpur,

Date: 25 April 2008

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 32 to 73 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved Financial Reporting Standards issued by the Malaysian Accounting Standards Board so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2007 and of the results of their operations and cash flows for the year ended on that date.

Signed in accordance with a resolution of the Directors:

CHANG MUN KEE

LIM CHAO LI

Kuala Lumpur,

Date: 25 April 2008

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 **JOBSTREET CORPORATION BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 32 to 73 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named in Kuala Lumpur on 25 April 2008.

GREGORY CHARLES POARCH

Before me:

RAMAN KUNYAPU (No. W 476)
Commissioner of Oaths

REPORT OF THE AUDITORS

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

We have audited the financial statements set out on pages 32 to 73. The preparation of the financial statements is the responsibility of the Company's Directors.

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

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

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved Financial Reporting Standards issued by the Malaysian Accounting Standards Board so as to give a true and fair view of:
 - i) the state of affairs of the Group and of the Company at 31 December 2007 and the results of their operations and cash flows for the year ended on that date; and
 - ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and the subsidiary of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.

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

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

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

KPMG
Firm Number: AF 0758
Chartered Accountants

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

Kuala Lumpur,

Date: 25 April 2008

BALANCE SHEETS

at 31 December 2007

	Note	Group		Company	
		2007 RM	2006 RM	2007 RM	2006 RM
Assets					
Property and equipment	3	13,690,082	13,833,791	368,600	77,600
Intangible assets	4	2,978,047	2,808,856	330,000	-
Investments in subsidiaries	5	-	-	20,183,293	19,411,333
Investments in associates and a jointly-controlled entity	6	10,906,896	4,198,910	6,885,260	-
Other investments	7	-	-	-	-
Deferred tax assets	8	206,720	693,328	-	-
Total non-current assets		27,781,745	21,534,885	27,767,153	19,488,933
Other investments	7	21,921,243	10,021,285	15,896,214	10,021,285
Receivables, deposits and prepayments	9	10,277,180	10,188,886	23,988,429	27,311,601
Current tax assets		177,457	177,946	-	-
Cash and cash equivalents	10	54,480,359	36,325,147	6,594,218	391,173
Total current assets		86,856,239	56,713,264	46,478,861	37,724,059
Total assets		114,637,984	78,248,149	74,246,014	57,212,992
Equity					
Share capital		61,441,920	20,306,500	61,441,920	20,306,500
Reserves		676,124	8,051,539	587,876	7,679,191
Retained earnings		23,053,142	31,894,290	7,145,693	26,055,652
Total equity attributable to shareholders of the Company	11	85,171,186	60,252,329	69,175,489	54,041,343
Minority interest		1,248,173	1,123,690	-	-
Total equity		86,419,359	61,376,019	69,175,489	54,041,343
Liabilities					
Deferred tax liabilities	8	68,867	8,925	-	-
Total non-current liabilities		68,867	8,925	-	-
Deferred income	12	12,128,628	7,750,996	51,574	15,650
Payables and accruals	13	14,145,529	8,294,651	5,018,951	3,155,999
Taxation		1,875,601	817,558	-	-
Total current liabilities		28,149,758	16,863,205	5,070,525	3,171,649
Total liabilities		28,218,625	16,872,130	5,070,525	3,171,649
Total equity and liabilities		114,637,984	78,248,149	74,246,014	57,212,992

The notes on pages 38 to 73 are an integral part of these financial statements.

INCOME STATEMENTS

for the year ended 31 December 2007

	Note	Group		Company	
		2007 RM	2006 RM	2007 RM	2006 RM
Continuing operation					
Revenue	15	83,079,137	65,743,858	19,869,677	26,894,106
Other operating income	16	480,903	78,446	236,228	154,154
Advertising expenses		(1,240,618)	(1,460,738)	(6,380)	-
(Allowance)/Writeback for doubtful debts		524,024	(348,897)	16,294	(53,317)
Contract and outsourcing cost		(14,671,196)	(13,804,935)	-	-
Depreciation		(1,455,794)	(1,161,524)	-	-
Rental of office		(904,649)	(819,012)	-	(6,698)
Staff costs	18	(23,399,452)	(18,949,917)	(276,694)	(378,496)
Telecommunication expenses		(464,094)	(563,097)	(2,341)	(20,572)
Traveling expenses		(851,096)	(820,742)	(48,534)	(33,349)
Other operating expenses	16	(9,673,241)	(7,028,855)	(995,019)	(530,607)
Results from operating activities					
		31,423,924	20,864,587	18,793,231	26,025,221
Interest income		1,094,852	801,182	35,336	57,463
Finance costs		(7,802)	-	-	-
Gain on deemed disposal of equity interest in					
- a subsidiary		-	3,294,567	-	-
- an associate		-	24,832	-	-
Operating profit					
		32,510,974	24,985,168	18,828,567	26,082,684
Share of profit/(loss) after tax and minority interest of equity accounted associates and a jointly-controlled entity		1,151,759	(88,934)	-	-
Profit before tax					
		33,662,733	24,896,234	18,828,567	26,082,684
Tax expense	19	(3,379,481)	(2,267,789)	(11,348)	(40,525)
Profit for the year					
		30,283,252	22,628,445	18,817,219	26,042,159
Attributable to:					
Shareholders of the Company		28,886,030	21,709,231	18,817,219	26,042,159
Minority interest		1,397,222	919,214	-	-
Profit for the year					
		30,283,252	22,628,445	18,817,219	26,042,159
Basic earnings per ordinary share (sen)					
	20	9.44	7.15		
Diluted earnings per ordinary share (sen)					
	20	9.08	6.89		

The notes on pages 38 to 73 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2007

Group	Note	Attributable to shareholders of the Company						Total equity RM
		Share capital RM	Share premium RM	Translation reserve RM	Share option reserve RM	Retained earnings RM	Total RM	
		Non-distributable			Distributable			
At 1 January 2006		20,100,000	6,378,571	193,309	-	15,769,347	42,441,227	44,009,135
Foreign exchange translation differences		-	-	179,039	-	-	179,039	196,454
Profit for the year		-	-	-	-	21,709,231	21,709,231	22,628,445
Total recognised income and expense for the year		-	-	179,039	-	21,709,231	21,888,270	22,824,899
Share options exercised	11	206,500	908,600	-	-	-	1,115,100	1,115,100
Share-based payments	14	-	-	-	392,020	-	392,020	392,020
Acquisition of shares in a subsidiary		-	-	-	-	-	-	66,470
Issuance of shares to minority interest		-	-	-	-	-	-	437,640
Dividends	21	-	-	-	-	(5,584,288)	(5,584,288)	(7,469,245)
As at 31 December 2006 / 1 January 2007		20,306,500	7,287,171	372,348	392,020	31,894,290	60,252,329	61,376,019
Foreign exchange translation differences		-	-	(284,100)	-	-	(284,100)	(120,270)
Profit for the year		-	-	-	-	28,886,030	28,886,030	30,283,252
Total recognised income and expense for the year		-	-	(284,100)	-	28,886,030	28,601,930	30,162,982
Share options exercised	11	174,140	1,022,500	-	-	-	1,196,640	1,196,640
Transfer to share premium for share options exercised		-	155,654	-	(155,654)	-	-	-
Transfer to retained earnings for share options lapsed		-	-	-	(61,190)	61,190	-	-
Share issue expenses		-	(684,269)	-	-	-	(684,269)	(684,269)
Bonus issue		40,961,280	(7,781,056)	-	-	(33,180,224)	-	-
Share-based payments	14	-	-	-	412,700	-	412,700	412,700
Acquisition of shares in subsidiaries	27	-	-	-	-	-	-	491,740
Dividends	21	-	-	-	-	(4,608,144)	(4,608,144)	(6,536,453)
At 31 December 2007		61,441,920	-	88,248	587,876	23,053,142	85,171,186	86,419,359

STATEMENT OF CHANGES IN EQUITY (CONT'D)

Company	Note	Attributable to shareholders of the Company					Total equity RM
		Share capital RM	Share premium RM	Share option reserve RM	Retained earnings RM	Distributable	
At 1 January 2006		20,100,000	6,378,571	-	5,597,781	32,076,352	
Profit for the year		-	-	-	26,042,159	26,042,159	
Shares options exercised	11	206,500	908,600	-	-	1,115,100	
Share-based payments	14	-	-	392,020	-	392,020	
Dividends	21	-	-	-	(5,584,288)	(5,584,288)	
As at 31 December 2006 / 1 January 2007		20,306,500	7,287,171	392,020	26,055,652	54,041,343	
Profit for the year		-	-	-	18,817,219	18,817,219	
Shares options exercised	11	174,140	1,022,500	-	-	1,196,640	
Transfer to share premium for share options exercised		-	155,654	(155,654)	-	-	
Transfer to retained earnings for share options lapsed		-	-	(61,190)	61,190	-	
Share issue expenses		-	(684,269)	-	-	(684,269)	
Bonus issue		40,961,280	(7,781,056)	-	(33,180,224)	-	
Share-based payments	14	-	-	412,700	-	412,700	
Dividends	21	-	-	-	(4,608,144)	(4,608,144)	
At 31 December 2007		61,441,920	-	587,876	7,145,693	69,175,489	

The notes on pages 38 to 73 are an integral part of these financial statements.

CASH FLOW STATEMENTS

for the year ended 31 December 2007

	Note	Group		Company	
		2007 RM	2006 RM	2007 RM	2006 RM
Cash flows from operating activities					
Profit before tax		33,662,733	24,896,234	18,828,567	26,082,684
Adjustments for:					
Depreciation	3	1,455,794	1,161,524	-	-
Impairment of goodwill		160,366	-	-	-
Property and equipment written off	3	1,139	361	-	-
(Gain)/Loss on disposal of property and equipment		(1,868)	476	-	-
Share-based payments	14	412,700	392,020	412,700	392,020
Share of (profit)/loss after tax and minority interest of equity accounted associates and a jointly-control entity		(1,151,759)	88,934	-	-
Dividend income	15	-	-	(18,464,067)	(26,098,277)
Gain on deemed disposal of equity interest of					
- a subsidiary	28	-	(3,294,567)	-	-
- an associate		-	(24,832)	-	-
Interest income		(1,094,852)	(801,182)	(35,336)	(57,463)
Gain on disposal of investments in unit trusts		(236,228)	-	(236,228)	-
Investment distribution income		(709,259)	(230,480)	(652,217)	(230,480)
Impairment loss for other investments		226,122	-	149,497	-
Impairment loss for investment in a jointly-controlled entity		438,012	-	-	-
Unrealised foreign exchange loss		84,658	98,910	10,909	69,172
Operating profit before working capital changes		33,247,558	22,287,398	13,825	157,656
Changes in working capital:					
Receivables, deposits and prepayments		408,336	(577,623)	(3,811,842)	(1,023,086)
Deferred income		4,288,889	1,849,442	35,924	(8,583)
Payables and accruals		3,681,017	2,427,523	236,559	(616,775)
Cash generated from/ (used in) operations		41,625,800	25,986,740	(3,525,534)	(1,490,788)
Income tax paid		(2,047,338)	(1,046,349)	(11,348)	(40,525)
Interest received		1,094,852	801,182	35,336	57,463
Net cash from/ (used in) operating activities		40,673,314	25,741,573	(3,501,546)	(1,473,850)

CASH FLOW STATEMENTS (CONT'D)

	Note	Group		Company	
		2007 RM	2006 RM	2007 RM	2006 RM
Cash flows from investing activities					
Acquisition of subsidiaries, net of cash acquired	27	491,740	(54,327)	(771,960)	-
Acquisition of an associate		(6,885,260)	(336,155)	(6,885,260)	-
Acquisition of intellectual property		(330,000)	-	(330,000)	-
Disposal of equity interest of a subsidiary, net cash outflow	28	-	(66,675)	-	-
Increase in investment in a subsidiary		-	-	-	(656,460)
Investment distribution income received		709,259	230,480	652,217	230,480
Acquisition of other investments		(18,889,852)	(10,021,285)	(10,788,198)	(10,021,285)
Issuance of shares to minority interest		-	437,640	-	-
Purchase of property and equipment	3	(1,337,287)	(2,978,981)	(291,000)	(77,600)
Proceeds from disposal of property and equipment		6,312	15,712	-	-
Proceeds from redemption of investments in quoted unit trusts		7,000,000	-	5,000,000	-
Dividends received		-	-	25,652,398	5,000,000
Net cash (used in) /from investing activities		(19,235,088)	(12,773,591)	12,238,197	(5,524,865)
Cash flows from financing activities					
Dividends paid to shareholders of the Company	21	(3,045,977)	(2,538,311)	(3,045,977)	(2,538,311)
Dividends paid to minority shareholders		(1,485,538)	(1,884,957)	-	-
Proceeds from issuance of shares pursuant to ESOS		1,196,640	1,115,100	1,196,640	1,115,100
Payment of corporate restructuring expenses		(684,269)	-	(684,269)	-
Net cash used in financing activities		(4,019,144)	(3,308,168)	(2,533,606)	(1,423,211)
Net increase/ (decrease) in cash and cash equivalents		17,419,082	9,659,814	6,203,045	(8,421,926)
Cash and cash equivalents at beginning of the year		36,325,147	26,558,381	391,173	8,813,099
Effects of exchange rate changes on cash and cash equivalents		736,130	106,952	-	-
Cash and cash equivalents at end of year		54,480,359	36,325,147	6,594,218	391,173
Cash and cash equivalents comprise:					
Deposits with licensed banks		50,246,652	32,872,385	6,260,000	-
Cash and bank balances		4,233,707	3,452,762	334,218	391,173
	10	54,480,359	36,325,147	6,594,218	391,173

The notes on pages 38 to 73 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

JobStreet Corporation Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Board of Bursa Malaysia Securities Berhad. The addresses of its registered office and principal place of business 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 as at and for the year ended 31 December 2007 comprise the Company and its subsidiaries (together referred to as the Group) and the Group's interest in associates and a jointly-controlled entity. The financial statements of the Company as at and for the year ended 31 December 2007 do not include other entities.

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

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with applicable approved Financial Reporting Standards issued by the Malaysian Accounting Standards Board (MASB), accounting principles generally accepted in Malaysia and the provisions of the Companies Act, 1965. These financial statements also comply with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The accounting policies adopted by the Group and the Company are consistent with those adopted in the previous years except for the adoption of FRS 124 on Related Party Disclosures issued by MASB that are effective for the financial period beginning on 1 January 2007.

Other than expanded disclosure requirements as shown in Note 26, the adoption of FRS 124 does not have any significant impact on the Group and the Company.

The MASB has also issued the following FRSs and Interpretations that are effective for annual periods beginning after 1 January 2007, and that have not been applied in preparing these financial statements:

FRSs/Interpretations	Effective date
FRS 139, <i>Financial Instruments: Recognition and Measurement</i>	To be announced
Amendment to FRS 121, <i>The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation</i>	1 July 2007
IC Interpretation 1, <i>Changes in Existing Decommissioning, Restoration and Similar Liabilities</i>	1 July 2007
IC Interpretation 2, <i>Members' Shares in Co-operative Entities and Similar Instruments</i>	1 July 2007
IC Interpretation 5, <i>Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds</i>	1 July 2007

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

1. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (cont'd)

FRSs/Interpretations	Effective date
IC Interpretation 6, <i>Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment</i>	1 July 2007
IC Interpretation 7, <i>Applying the Restatement Approach under FRS 129₂₀₀₄ Financial Reporting in Hyperinflationary Economies</i>	1 July 2007
IC Interpretation 8, <i>Scope of FRS 2</i>	1 July 2007
FRS 107, <i>Cash Flow Statements</i>	1 July 2007
FRS 111, <i>Construction Contracts</i>	1 July 2007
FRS 112, <i>Income Taxes</i>	1 July 2007
FRS 118, <i>Revenue</i>	1 July 2007
FRS 120, <i>Accounting for Government Grants and Disclosure of Government Assistance</i>	1 July 2007
FRS 126, <i>Accounting and Reporting by Retirement Benefit Plans</i>	1 July 2007
FRS 129, <i>Financial Reporting in Hyperinflationary Economies</i>	1 July 2007
FRS 134, <i>Interim Financial Reporting</i>	1 July 2007
FRS 137, <i>Provisions, Contingent Liabilities and Contingent Assets</i>	1 July 2007

The Group and the Company plan to apply the abovementioned FRSs and Interpretations (except for FRS 111, FRS 126, FRS 129, IC1, IC2, IC5, IC6, IC7 as explained below and FRS139, Financial Instruments: Recognition and Measurement which the effective date has yet to be announced) for annual period beginning 1 January 2008.

FRS 111, FRS 126, FRS 129, IC1, IC2, IC5, IC6 and IC7 are not applicable to the Group and the Company. Hence, no further disclosure is warranted.

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

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

The financial statements were approved by the Board of Directors on 25 April 2008.

(b) Basis of measurement

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

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

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

1. BASIS OF PREPARATION (CONT'D)

(d) Use of estimates and judgements (cont'd)

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

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

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to 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, including unincorporated entities, controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. Subsidiaries are consolidated using the purchase method of accounting.

Under the purchase method of accounting, the financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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

(ii) Associates

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

Associates are accounted for in the consolidated financial statements using the equity method unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The consolidated financial statements include the Group's share of the profit or loss of the equity accounted 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 equity accounted associate, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (cont'd)

(iii) Joint ventures

Jointly-controlled entities

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

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

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

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

(iv) Changes in Group composition

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

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

(v) Minority interest

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (cont'd)

(vi) Transactions eliminated on consolidation

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

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

(b) Foreign currency

(i) Foreign currency transactions

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

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

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

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

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

(c) Property and equipment

(i) Recognition and measurement

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

Cost includes expenditures that are directly attributable to the acquisition of the asset 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Property and equipment (cont'd)

(i) Recognition and measurement (cont'd)

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

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.

Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognised net within "other operating income" or "other operating expenses" respectively in the income statements.

(ii) Subsequent costs

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

(iii) Depreciation

Depreciation is recognised in the income statements on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Freehold land is not depreciated. Building under construction is not depreciated until the assets are ready for their intended use.

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
Motor vehicles	10 years
Leasehold equipment	4 – 5 years

The depreciable amount is determined after deducting the residual value. Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(d) Intangible assets

(i) Goodwill

Goodwill arises on business combinations and is measured at cost less any accumulated impairment losses.

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Intangible assets (cont'd)

(i) Goodwill (cont'd)

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

Any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in income statements.

(ii) Other intangible assets

Intangible assets other than goodwill that are acquired by the Group are stated at cost less any accumulated amortization and any impairment losses.

Expenditure on internally generated goodwill and brands is recognized in the income statement as an expense as incurred.

(e) Investments in equity securities

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

Subsequent to initial recognition:

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

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

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

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

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

(f) Research and development

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Receivables

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

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

Receivables are not held for the purpose of trading.

(h) Cash and cash equivalents

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

(i) Impairment of assets

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

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

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. 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 groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

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

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

(j) Share capital

Share issue expenses

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Employee benefits

(i) Short term employee benefits

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

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

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

(ii) Share-based payment transactions

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest.

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

(l) Payables

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

(m) Revenue recognition

(i) Services rendered

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

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

(ii) Dividend and investment distribution income

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Government grants

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

(o) Lease payments

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

(p) Interest income

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

(q) Tax expense

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

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

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

Deferred tax liability is recognised for all taxable temporary differences.

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

(r) Earnings per share

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

(s) Segment reporting

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY AND EQUIPMENT

Group	Note	Freehold land RM	Building RM	Computers RM	Furniture and fittings RM	Office equipment RM	Motor vehicles RM	Leasehold equipment RM	Building in progress RM	Total RM
Cost										
At 1 January 2006		6,176,401	4,117,601	3,570,510	803,099	619,907	-	91,376	-	15,378,894
Additions		-	-	1,106,083	1,273,038	389,330	64,272	68,658	77,600	2,978,981
Disposals		-	-	(46,247)	(5,760)	(11,640)	-	-	-	(63,647)
Written off		-	-	(22,281)	-	-	-	-	-	(22,281)
Deemed disposal of equity interest in a subsidiary	28	-	-	(287,985)	(63,775)	(89,436)	-	(11,178)	-	(452,374)
Exchange difference		-	-	(8,670)	(1,428)	305	-	454	-	(9,339)
At 31 December 2006/1 January 2007		6,176,401	4,117,601	4,311,410	2,005,174	908,466	64,272	149,310	77,600	17,810,234
Additions		-	-	755,581	72,994	133,729	54,472	29,511	291,000	1,337,287
Disposals		-	-	(16,820)	-	-	-	-	-	(16,820)
Written off		-	-	(33,405)	-	(18,225)	-	-	-	(51,630)
Reclassification		-	-	171,244	-	(171,244)	-	-	-	-
Exchange difference		-	-	(13,042)	2,569	35,245	(7,334)	7,370	-	24,808
At 31 December 2007		6,176,401	4,117,601	5,174,968	2,080,737	887,971	111,410	186,191	368,600	19,103,879

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY AND EQUIPMENT (CONT'D)

Group	Note	Freehold land RM	Building RM	Computers RM	Furniture and fittings RM	Office equipment RM	Motor vehicles RM	Leasehold equipment RM	Building in progress RM	Total RM
Depreciation										
At 1 January 2006		-	-	2,377,771	405,435	482,454	-	33,878	-	3,299,538
Charge for the year		-	68,626	736,629	162,313	107,386	6,509	80,061	-	1,161,524
Disposals		-	-	(46,247)	(48)	(1,164)	-	-	-	(47,459)
Written off		-	-	(21,920)	-	-	-	-	-	(21,920)
Deemed disposal of equity interest in a subsidiary	28	-	-	(260,865)	(62,395)	(69,296)	-	(11,178)	-	(403,734)
Exchange difference		-	-	(8,644)	(1,891)	(138)	(82)	(751)	-	(11,506)
At 31 December 2006/ 1 January 2007		-	68,626	2,776,724	503,414	519,242	6,427	102,010	-	3,976,443
Charge for the year		-	82,352	1,015,104	197,154	112,027	12,950	36,207	-	1,455,794
Disposals		-	-	(12,376)	-	-	-	-	-	(12,376)
Written off		-	-	(32,435)	-	(18,056)	-	-	-	(50,491)
Reclassification		-	-	23,986	-	(23,986)	-	-	-	-
Exchange difference		-	-	194	3,847	31,231	(1,389)	10,544	-	44,427
At 31 December 2007		-	150,978	3,771,197	704,415	620,458	17,988	148,761	-	5,413,797
Carrying amounts										
At 1 January 2006		6,176,401	4,117,601	1,192,739	397,664	137,453	-	57,498	-	12,079,356
At 31 December 2006/ 1 January 2007		6,176,401	4,048,975	1,534,686	1,501,760	389,224	57,845	47,300	77,600	13,833,791
At 31 December 2007		6,176,401	3,966,623	1,403,771	1,376,322	267,513	93,422	37,430	368,600	13,690,082

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY AND EQUIPMENT (CONT'D)

Company	Building- in-progress RM
Cost	
At 1 January 2006	-
Additions	77,600
	<hr/>
At 31 December 2006/ 1 January 2007	77,600
Additions	291,000
	<hr/>
At 31 December 2007	368,600
	<hr/>
Carrying amounts	
At 1 January 2006	-
	<hr/>
At 31 December 2006/ 1 January 2007	77,600
	<hr/>
At 31 December 2007	368,600
	<hr/>

In the previous year, the Company acquired a building which is under construction for future use as office whereby progress payment made up to the balance sheet date totalled RM368,600.

4. INTANGIBLE ASSETS

Group	Goodwill RM	Intellectual Property RM	Total RM
Cost			
At 1 January 2006	3,524,072	-	3,524,072
Acquisition through business combinations	160,809	-	160,809
Deemed disposal of equity interest in a subsidiary (Note 28)	(876,025)	-	(876,025)
	<hr/>		<hr/>
At 31 December 2006/ 1 January 2007	2,808,856	-	2,808,856
Acquisition	-	330,000	330,000
Foreign exchange differences	(443)	-	(443)
	<hr/>		<hr/>
At 31 December 2007	2,808,413	330,000	3,138,413
	<hr/>		<hr/>
Impairment loss			
At 1 January 2006/ 31 December 2006/ 1 January 2007	-	-	-
Impairment for the year	160,366	-	160,366
	<hr/>		<hr/>
At 31 December 2007	160,366	-	160,366
	<hr/>		<hr/>
Carrying amounts			
At 1 January 2006	3,524,072	-	3,524,072
	<hr/>		<hr/>
At 31 December 2006/ 1 January 2007	2,808,856	-	2,808,856
	<hr/>		<hr/>
At 31 December 2007	2,648,047	330,000	2,978,047
	<hr/>		<hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. INTANGIBLE ASSETS (CONT'D)

Company	Intellectual Property RM
Cost	
At 1 January 2006/ 31 December 2006 / 1 January 2007	-
Acquisition	330,000
At 31 December 2007	<u>330,000</u>
Impairment loss	
At 1 January 2006/ 31 December 2006/ 1 January 2007/ 31 December 2007	<u>-</u>
Carrying amounts	
At 1 January 2006/ 31 December 2006 / 1 January 2007	<u>-</u>
At 31 December 2007	<u>330,000</u>

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

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

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

	Group	
	2007 RM'000	2006 RM'000
Malaysia	1,867	1,867
Singapore	598	759
Philippines	183	183
	<u>2,648</u>	<u>2,809</u>

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

- The discount rate used is based on the Company's weighted average cost of capital of 7.87%.
- Cash flow projections are based on five-year financial projections prepared by management. Cash flows beyond the fifth year are projected based on a terminal value approach.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES

	Company	
	2007 RM	2006 RM
Unquoted shares, at cost	20,183,293	19,411,333

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest	
			2007 %	2006 %
JobStreet.com Pte Ltd * and its subsidiaries:	Singapore	Online recruitment and human resource management services	100	100
Jobstreet.com Sdn Bhd	Malaysia	Online recruitment and human resource management services	100	100
JobStreet.com Philippines Inc*	Philippines	Online recruitment and human resource management services	60	60
Jobstreet.com Limited ***	Hong Kong	Dormant	100	100
Blurbme Holdings Pte Ltd **	Singapore	Online lifestyle portal	51	51
PT JobStreet Indonesia **	Indonesia	Online recruitment and human resource management services	60	60
JS E-Recruitment Limited ** (Note 27)	Bangladesh	Online recruitment and human resource management services	60	-
JS Overseas Holdings Limited *** (Note 27)	British Virgin Islands	Dormant	100	-
JobStreet Kabushiki *** Kaisha (Note 27)	Japan	Search and selection, staffing and career consultancy	60	-

* Audited by other member firms of KPMG International

** Audited by other firms of auditors other than KPMG

*** Consolidated using management accounts

6. INVESTMENTS IN ASSOCIATES AND A JOINTLY-CONTROLLED ENTITY

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
At cost:				
Unquoted shares	13,047,939	6,162,679	6,885,260	-
Impairment loss	(438,012)	-	-	-
Share of post-acquisition reserves	(1,264,330)	(1,970,210)	-	-
Post acquisition foreign exchange translation reserve	(438,701)	6,441	-	-
	<u>10,906,896</u>	<u>4,198,910</u>	<u>6,885,260</u>	<u>-</u>

Summary financial information on associates and a jointly-controlled entity:

Group	Country of incorporation	Effective ownership interest		Revenue (100%) RM	Profit/ (Loss) (100%) RM	Total assets (100%) RM	Total liabilities (100%) RM
		2007 %	2006 %				
2007							
Enerpro Pte Ltd	Singapore	42	42	3,741,412	847,843	2,214,369	682,295
JobStreet.com India Private Ltd	India	50	50	1,129,172	(1,628,328)	6,104,186	611,896
Recruit Group Limited	British Virgin Islands	20	-	24,721,370	7,781,534	15,625,410	4,629,408

During the year, the Group acquired a 20 percent equity interest in Recruit Group Limited. There is an option for the repurchase of the 20 percent shares by Recruit Holdings Limited which is exercisable from 15 February 2008 to 14 August 2008. The resale price is determined as the higher of:

- (i) HK\$ 15 million; and
- (ii) Agreed sum or sum determined by 'Specified Experts' as the fair value of the resale shares.

7. OTHER INVESTMENTS

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
Non-current				
At cost:				
Unquoted shares outside Malaysia	114,679	114,995	-	-
Less: Impairment loss	(114,679)	(114,995)	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. OTHER INVESTMENTS (CONT'D)

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
Current				
At cost:				
Quoted unit trust and securities in				
- Malaysia	16,270,501	10,021,285	10,278,364	-
- Overseas	5,876,864	-	5,767,347	-
Less: Impairment loss	(226,122)	-	(149,497)	-
	<u>21,921,243</u>	<u>10,021,285</u>	<u>15,896,214</u>	<u>-</u>
Market value:				
Quoted unit trust and securities in				
- Malaysia	16,196,266	10,342,544	10,278,364	-
- Overseas	5,724,977	-	5,617,850	-
	<u>21,921,243</u>	<u>10,342,544</u>	<u>15,896,214</u>	<u>-</u>

8. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2007 RM	2006 RM	2007 RM	2006 RM	2007 RM	2006 RM
Group						
Property and equipment	(5,553)	(2,131)	(13,804)	(8,925)	(19,357)	(11,056)
Provisions	212,273	165,751	(55,063)	-	157,210	165,751
Tax losses carry-forward	-	529,708	-	-	-	529,708
Net tax assets/(liabilities)	<u>206,720</u>	<u>693,328</u>	<u>(68,867)</u>	<u>(8,925)</u>	<u>137,853</u>	<u>684,403</u>

Unrecognised net deferred tax assets

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

	Group		Company	
	2007 RM '000	2006 RM '000	2007 RM '000	2006 RM '000
Deductible temporary differences	56	1,386	56	154
Tax losses carry-forward	1,337	886	-	-
Unabsorbed capital allowances	-	305	-	-
	<u>1,393</u>	<u>2,577</u>	<u>56</u>	<u>154</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8. DEFERRED TAX ASSETS AND LIABILITIES (CONT'D)

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

In the prior year, the Group excluded unutilised tax losses carry-forward of RM4,094,000 attributable to JobStreet.com India Private Ltd. which has become a jointly-controlled entity from a subsidiary previously.

Movement in net temporary differences during the year

Group	At 1.1.2006 RM	Recognised in income statement (note 19) RM	Exchange difference RM	At 31.12.2006 RM	Recognised in income statement (note 19) RM	Exchange difference RM	At 31.12.2007 RM
Property and equipment	(10,288)	(768)	-	(11,056)	(8,479)	178	(19,357)
Provisions	142,515	21,525	1,711	165,751	(19,960)	11,419	157,210
Tax losses carry-forward	1,137,727	(622,316)	14,297	529,708	(521,135)	(8,573)	-
	1,269,954	(601,559)	16,008	684,403	(549,574)	3,024	137,853

9. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	Group		Company	
		2007 RM	2006 RM	2007 RM	2006 RM
Trade					
Trade receivables		10,050,126	10,139,617	250,960	173,256
Less: Allowance for doubtful debts		(1,408,307)	(1,873,623)	(37,023)	(53,317)
	a	8,641,819	8,265,994	213,937	119,939
Non-trade					
Amounts due from subsidiaries	b	-	-	23,328,613	26,965,483
Amounts due from affiliates	b	491,079	-	445,879	-
Amount due from a jointly-controlled entity	b	225,580	203,764	-	-
Other receivables, deposits and prepayments		918,702	1,719,128	-	226,179
		1,635,361	1,922,892	23,774,492	27,191,662
		10,277,180	10,188,886	23,988,429	27,311,601

Note a

Trade receivables denominated in a currency other than the functional currency comprise RM324,829 (2006: RM365,518) of trade receivables denominated in U.S. Dollar.

Note b

The amounts due from subsidiaries, affiliates and a jointly-controlled entity are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

10. CASH AND CASH EQUIVALENTS

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
Deposits with licensed banks	50,246,652	32,872,385	6,260,000	-
Cash and bank balances	4,233,707	3,452,762	334,218	391,173
	<u>54,480,359</u>	<u>36,325,147</u>	<u>6,594,218</u>	<u>391,173</u>

11. CAPITAL AND RESERVES

Share capital

	Note	Group and Company			
		Amount 2007 RM	Number of shares 2007	Amount 2006 RM	Number of shares 2006
Authorised:					
Ordinary shares					
Opening balance *		50,000,000	500,000,000	50,000,000	500,000,000
Created during the financial year *	11.1	50,000,000	500,000,000	-	-
Consolidation	11.4	-	(500,000,000)	-	-
		<u>100,000,000</u>	<u>500,000,000</u>	<u>50,000,000</u>	<u>500,000,000</u>
Closing balance #		100,000,000	500,000,000	50,000,000	500,000,000
Issued and fully paid:					
Ordinary shares					
Opening balance *		20,306,500	203,065,000	20,100,000	201,000,000
Issue of shares under employee share option scheme *	11.2	174,140	1,741,400	206,500	2,065,000
Bonus issue *	11.3	40,961,280	409,612,800	-	-
Consolidation	11.4	-	(307,209,600)	-	-
		<u>61,441,920</u>	<u>307,209,600</u>	<u>20,306,500</u>	<u>203,065,000</u>
On issue at 31 December #		61,441,920	307,209,600	20,306,500	203,065,000

* - Refers to ordinary shares of RM0.10 each

- Refers to ordinary shares of RM0.20 each

11.1 During the financial year, the Company increased its authorised share capital from RM50,000,000 divided into 500,000,000 ordinary shares of RM0.10 each to RM100,000,000 divided into 1,000,000,000 ordinary shares of RM0.10 each by the creation of an additional 500,000,000 ordinary shares of RM0.10 each.

11.2 1,741,400 new ordinary shares of RM0.10 each was issued for cash arising from the exercise of employees' share options at a weighted average exercise price of approximately RM0.69 per ordinary share.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. CAPITAL AND RESERVES (CONT'D)

- 11.3 Bonus issue of 409,612,800 ordinary shares of RM0.10 each on the basis of 2 Bonus Shares for every ordinary shares of RM0.10 each held on 27 December 2007 ("Bonus Issue"); and
- 11.4 Consolidation of 2 ordinary shares of RM0.10 each after the Bonus Issue into 1 new ordinary share of RM0.20 each in the Company

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

Translation reserve

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

Share option reserve

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

Retained earnings

Subject to agreement by the Inland Revenue Board, the Company has sufficient Section 108 tax credit and tax exempt income to frank in full all its retained profits at 31 December 2007 if paid out as dividends.

The Malaysian Budget 2008 introduced a single tier company income tax system with effect from year of assessment 2008. As such, the Section 108 tax credit as at 31 December 2007 will be available to the Company until such time the credit is fully utilised or upon expiry of the six-year transitional period on 31 December 2013, whichever is earlier.

12. DEFERRED INCOME

	Note	Group		Company	
		2007 RM	2006 RM	2007 RM	2006 RM
Prepaid services	a	12,111,294	7,700,458	51,574	15,650
Government grant	b	17,334	50,538	-	-
		<u>12,128,628</u>	<u>7,750,996</u>	<u>51,574</u>	<u>15,650</u>

Note a

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

Note b

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

13. PAYABLES AND ACCRUALS

	Note	Group		Company	
		2007 RM	2006 RM	2007 RM	2006 RM
Trade					
Trade payables	a	845,816	238,336	-	6,296
Non-trade					
Other payables and accrued expenses	a	6,270,075	5,010,338	402,614	103,726
Dividend payable	21	4,608,144	3,045,977	4,608,144	3,045,977
Amounts due to subsidiaries	b	-	-	8,155	-
Amounts due to affiliates	b	2,415,168	-	-	-
Amount due to a jointly-controlled entity	b	6,326	-	38	-
		<u>13,299,713</u>	<u>8,056,315</u>	<u>5,018,951</u>	<u>3,149,703</u>
		<u>14,145,529</u>	<u>8,294,651</u>	<u>5,018,951</u>	<u>3,155,999</u>

Note a

No payables denominated in currency other than the functional currency.

Note b

The amounts due to subsidiaries, affiliates, and jointly-controlled entity are non-trade in nature, unsecured, interest free and repayable on demand.

14. EMPLOYEE BENEFITS

Share-based payments

On 5 October 2004, the Company established a share option scheme that entitles the key management personnel and eligible employees of the Group to purchase shares in the Company. Pursuant to the scheme, options were granted to key management personnel and eligible employees on 29 November 2004, 23 February 2006 and 28 March 2007. In accordance with the scheme, the options are exercisable at the market price of the shares at the date of grant.

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

14. EMPLOYEE BENEFITS (CONT'D)

Grant date/employees entitled	Number of instruments '000	Vesting conditions	Contractual life of options
Options granted to key management personnel on 29 November 2004*	4,700	20% upon yearly service and achievement of individual targets**	5 years
Options granted to eligible employees on 29 November 2004*	10,190	20% upon yearly service and achievement of individual targets**	5 years
Options granted to eligible employees on 23 February 2006	2,525	25% upon yearly service and achievement of individual targets**	4 years
Options granted to eligible employees on 28 March 2007	1,475	33.3% upon yearly service and achievement of individual target**	3 years
Total share options	18,890		

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

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

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

	Weighted average exercise price 2007	Number of options ('000) 2007	Weighted average exercise price 2006	Number of options ('000) 2006
Outstanding at 1 January	RM0.68	12,335	RM0.54	13,935
Granted during the year	RM1.61	1,475	RM1.35	2,525
Lapsed during the year	RM1.17	(1,082)	RM0.71	(2,015)
Forfeited during the year	-	-	RM0.54	(45)
Exercised during the year	RM0.69	(1,741)	RM0.54	(2,065)
Adjustment during the year	RM0.50	5,492	-	-
Outstanding at 31 December	RM0.50	16,479	RM0.68	12,335
Exercisable at 31 December	RM0.41	2,400	RM0.54	565

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

14. EMPLOYEE BENEFITS (CONT'D)

The options outstanding at 31 December 2007 have an exercise price in the range of RM0.36 to RM1.08 and a weighted average contractual life of 1.92 years.

During the year, 1,741,400 share options were exercised (2006 – 2,065,000). The weighted average share price for the year was RM2.06 (2006 - RM1.76).

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

Fair value of share options and assumptions	Eligible employees	
	2007	2006
Fair value at grant date	RM0.43	RM0.49
Weighted average share price	1.79	1.49
Exercise price	1.61	1.35
Expected volatility (weighted average volatility)	27.42%	37.19%
Option life (expected weighted average life)	3 years	4 years
Expected dividends	8.97 sen	12.60 sen
Risk-free interest rate (based on Malaysian government bonds)	3.45%	3.68%

Value of employee services received for issue of share options

	Note	Group	
		2007 RM	2006 RM
Share options granted in 2006		208,154	392,020
Share options granted in 2007		204,546	-
Total expense recognised as share based payments	18	412,700	392,020

15. REVENUE

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
Services	82,426,920	65,513,378	753,393	565,349
Dividends	-	-	18,464,067	26,098,277
Investment distribution income	652,217	230,480	652,217	230,480
	83,079,137	65,743,858	19,869,677	26,894,106

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. OTHER OPERATING EXPENSES/(INCOME)

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
Other operating expenses/(income) is arrived at after charging:				
Auditor's remuneration				
- Statutory audit				
KPMG	65,000	55,000	40,000	35,000
Affiliates of KPMG	94,819	85,286	-	-
Other auditors	16,031	43,481	-	-
- Other services				
KPMG	101,133	25,000	10,000	25,000
Impairment loss on goodwill	160,366	-	-	-
Loss on disposal of property and equipment	-	476	-	-
Impairment loss on other investment	226,122	-	149,497	-
Impairment loss on investment in associates and a jointly-controlled entity	438,012	-	-	-
Property and equipment written off	1,139	361	-	-
Realised foreign exchange loss	496,608	240,682	5,080	814
Unrealised foreign exchange loss	84,658	98,910	10,909	69,172
	<hr/>	<hr/>	<hr/>	<hr/>
and crediting:				
Grant income	71,106	47,388	-	-
Rental income	92,648	-	-	-
Gain on disposal of investment in unit trusts	236,228	-	236,228	-
Gain on disposal of property and equipment	1,868	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

17. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel compensations are as follows:

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
Directors				
- Fees	115,750	76,750	115,750	76,750
- Remuneration	667,809	558,712	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total short-term employee benefits	783,559	635,462	115,750	76,750
	-----	-----	-----	-----
Other key management personnel:				
- Remuneration	640,162	510,876	-	-
- Other short term employee benefits (including estimated monetary value of benefits-in-kind)	600	600	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	640,762	511,476	-	-
	-----	-----	-----	-----
	1,424,321	1,146,938	115,750	76,750
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

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

18. STAFF COSTS

	Note	Group		Company	
		2007 RM	2006 RM	2007 RM	2006 RM
Salaries and other employee benefits		21,101,155	16,946,811	237,983	275,140
EPF contributions		1,885,597	1,611,086	25,441	30,155
Share-based payments	14	412,700	392,020	13,270	73,201
		<u>23,399,452</u>	<u>18,949,917</u>	<u>276,694</u>	<u>378,496</u>

The number of employees of the Group and of the Company at the end of the year was 345 (2006: 293) and Nil (2006: Nil) respectively. The Company's staff requirement is supported by a subsidiary.

19. TAX EXPENSE

	Note	Group		Company	
		2007 RM	2006 RM	2007 RM	2006 RM
Continuing operation					
Total tax expense		<u>3,379,481</u>	<u>2,267,789</u>	<u>11,348</u>	<u>40,525</u>
Major components of tax expense include:					
Current tax					
Malaysia - current		140,610	85,000	4,610	25,000
- prior year		(511)	18,229	6,738	15,525
Overseas - current		2,689,808	1,563,001	-	-
Total current tax recognised in the income statement		<u>2,829,907</u>	<u>1,666,230</u>	<u>11,348</u>	<u>40,525</u>
Deferred tax					
Origination and reversal of temporary differences	8	549,574	601,559	-	-
Total tax expense		<u>3,379,481</u>	<u>2,267,789</u>	<u>11,348</u>	<u>40,525</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

19. TAX EXPENSE (CONT'D)

Reconciliation of effective tax expense

	Group		Company	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Profit for the year	30,283	22,628	18,818	26,042
Tax expense	3,379	2,268	11	41
Profit before tax	<u>33,662</u>	<u>24,896</u>	<u>18,829</u>	<u>26,083</u>
Tax calculated using Malaysian tax rate of 27% (2006: 28%)	9,089	6,971	5,084	7,303
Effect of tax rates in foreign jurisdictions	123	75	-	-
Effect of lower tax rate for a subsidiary*	(37)	(26)	-	-
Non-taxable income	(286)	(1,008)	(5,161)	(7,378)
Tax exempt income	(5,865)	(4,603)	-	-
Non-deductible expenses	451	586	108	57
Recognition of tax losses not recognised previously	(58)	-	-	-
Change in unrecognised temporary differences	(37)	255	(27)	43
(Over)/Under provided in prior year	<u>3,380</u> (1)	<u>2,250</u> 18	<u>4</u> 7	<u>25</u> 16
Tax expense	<u>3,379</u>	<u>2,268</u>	<u>11</u>	<u>41</u>

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

Under the Multimedia Super Corridor ("MSC") status, the Company and a subsidiary have been granted pioneer status under the Promotion of Investments Act, 1986 in respect of their internet related services. The income from pioneer activities of the Company is fully exempted from Malaysian income tax for five years from 21 February 2004 to 20 February 2009 and is renewable to ten years. In respect of the subsidiary, the original tax exemption was from 28 May 1999 to 27 May 2004. The exemption has been extended to 27 May 2009.

The current Malaysian taxation is in respect of interest income.

20. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share at 31 December 2007 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding calculated as follows:

	Group	
	2007 RM	2006 RM
Profit for the year attributable to ordinary shareholders	<u>28,886,030</u>	<u>21,709,231</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

20. EARNINGS PER SHARE (CONT'D)

Basic earnings per share (cont'd)

Weighted average number of ordinary shares

	2007	Group 2006
Issued ordinary shares at 1 January	304,597,500	301,500,000*
Effect of share options issued on 6 April 2006	-	1,457,022*
Effect of share options issued on 13 June 2006	-	617,043*
Effect of share options issued on 6 June 2007	1,173,263	-
Effect of share options issued on 19 October 2007	61,856	-
Effect of share options issued on 11 Dec 2007	14,844	-
	<hr/>	<hr/>
Weighted average number of ordinary shares at 31 December	305,847,463	303,574,065*
	<hr/>	<hr/>

	2007	Group 2006
Basic earnings per share (sen)	9.44	7.15*
	<hr/>	<hr/>

Diluted earnings per share

The calculation of diluted earnings per share at 31 December 2007 was based on profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	2007 RM	Group 2006 RM
Profit for the year attributable to ordinary shareholders (diluted)	28,886,030	21,709,231
	<hr/>	<hr/>

Weighted average number of ordinary shares (diluted)

	2007	Group 2006
Weighted average number of ordinary shares at 31 December	305,847,463	303,574,065*
Effect of share options on issue	12,365,938	11,509,803*
	<hr/>	<hr/>
Weighted average number of ordinary shares (diluted) at 31 December	318,213,401	315,083,868*
	<hr/>	<hr/>

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

	2007	Group 2006
Diluted earning per share (sen)	9.08	6.89*
	<hr/>	<hr/>

* Pursuant to FRS 133, Earnings Per Share, the comparative earnings per share for the year ended 31 December 2006 have been adjusted for the bonus issue of two new ordinary shares for every one ordinary share of RM0.10 each held, and the share consolidation of two ordinary shares of RM0.10 each held after the bonus issue into one new ordinary share of RM0.20 each in the Company completed on 28 December 2007, as if these events had occurred since 1 January 2006.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

21. DIVIDENDS

Dividends recognised in the current year by the Company are:

	Sen per share	Total amount RM	Date of payment
2007			
First interim 2007 tax exempt	1.50	4,608,144	28 January 2008
		<hr/>	
Total amount		4,608,144	
		<hr/>	
2006			
Final 2005 tax exempt	1.25	2,538,311	5 July 2006
First interim 2006 tax exempt	1.50	3,045,977	10 January 2007
		<hr/>	
Total amount		5,584,288	
		<hr/>	

22. SEGMENTAL REPORTING

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

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

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

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

Geographical segments

The Group comprises the following main geographical segments:

2007
 Malaysia
 Singapore
 Philippines
 Bangladesh, Hong Kong, Indonesia, Japan and British Virgin Islands ("Others")

2006
 Malaysia
 Singapore
 Philippines
 Indonesia and Hong Kong ("Others")

22. SEGMENTAL REPORTING (CONT'D)

2007	Malaysia RM	Singapore RM	Philippines RM	Others RM	Eliminations RM	Consolidated RM
Geographical segments						
Revenue from external customers	53,815,325	13,861,100	11,903,225	3,499,487	-	83,079,137
Inter-segment revenue	21,819,826	-	-	-	(21,819,826)	-
Total revenue	75,635,151	13,861,100	11,903,225	3,499,487	(21,819,826)	83,079,137
Segment result						
Operating profit	21,756,592	3,964,037	6,620,833	(913,627)	(3,911)	31,423,924
Interest income	619,382	153,499	318,773	3,198	-	1,094,852
Finance costs	-	-	-	(7,802)	-	(7,802)
Dividend income	18,464,067	14,692,179	-	-	(33,156,246)	-
Share of profit/(loss) after tax and minority interest of associates and a jointly controlled entity	1,610,177	(458,418)	-	-	-	1,151,759
Profit before tax	42,450,218	18,351,297	6,939,606	(918,231)	(33,160,157)	33,662,733
Tax expense	(140,099)	(907,688)	(2,316,377)	(15,317)	-	(3,379,481)
Profit for the year	42,310,119	17,443,609	4,623,229	(933,548)	(33,160,157)	30,283,252
Segment assets						
Unallocated assets	78,367,673	19,558,727	10,693,733	3,163,084	-	111,783,217
Total assets						2,854,767
						114,637,984
Segment liabilities						
Unallocated liabilities	14,928,558	4,773,821	4,857,743	1,714,035	-	26,274,157
Total liabilities						1,944,468
						28,218,625
Capital expenditure						
Capital expenditure	974,986	18,667	165,885	177,749	-	1,337,287
Depreciation						
Depreciation	1,183,774	79,594	104,793	87,633	-	1,455,794

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

22. SEGMENTAL REPORTING (CONT'D)

2006	Malaysia RM	Singapore RM	Philippines RM	Others RM	Eliminations RM	Consolidated RM
Geographical segments						
Revenue from external customers	45,696,953	9,971,029	7,939,750	2,136,126	-	65,743,858
Inter-segment revenue	27,985,561	-	-	-	(27,985,561)	-
Total revenue	73,682,514	9,971,029	7,939,750	2,136,126	(27,985,561)	65,743,858
Segment result						
Operating profit	15,805,690	2,347,104	4,383,291	(1,651,818)	(19,680)	20,864,587
Interest income	371,396	132,754	292,086	4,946	-	801,182
Gain on deemed disposal of:						
- a subsidiary	-	-	-	3,294,567	-	3,294,567
- an associate	-	24,832	-	-	-	24,832
Dividend income	-	-	-	-	-	-
Share of profit/(loss) after tax and minority interest of an associate and a jointly controlled entity	26,098,277	24,185,635	-	-	(50,283,912)	-
	-	12,287	-	(101,221)	-	(88,934)
Profit before tax	42,275,363	26,702,612	4,675,377	1,546,474	(50,303,592)	24,896,234
Taxation	(103,229)	(620,953)	(1,546,229)	2,622	-	(2,267,789)
Profit for the year	42,172,134	26,081,659	3,129,148	1,549,096	(50,303,592)	22,628,445
Segment assets						
Unallocated assets	50,347,449	15,791,832	7,615,548	813,190	-	74,568,019
Total assets						3,680,130
						78,248,149
Segment liabilities						
Unallocated liabilities	10,053,858	2,990,919	2,912,718	88,152	-	16,045,647
Total liabilities						826,483
						16,872,130
Capital expenditure	2,508,680	45,281	94,071	330,949	-	2,978,981
Depreciation	872,972	91,285	116,187	81,080	-	1,161,524

23. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

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

Credit risk

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

At balance sheet date, approximately 26% (2006 - 27%) of the trade receivables was concentrated on 3 debtors (2006 - 3). The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

Interest rate risk

Deposits are placed with licensed banks with varying maturing dates.

Effective interest rates and repricing analysis

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

Group	Effective interest rate per annum %	2007		Effective interest rate per annum %	2006	
		Total RM	Within 1 year RM		Total RM	Within 1 year RM
Financial assets						
Deposits with licensed banks	3.18	50,246,652	50,246,652	3.44	32,872,385	32,872,385
Company						
Financial assets						
Deposits with licensed banks	2.86	6,260,000	6,260,000	-	-	-

Liquidity risk

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

Currency risk

The Group incurs foreign currency risk on sales and purchases that are denominated in a currency other than Ringgit Malaysia. The currencies giving rise to this risk are primarily US Dollars, Hong Kong Dollars and Singapore Dollars. The Group does hedge these exposures to a certain extent by entering into forward currency contracts at present. The Group considers the impact of the fluctuation in the foreign currencies to be immaterial as the volume of foreign currency transactions is insignificant.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

23. FINANCIAL INSTRUMENTS (CONT'D)

Fair values

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

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

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

	Group			
	2007		2006	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Quoted unit trusts in Malaysia	16,196,266	16,196,266	10,021,285	10,342,544
Quoted shares in Overseas	5,724,977	5,724,977	-	-
	<u>21,921,243</u>	<u>21,921,243</u>	<u>10,021,285</u>	<u>10,342,544</u>

	Company			
	2007		2006	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Quoted unit trusts in Malaysia	10,278,364	10,278,364	10,021,285	10,342,544
Quoted shares in Overseas	5,617,850	5,617,850	-	-
	<u>15,896,214</u>	<u>15,896,214</u>	<u>10,021,285</u>	<u>10,342,544</u>

24. OPERATING LEASES

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	Group	
	2007 RM	2006 RM
Less than one year	404,789	449,657
Between one and five years	158,563	245,954
	<u>563,352</u>	<u>695,611</u>

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

25. CAPITAL COMMITMENTS

	Group/ Company	
	2007	2006
	RM	RM
Capital expenditure commitments		
Property and equipment		
Contracted but not provided for and payable:		
Within one year	19,400	213,400
One year or later and no later than five years	-	97,000
	19,400	310,400
	19,400	310,400

26. RELATED PARTIES

Identity of related parties

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

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

Transactions with key management personnel

Key management personnel compensation is disclosed in Note 17.

Other related party transactions

Company	Note	Transaction value	
		year ended	
		31 December	
		2007	2006
		RM	RM
Dividend income			
JobStreet.com Pte. Ltd.	15	18,464,067	26,098,277
		18,464,067	26,098,277
		18,464,067	26,098,277

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

27. ACQUISITION OF SUBSIDIARY COMPANIES

Business combination

On 29 June 2007, the Company completed the subscription of 60,000 new shares with a nominal value of BDT 10 each representing 60% of the issued and paid-up share capital of JS E-Recruitment Limited for a cash consideration of BDT 4,200,000 (RM213,180).

On 25 September 2007, the Company incorporated a new wholly-owned subsidiary named JS Overseas Holdings Limited ("JSOH") in BVI and subscribed for 10,000 ordinary new shares of USD1.00 each in JSOH for a consideration of USD10,000.00 (RM34,350).

On 1 November 2007, the Company completed the subscription of 360 new shares representing 60% of the issued and paid-up share capital in JobStreet Kabushiki Kaisha ("JKK") for a cash consideration of JPY18,000,000 (RM524,430).

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

	Note	Pre-acquisition carrying amounts RM	Fair value adjustments RM	Recognised values on acquisition RM
Identifiable assets and liabilities		1,263,700	-	1,263,700
Less: Minority interest		-	-	(491,740)
Net identifiable assets and liabilities				771,960
Goodwill on acquisition	4			-
Consideration paid, satisfied in cash				771,960
Cash acquired				(1,263,700)
Net cash inflow				(491,740)

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

28. DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

28. DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY (CONT'D)

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

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

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

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

29. SIGNIFICANT EVENTS

- (a) On 15 February 2007, the Company completed the subscription of 1,000 ordinary shares of USD1.00 each representing 10% of the enlarged share capital of Recruit Group Limited ("RGL") for a cash consideration of HKD 7,500,000 and the purchase of 1,000 ordinary shares of USD1.00 each representing 10% of the enlarged share capital of RGL from Recruit (BVI) Limited for a cash consideration of HKD7,500,000.
- (b) On 29 June 2007, the Company completed the subscription of 60,000 new ordinary shares of BDT 10 each representing 60% of the issued and paid-up share capital of JS E-Recruitment Ltd. for a total cash consideration of BDT 4,200,000.
- (c) On 1 October 2007, the Company completed the subscription of 10,000 new ordinary shares of USD1.00 each representing the entire issued and paid-up share capital of JS Overseas Holdings Limited.
- (d) On 1 November 2007, the Company completed the subscription of 360 new shares representing 60% of the enlarged issued and paid-up share capital of JobStreet Kabushiki Kaisha for a cash consideration of JPY18,000,000.
- (e) On 28 December 2007, the Company completed the following:
 - (i) Increase in the authorised share capital of the Company from RM50 million to RM100 million by the creation of an additional 500 million ordinary shares of RM0.10 each in the Company;
 - (ii) Bonus issue of 409,612,800 new ordinary shares on the basis of 2 new ordinary shares for every ordinary share of RM0.10 each held on 27 December 2007 ("Bonus Issue");
 - (iii) Consolidation of 2 ordinary shares of RM0.10 each after the Bonus Issue into 1 new ordinary share of RM0.20 each; and
 - (iv) Transfer of the listing of and quotation for the entire enlarged issued and paid-up share capital of the Company of RM61,441,920 comprising 307,209,600 ordinary shares of RM0.20 each from the MESDAQ Market of Bursa Malaysia Securities Berhad ("Bursa Securities") to the Main Board of Bursa Securities.

30. SUBSEQUENT EVENTS

- (a) The Company had on 4 March 2008 acquired two (2) ordinary shares of RM1.00 each representing the entire issued and paid-up share capital of Autoworld.com.my Sdn Bhd ("Autoworld") from Mr Lim Chao Li and Mr Ng Kay Yip for a total cash consideration of RM2.00 thereby resulting in Autoworld becoming a wholly-owned subsidiary of the Company.
- (b) The Company had on 10 April 2008 entered into a Subscription and Share Swap Agreement ("SSSA") to subscribe for 26,250,000 new ordinary shares of HK\$0.20 each in the share capital of Recruit Holdings Limited ("RHL") at the issue price of HK\$1.00 per share representing approximately 8.64% of the enlarged issued share capital of RHL to be satisfied by way of a cash payment of HK\$11,250,000.00 to RHL and the transfer of 2,000 ordinary shares of USD1.00 each in the share capital of Recruit Group Limited currently owned legally and beneficially by JCB to RHL or its nominee.

The principal activity of RHL is an investment holding company while its subsidiary companies are principally involved in the media advertising business, including recruitment and inflight magazine, and printing business in Hong Kong and China.

LIST OF PROPERTIES

Location	Description	Existing Use	Age of Building (Years)	Built-Up Area (Sq m)	Tenure	Net Book Value as at 31.12.2007 (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	JobStreet's Head Office	23	3,917	Freehold	10,143,024	6.12.2005
H.S(D) 288454 PTD No. 74487 Taman Gaya, Mukim Tebrau, Daerah Johor Bahru, Johor Darul Takzim	2-storey shop office	Vacant	-	357	Freehold	368,600	19.5.2006

ANALYSIS OF SHAREHOLDINGS

as at 30 April 2008

Authorised Capital	:	RM100,000,000.00
Issued And Paid-up Capital	:	RM61,873,172.20
Class of Share	:	Ordinary shares of RM0.20 each
Voting Right	:	One vote per ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100 shares	18	1.67	871	0.00
100 – 1,000 shares	193	17.96	51,025	0.02
1,001 – 10,000 shares	533	49.58	1,675,045	0.54
10,001 – 100,000 shares	219	20.37	6,772,864	2.19
100,001 to less than 5% of issued shares	106	9.86	152,228,281	49.21
5% and above of issued shares	6	0.56	148,637,775	48.04
Total	1,075	100.00	309,365,861	100.00

SUBSTANTIAL SHAREHOLDERS

(As per register of substantial shareholders)

Name	No. of Shares Held			
	Direct	%	Indirect	%
Chang Mun Kee	38,550,377	12.46	-	-
FMR LLC & FIL Limited	-	-	34,883,950*	11.28
Wong Siew Hui	33,341,565	10.78	-	-
Ng Kay Yip	30,195,210	9.76	-	-
Lim Chao Li	27,507,465	8.89	-	-
Armor Capital Management LLC	-	-	24,821,736**	8.02
Level Global Overseas Master Fund, Ltd	16,800,000	5.43	-	-
UBS SEC LLC Armor Capital Partners, L.P.	15,893,158	5.14	-	-
Level Global Investors, L.P.	-	-	16,800,000***	5.43

* FMR LLC & FIL Limited and their direct and indirect subsidiaries

** Deemed interested by virtue of Armor Capital Management LLC's ("ACM") capacity as an investment manager, ACM has voting control over all the shares of the respective registered holders as follows:-

(i) 15,893,158 Ordinary Shares of RM0.20 each held by Armor Capital Partners, LP

(ii) 8,351,228 Ordinary Shares of RM0.20 each held by Armor Qualified LP

(iii) 577,350 Ordinary Shares of RM0.20 each held by Abeille Value Holdings, LLC

*** Deemed interested by virtue of Level Global Investors, L.P.'s ("LGI") role and capacity as an investment manager and its entitlement to voting control over all the shares through direct equity interest held by Level Global Overseas Master Fund, Ltd.

ANALYSIS OF SHAREHOLDINGS (CONT'D)

DIRECTORS' SHAREHOLDINGS

(As per register of directors' shareholdings)

Name of Directors	No. of Shares Held			
	Direct	%	Indirect	%
Datuk Ali bin Abdul Kadir	900,000	0.29	105,000 *	0.03
Tan Sri Dato' Dr Lin See Yan	2,400,000	0.78	-	-
Chang Mun Kee	38,550,377	12.46	-	-
Lim Chao Li	27,507,465	8.89	-	-
Ng Kay Yip	30,195,210	9.76	-	-
Suresh A/L Thirugnanam	12,505,410	4.04	-	-

Note : * Deemed interested by virtue of Section 6A(4) of the Companies Act, 1965.

30 LARGEST SHAREHOLDERS

Name	No. of Shares Held	%
1. Chang Mun Kee	38,550,377	12.46
2. Wong Siew Hui	33,341,565	10.78
3. Ng Kay Yip	23,370,210	7.55
4. Lim Chao Li	20,682,465	6.69
5. Citigroup Nominees (Asing) Sdn Bhd <i>GSCO for Level Global Overseas Master Fund Ltd</i>	16,800,000	5.43
6. Citigroup Nominees (Asing) Sdn Bhd <i>UBS SEC LLC for Armor Capital Partners, L.P.</i>	15,893,158	5.14
7. Suresh A/L Thirugnanam	12,505,410	4.04
8. HSBC Nominees (Asing) Sdn Bhd <i>BBH (LUX) SCA for Fidelity Funds Asean</i>	11,195,350	3.62
9. Gregory Charles Poarch	9,941,175	3.21
10. Citigroup Nominees (Asing) Sdn Bhd <i>UBS SEC LLC for Armor Qualified LP</i>	8,351,228	2.70
11. HSBC Nominees (Asing) Sdn Bhd <i>BBH (LUX) SCA for Fidelity Funds Pacific</i>	7,352,100	2.38
12. Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Lim Chao Li (KLC)</i>	6,825,000	2.21
13. Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ng Kay Yip (KLC)</i>	6,825,000	2.21

ANALYSIS OF SHAREHOLDINGS (CONT'D)

30 LARGEST SHAREHOLDERS (CONT'D)

Name	No. of Shares Held	%
14. HSBC Nominees (Asing) Sdn Bhd <i>Exempt AN for JPMorgan Chase Bank, National Association (U.S.A)</i>	6,377,350	2.06
15. Citigroup Nominees (Asing) Sdn Bhd <i>PLL for Acacia Partners LP</i>	5,250,000	1.70
16. WIIG Global Ventures Pte Ltd	4,723,580	1.53
17. HSBC Nominees (Asing) Sdn Bhd <i>BBH (LUX) SCA for Fidelity Funds Malaysia</i>	4,161,900	1.35
18. RHB Capital Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Susy Ding (CEB)</i>	3,563,000	1.15
19. Amsec Nominees (Tempatan) Sdn Bhd <i>AmTrustee Berhad for Pacific Pearl Fund (UT-PM-PPF)</i>	3,229,700	1.04
20. Natarajan Muralidharan	3,214,410	1.04
21. HSBC Nominees (Asing) Sdn Bhd <i>Exempt AN for Morgan Stanley & Co. Incorporated</i>	3,053,550	0.99
22. Mavcap Technology Sdn Bhd	3,000,075	0.97
23. Lee Sau Eng	2,799,000	0.90
24. CIMB Group Nominees (Tempatan) Sdn Bhd <i>CIMB Trustee Berhad for Pacific Dana Aman (3717 TRO1)</i>	2,477,850	0.80
25. Lin Hai Moh @ Lin See Yan	2,400,000	0.78
26. HSBC Nominees (Asing) Sdn Bhd <i>BBH And Co Boston for Fidelity Japan Asia Growth Mother Fund (MTBJ)</i>	2,281,800	0.74
27. HSBC Nominees (Tempatan) Sdn Bhd <i>HSBC (M) Trustee Bhd for Value Fund (4223)</i>	2,001,300	0.65
28. Citigroup Nominees (Asing) Sdn Bhd <i>PLL for Acacia Institutional Partners LP</i>	1,950,090	0.63
29. Universal Trustee (Malaysia) Berhad <i>CIMB-Principal Small Cap Fund 2</i>	1,907,850	0.62
30. C. J. Lim Holdings Sdn. Bhd.	1,755,135	0.57

NOTICE OF FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fourth Annual General Meeting of JOBSTREET CORPORATION BERHAD will be held at 5th Floor, Wisma JobStreet.com, No. 27, Lorong Medan Tuanku 1, (Off Jalan Sultan Ismail), 50300 Kuala Lumpur on Wednesday, 18 June 2008 at 3.00 p.m. for the following purposes:-

A G E N D A

As Ordinary Business

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2007 together with the Reports of the Directors and Auditors thereon.
Ordinary Resolution 1
2. To declare a Tax Exempt Final Dividend of 2.0 sen per ordinary share of RM0.20 each for the financial year ended 31 December 2007.
Ordinary Resolution 2
3. To approve the payment of Directors' Fees for the financial year ended 31 December 2007.
Ordinary Resolution 3
4. To re-elect the following Directors retiring under Article 85 of the Articles of Association of the Company:-
 - i) Tan Sri Dato' Dr Lin See Yan **Ordinary Resolution 4**
 - ii) Mr Lim Chao Li **Ordinary Resolution 5**
5. To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration.
Ordinary Resolution 6

As Special Business

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

6. **Authority under Section 132D of the Companies Act, 1965 for the Directors to allot and issue shares**

“THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and from time to time until the conclusion of the next Annual General Meeting 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 issued share capital of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issue.”
Ordinary Resolution 7
7. **Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares (“Proposed Share Buy-Back”)**

“THAT subject to the Companies Act, 1965 (“Act”), rules, regulations and orders made pursuant to the Act, provisions of the Memorandum and Articles of Association of the Company and the 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 issued and paid-up share capital, 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:

7. **Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares (cont'd)**

- (i) the maximum aggregate number of ordinary shares of RM0.20 each in the Company ("JCB Shares") which may be purchased and/or held by the Company shall not exceed ten per centum (10%) of the issued and paid-up share capital 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 JCB Shares under the Proposed Share Buy-Back shall not exceed the retained profits and/or share premium account of the Company for the time being. Based on the audited financial statements of the Company for the financial year ended 31 December 2007, the audited retained profits of the Company stood at approximately RM7.15 million. Based on the management accounts of the Company for the three (3) months ended 31 March 2008, the retained profits of the Company stood at approximately RM7.08 million. The Company does not have any balance in its share premium account as at 31 December 2007 and 31 March 2008;
- (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 annual general meeting ("AGM") of the Company, following the general meeting at which this resolution was passed at which time it shall 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 JCB 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 JCB Shares by the Company, the Directors of the Company be and are hereby authorised to cancel any portion or all of the JCB Shares so purchased or to retain the JCB 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 JCB 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 JCB 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 JCB Shares."

Ordinary Resolution 8

NOTICE OF FOURTH ANNUAL GENERAL MEETING (CONT'D)

NOTICE OF DIVIDEND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT, subject to the approval of the shareholders at the Fourth Annual General Meeting to be held on Wednesday, 18 June 2008, a Tax Exempt Final Dividend of 2.0 sen per ordinary share of RM0.20 each in respect of the financial year ended 31 December 2007 will be paid to shareholders on 4 July 2008. The entitlement date for the said dividend shall be on 23 June 2008.

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

- (a) Shares transferred to the Depositor's securities account before 4.00 p.m. on 23 June 2008 in respect of ordinary transfers;
- (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)
LIEW IRENE (MAICSA 7022609)
Secretaries

Selangor Darul Ehsan

Date: 28 May 2008

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for holding the meeting.

5. **EXPLANATORY NOTE ON THE SPECIAL BUSINESS**

- (i) ***Ordinary Resolution 7 on the Authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares.***

The Ordinary Resolution 7, if passed, will empower the Directors to allot and issue shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.

- (ii) ***Ordinary Resolution 8 - Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares***

Please refer to the Share Buy-Back Statement dated 28 May 2008 for further information.

STATEMENT ACCOMPANYING NOTICE OF FOURTH ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.28(2) of the Listing Requirements

Directors who are standing for re-election at the Fourth Annual General Meeting of the Company pursuant to Article 85 of the Company's Article of Association are:-

- i. Tan Sri Dato' Dr Lin See Yan
- ii. Mr. Lim Chao Li

The profiles of the Directors standing for re-election are set out on pages 10 to 12 of the Annual Report. The details of the interest of the above Directors in the securities of the Company and/or its subsidiaries are disclosed in the Directors' Report on page 26 of the Annual Report.

The details of the Directors' attendance for Board Meetings are disclosed in the Statement of Corporate Governance on page 14 of the Annual Report.

PROXY FORM

No. of shares held	
--------------------	--

I/We,
 of.....
 being a member/members of 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 Fourth Annual General Meeting of the Company to be held at 5th Floor, Wisma JobStreet.com, No. 27, Lorong Medan Tuanku 1, (Off Jalan Sultan Ismail), 50300 Kuala Lumpur on Wednesday, 18 June 2008 at 3.00 p.m. and at any adjournment thereof in respect of my/our shareholding in the manner indicated below:-

No.	Ordinary Resolution	For	Against
1.	Adoption of Audited Financial Statements for the financial year ended 31 December 2007 and the Reports of the Directors and Auditors		
2.	Declaration of a Tax Exempt Final Dividend of 2.0 sen per ordinary share of RM0.20 each		
3.	Approval of Directors' Fees for the financial year ended 31 December 2007		
4.	Re-election of Tan Sri Dato' Dr Lin See Yan as Director		
5.	Re-election of Mr. Lim Chao Li as Director		
6.	Re-appointment of Auditors		
7.	Authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares		
8.	Proposed Renewal of Authority for the Company to Purchase its Own Ordinary Shares		

[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 2008

.....
 Signature:
 Shareholder or Common Seal

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for holding the meeting.



**AFFIX
STAMP**

The Company Secretary
JOBSTREET CORPORATION BERHAD
(Company No.: 641378-W)
Lot 6.05, Level 6, KPMG Tower
8 First Avenue
Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
