

JobStreet

corporation berhad

Registered Office
Level 7, Setia 1
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Damansara Heights
50490 Kuala Lumpur, Malaysia
Tel: 03 2095 7188

15 OCT 2004

The Shareholders
JobStreet Corporation Berhad

Dear Sir/Madam,

On behalf of the Directors of JobStreet Corporation Berhad ("JobStreet"), I wish to report after making due enquiries that during the period from 30 June 2004 to the date hereof, being the date not earlier than fourteen days before the issue of this Prospectus, that:-

- (a) the business of JobStreet and its subsidiary companies have, in the opinion of the Directors, been satisfactorily maintained;
- (b) in the opinion of the Directors, no circumstances have arisen subsequent to the last audited accounts of the JobStreet and its subsidiary companies which have adversely affected the trading or the value of the assets of JobStreet or any of its subsidiary companies;
- (c) the current assets of JobStreet and its subsidiary companies appear in the book at values which are believed to be realisable in the ordinary course of business;
- (d) save as disclosed in this Prospectus, there are no contingent liabilities have arisen by reason of any guarantees or indemnities given by JobStreet or any of its subsidiary companies;
- (e) save as disclosed in this Prospectus, there have been, since the last audited accounts of JobStreet and its subsidiary companies, no default or any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in relation to any borrowings in which the Directors are aware of; and
- (f) save as disclosed in the Accountants' Report as set out in Section 10 of this Prospectus, there have been no material changes in the published reserves or any unusual factors affecting the profits of JobStreet and its subsidiary companies, since the last audited accounts of JobStreet and its subsidiary companies.

Yours faithfully
For and on behalf of the Board of Directors of
JobStreet Corporation Berhad



Mark Chang
Chief Executive Officer



KPMG (Firm No. AF 0758)
Chartered Accountants
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JobStreet Corporation Berhad
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Our ref: A8/FMK/MWK/STPY

14 October 2004

Dear Sirs,

JobStreet Corporation Berhad (“JobStreet”) Accountants’ report

This report has been prepared by Messrs KPMG, an approved company auditor, exclusively for the inclusion in the prospectus to be dated 22 October 2004 in connection with the issue of 18,000,000 new ordinary shares of RM0.10 each at an issue price of RM0.54 per share by way of public issue and private placement and the listing of and quotation for the entire issued and paid-up share capital of JobStreet comprising up to 201,000,000 ordinary shares on the MESDAQ Market.

1. General information

1.1 Background and principal activities

JobStreet was incorporated in Malaysia as a public limited company on 6 February 2004. JobStreet is currently an investment holding company and plans to venture into online interactive marketing services in the future.



KPMG, a partnership established under Malaysian law, is a member of KPMG International, a Swiss association.



1.2 Flotation scheme

In conjunction with the listing of and quotation for the entire issued and paid-up share capital of JobStreet on the MESDAQ market, JobStreet undertook the following flotation scheme:

1.2.1 Restructuring of JobStreet.com Pte Ltd ("JS")

- (i) Conversion of 312,000 Series A and 70,377 Series B Redeemable Convertible Preference Shares ("RCPS") of SGD0.01 each with a carrying value of SGD5,037,962 (RM11,121,330) to 3,823,770 new ordinary shares of SGD0.10 each;
- (ii) Issuance of 1,311,975 new ordinary shares of SGD0.10 each in JS in accordance with JS's employees share option scheme to key personnel and management at an issue price of SGD0.131 per share; and
- (iii) Issuance of 807,990 new ordinary shares of SGD0.10 each in JS out of share premium account, at par through adjustment of the conversion ratio of certain qualified RCPS holders pursuant to the ratchet agreement. The purpose of the ratchet adjustment is to compensate the qualified RCPS holders on the dilution of their shareholding upon conversion of their RCPS to ordinary shares of JS.

1.2.2 Acquisition of JS

Acquisition of 100% interest in the equity capital of JS (after completion of the proposed restructuring scheme of JS – see section 1.2.1 above) by JobStreet for a purchase consideration of RM18,527,253. The consideration was satisfied by an issue of 18,299,998 ordinary shares of JobStreet of RM1.00 each at RM1.01 (rounded to nearest sen).

The purchase consideration was arrived at based on a willing buyer willing seller basis after considering the net tangible assets of JS and its subsidiaries ("JS Group") as at 31 August 2003 and fair value of intellectual properties owned by the JS Group as valued by the Directors based on a valuation by an external valuer.

1.2.3 Share split

Sub-division of every JobStreet ordinary share of RM1.00 each into 10 ordinary shares of RM0.10 each.

1.2.4 Public issue

Public issue of 18,000,000 new JobStreet ordinary shares of RM0.10 each at an issue price of RM0.54 per share.



1.2.5 Employees' Share Option Scheme ("ESOS")

In conjunction with its proposed listing, JobStreet proposes to implement an ESOS to Directors and eligible employees of JobStreet and its subsidiaries ("JobStreet Group") involving up to 10% of JobStreet's issued and paid-up share capital.

On the date of the listing of JobStreet on the MESDAQ Market, the Directors of JobStreet propose to grant up to 20,100,000 options to the Directors and eligible employees of JobStreet Group. The exercise price of the options granted on the listing date is the issue price of the Public Issue.

The above scheme was approved by (where applicable) the:

- (i) Bursa Malaysia Securities Berhad (Bursa Securities);
- (ii) Securities Commission (SC).



1.3 Changes in share capital

As at the date of incorporation, JobStreet's authorised share capital was RM50,000,000 consisting of 50,000,000 shares of RM1.00 each. At that date, its issued and paid-up share capital was RM2 consisting of 2 shares of RM1.00 each.

Details of the changes in the issued and paid-up capital of JobStreet since its incorporation are as follows:

Increase in number of shares	Term	Purpose	Resultant issued and paid-up capital RM	Cumulative issued and paid-up capital RM
2 of RM1.00	Cash	Subscribers' shares	2	2
18,299,998 of RM1.00	Share swap	Acquisition of JS	18,299,998	18,300,000
164,700,000 of RM0.10	Share split	Share split	-	18,300,000
18,000,000 of RM0.10	Cash	Public issue	1,800,000	20,100,000
20,100,000 of RM0.10	Cash	ESOS	2,010,000	22,110,000

Upon completion of the public issue, the issued and paid-up share capital of JobStreet will be enlarged to 201,000,000 ordinary shares of RM0.10 each.

Upon completion of the ESOS, the issued and paid-up share capital of JobStreet will be enlarged to 221,000,000 ordinary shares of RM0.10 each (on the assumption that the ESOS are fully exercised).



1.4 Information on JobStreet and its proposed subsidiaries ("JobStreet Group")

As an integral part of its proposed listing scheme, JobStreet acquired the entire issued and paid-up share capital of JS Group for a total consideration of RM18,527,253. The purchase consideration for the acquisition was satisfied by the issuance of 18,299,998 new ordinary shares of RM1.00 each in JobStreet at RM1.01 (rounded to nearest sen).

The details of the subsidiaries are as follows:

Name of company	Date/ Country of incorporation	Ordinary shares as at 30 June 2004			Effective interest %	Principal activity
		Par value	Authorised	Issued and paid up		
JobStreet.com Pte Ltd ("JS")	17.7.1999 Singapore	S\$0.10	S\$2,984,000	S\$1,002,250	100	Online recruitment and human resource management services
JobStreet.com Sdn Bhd ("JM")	6.10.1997 Malaysia	RM1.00	RM100,000	RM100,000	100	Online recruitment and human resource management services
JobStreet.com Philippines Inc ("JP")	21.10.1999 Philippines	PHP1.00	PHP14,114,000	PHP14,114,000	60	Online recruitment and human resource management services
JobStreet.com India Pvt Ltd ("JI")	16.2.2000 India	INR10	INR5,000,000	INR3,109,800	100	Online recruitment and human resource management services
Jobstreet.com Limited ("JHK")	26.5.2000 Hong Kong	HKD1.00	HKD500,000	HKD2	100	Dormant



1.5 Dividend

No dividend has been declared or paid by JobStreet, JS, JM, JP, JI and JHK during the relevant period/years under review.

1.6 Public issue

JobStreet will issue 18,000,000 new ordinary shares of RM0.10 each under the public issue and private placement at an issue price of RM0.54 per share.

The gross proceeds from the public issue totalling RM9,720,000 will be utilised as follows:

	RM
Capital expenditure	1,000,000
Working capital	7,220,000
Estimated listing expenses	1,500,000
	<u>9,720,000</u>
	=====

1.7 Employees share option scheme ("ESOS")

In conjunction with its proposed listing, JobStreet proposes to implement an ESOS to Directors and eligible employees of JobStreet Group involving up to 10% of JobStreet's issued and paid-up share capital.

On the date of the listing of JobStreet on the MESDAQ Market, the Directors of JobStreet propose to grant up to 20,100,000 options to the Directors and eligible employees of JobStreet Group. The exercise price of the options granted on the listing date is the issue price of the Public Issue. The effects of the ESOS scheme have not been considered in this report.

2. Financial statements and auditors

The financial statements of JS, JM, JP, and JI for all period/years relevant to this report were audited by other firms of Certified Public Accountants in Singapore, Malaysia, Philippines and India respectively except for JobStreet's financial statements for the period ended 30 June 2004 and JM's and JS's financial statements for the period/years ended 31 December 2003 and 30 June 2004, which were audited by KPMG. The financial statements of JHK were audited by another firm of Certified Public Accountants in Malaysia for the period/years ended 31 December 2000, 2001 and 2002. The financial information of JHK for the year ended 31 December 2003 and period ended 30 June 2004 was not audited.

The financial statements of JobStreet, JS, JM, JP, JI and JHK for all period/years relevant to this report were audited and reported on without any modification or qualification.



3. Accounting policies and standards

The accounting policies adopted in the preparation of this report are set out in Section 7.1.2 and are consistent with the accounting policies normally adopted by JS Group.

The financial statements of JS, JM, JP, JI and JHK are drawn up in accordance with the applicable approved accounting standards in the respective countries as follows:

JS	Singapore Financial Reporting Standards ("FRS")
JM	Malaysia Accounting Standards Board ("MASB")
JP	Philippines Statement of Financial Accounting Standards ("SFAS")
JI	India Accounting Standard ("AS")
JHK	Malaysia Accounting Standards Board ("MASB") ¹

¹ *The financial statements of JHK are drawn up in accordance with MASB as the Company is dormant and there is no statutory requirement for an audit in Hong Kong.*

No material adjustments were required to align the audited financial statements of JS, JP and JI with the requirements of MASBs.

The following adjustments have been made retrospectively to the proforma consolidated results of the JS Group due to the adoption of new standards:

During the financial year ended 31 December 2001, JS adopted Singapore Accounting Standard ("SAS") 32, "Financial Instruments: Disclosure and Presentation", a standard similar to MASB 24 "Financial Instruments: Disclosure and Presentation". Following the adoption of SAS 32, the Redeemable Convertible Preference Shares ("RCPS") of JS, which were previously classified as equity, were reclassified as liabilities.

The effect of the adjustment on the results of JS financial results are as follows:

Income statement

	Fifteen months ended 31.12.99 RM	Year ended 31.12.00 RM
Loss after tax as previously reported	(389,841)	(110,612)
Effect of adoption of SAS 32	(104,929)	(497,016)*
As restated	<u>(494,770)</u>	<u>(607,628)</u>

* Being interim dividend of SGD0.565 per RCPS less tax at 25.5% fully paid in financial year 2000. The change in accounting policy resulted in the interim dividend being reclassified as interest expense.


Balance sheet

	As at <u>31.12.99</u> RM	As at <u>31.12.00</u> RM
RCPS (non-current liabilities):		
As previously reported	0	0
Effects on adoption of SAS 32		
- RCPS	4,578,755	6,578,947
- Amount payable on RCPS	<u>104,929</u>	<u>100,511</u>
As restated	<u>4,683,684</u>	<u>6,679,458</u>
Share capital:		
As previously reported	215,202	2,026,166
Effects on adoption of SAS 32	<u>(9,158)</u>	<u>(10,912)</u>
As restated	<u>206,044</u>	<u>2,015,254</u>
Share premium:		
As previously reported	4,569,597	6,779,704
Effects on adoption of SAS 32	<u>(4,569,597)</u>	<u>(6,760,825)</u>
As restated	<u>0</u>	<u>18,879</u>
Accumulated losses:		
As previously reported	(669,668)	859,171
Effects on adoption of SAS 32	<u>(104,929)</u>	<u>(100,511)</u>
As restated	<u>(774,597)</u>	<u>758,660</u>

4. Basis of presentation of financial information

The financial information of JS, JM, JP, and JI and JHK included in this report is based on the translated audited financial statements and management accounts of JS, JM, JP, JI and JHK which are expressed in Singapore Dollars, Ringgit Malaysia, Philippines Pesos, Indian Rupees and Hong Kong Dollars respectively.

The consolidated financial information included herein has been translated to Singapore Dollars (the reporting currency of JS) and thereafter into Ringgit Malaysia (the reporting currency of JobStreet) at average exchange rates applicable throughout the period/years or the rates of exchange ruling on the balance sheet date.

The financial information for JP, JI and JHK have been translated into Ringgit Malaysia at average exchange rates applicable throughout the period/years or the rates of exchange ruling on the balance sheet date.



5. Summary of results

5.1 Proforma consolidated financial results

The proforma consolidated financial results of the JobStreet Group for the past five financial period/years ended 31 December 1999 to 2003 and the period ended 30 June 2004 have been prepared for illustrative purposes. The results are to be read in conjunction with Section 5.1.1.

	15-months ended 31.12.99 RM	Year ended 31.12.00 RM	Year ended 31.12.01 RM	Year ended 31.12.02 RM	Year ended 31.12.03 RM	6 months ended 30.6.04 RM
Revenue	2,607,789	6,253,271	9,907,722	12,481,172	19,399,165	16,170,807
EBIDTA ¹ before gain on disposal of subsidiary	(368,613)	(9,260,411)	(2,900,371)	896,002	4,466,208	5,174,534
Gain on disposal of subsidiary	-	9,710,198	-	-	-	-
Interest	(104,929)	(497,016)	(996,117)	(722,798)	(821,521)	(422,217)
Depreciation	(87,868)	(773,956)	(652,491)	(590,513)	(590,376)	(256,597)
(Loss)/profit before minority interest and taxation	(561,410)	(821,185)	(4,548,979)	(417,309)	3,054,311	4,495,720
Minority interest	66,640	241,557	(53,422)	(140,261)	(116,402)	(207,868)
(Loss)/profit before taxation	(494,770)	(579,628)	(4,602,401)	(557,570)	2,937,909	4,287,852
Taxation	-	(28,000)	192,511	(103,860)	(181,441)	(248,829)
(Loss)/profit after taxation	(494,770)	(607,628)	(4,409,890)	(661,430)	2,756,468	4,039,023
Number of shares assumed in issue (‘000) ⁴	183,000	183,000	183,000	183,000	183,000	183,000
Gross earnings per share (RM)	* ³	* ³	(0.03)	* ³	0.02	0.02 ²
Net earnings per share (RM)	* ³	* ³	(0.02)	* ³	0.02	0.02 ²

Note

- 1 Earnings before interest, depreciation, tax and amortisation (“EBIDTA”)
- 2 Based on 6 months ended 30.6.04 financial results
- 3 Less than RM0.01
- 4 Based on the number of ordinary shares of RM0.10 each in JobStreet assumed in issue after the completion of the acquisition of JS and the share split but before the public issue



5.1.1 Notes to the proforma consolidated financial results

(i) Basis of accounting

The proforma consolidated financial results of the JobStreet Group for the relevant financial period/years under review have been prepared in compliance with applicable approved accounting standards in Malaysia.

(ii) Basis of consolidation

The proforma consolidated financial results of the JobStreet Group have been prepared for illustrative purpose only and are based on the audited financial statements of JS, JM, JP, JI and JHK, and the management accounts of JHK, on the assumption that the JobStreet Group has been in existence throughout the financial period/years under review.

In preparing the proforma consolidated financial results, adjustments were made to the financial statements of JS to account for the retrospective effect of RCPS in accordance with the adoption of SAS 32 (similar to MASB 24 in Malaysia) by JS. The details are discussed in Section 3.

The prior year adjustments in the audited financial statements of JM (arising from the adoption of MASB 29) were not incorporated in the JS audited financial statements as the amounts involved were not significant. Consequently, the effects of the prior year adjustments are not reflected in the proforma consolidated financial results of JobStreet Group.

The audited financial statements of JS, JM, JP and JI are stated at their respective reporting currencies. The companies' results have been translated to Ringgit Malaysia based on the average rates prevailing during each of the respective period/years as set out below:

	1999	2000	2001	2002	2003	2004
JS (Singapore Dollar)	2.29	2.20	2.12	2.19	2.18	2.24
JP (100 Philippines Peso)	-	8.55	7.45	7.36	6.99	6.77
JI (100 India Rupees)	-	8.49	8.05	7.94	8.17	8.45
JHK (Hong Kong Dollar)	-	0.49	0.49	0.49	0.49	0.49

(iii) There were no extraordinary items during the period/years under review.

(iv) The gross earnings per share is computed based on the (loss)/profit before taxation, while the net earnings per share is calculated based on the (loss)/profit after taxation over the number of ordinary shares of RM0.10 each in JobStreet assumed in issue after the completion of the acquisition of JS and the share split but before the public issue.



5.2 JobStreet Corporation Berhad (“JobStreet”)

5.2.1 Summary of results

	6.2.04 to 30.6.04 RM
Revenue	-
EBIDTA ² before gain on disposal of subsidiary	(43,815)
Interest	-
Depreciation	-
Loss before taxation	(43,815)
Taxation	-
Loss after taxation	(43,815)
Weighted average number of shares in issue	2
Gross earnings per share (RM)	(21,908) ³
Net earnings per share (RM)	(21,908) ³

Note

- 1 *JobStreet was incorporated in Malaysia as a public limited company on 6 February 2004. JobStreet is currently an investment holding company and plans to venture into online interactive marketing services in the future.*
- 2 *Earnings before interest, depreciation, tax and amortisation (“EBIDTA”)*
- 3 *Based on 6.2.04 to 30.6.04 financial results*



5.3 JobStreet.com Pte Ltd ("JS")

5.3.1 Summary of results

	Period from 17.7.99 (date of incorporation) to 31.12.99 RM	Year ended 31.12.00 RM	Year ended 31.12.01 RM	Year ended 31.12.02 RM	Year ended 31.12.03 RM	6 months ended 30.6.04 RM
Revenue ¹	5,357	742,744	1,636,729	1,833,254	2,123,796	1,824,083
EBIDTA ² before gain on disposal of subsidiary	(661,399)	(5,947,157)	(2,311,479)	(5,375,101)	(436,731)	292,343
Gain on disposal of subsidiary	-	9,845,763	-	-	-	-
Interest	(104,929)	(497,016)	(996,117)	(722,798)	(820,463)	(421,123)
Depreciation	(8,269)	(62,065)	(121,112)	(96,447)	(72,400)	(24,364)
(Loss)/profit before taxation	(774,597)	3,339,525	(3,428,708)	(6,194,346)	(1,329,594)	(153,144)
Taxation	-	-	-	-	-	-
(Loss)/profit after taxation	(774,597)	3,339,525	(3,428,708)	(6,194,346)	(1,329,594)	(153,144)
Weighted average number of shares in issue (‘000)	857	3,203	9,225	9,255	9,280	9,859
Gross earnings per share (RM)	(0.90)	1.04	(0.37)	(0.67)	(0.14)	(0.02) ³
Net earnings per share (RM)	(0.90)	1.04	(0.37)	(0.67)	(0.14)	(0.02) ³

Note

- JS registered a loss before taxation in 1999 due to lower business volume coupled with high advertising expenses. This continued into 2000 but the gain on disposal of its subsidiary company, MOL Online Sdn Bhd ("MOL") of RM9.8 million contributed to its pre-tax profit of RM3.3 million. In 2001, JS registered a loss due to increase in investment in headcount to expand its operations. JS' loss before taxation was the highest in 2002 due to the recognition of impairment loss in investment in JI of RM4.3 million. From 2003 and continuing into 2004, increases in sales contributed to the reduction in losses and the achievement of an operating profit in the 6-month financial period ended 30 June 2004.*
- Earnings before interest, depreciation, tax and amortisation ("EBIDTA")*
- Based on 6 months ended 30.6.04 financial results*
- There were no taxation charges for all of the financial period/years under review as JS did not have any chargeable income.*
- Included in profit after taxation of JS for the year ended 31 December 2000 was a gain on disposal of a subsidiary of RM9,845,763. There were no other extraordinary or exceptional items for the period/years under review.*



5.4 JobStreet.com Sdn Bhd ("JM")

5.4.1 Summary of results

	15-month ended 31.12.99 RM	Year ended 31.12.00 RM	Year ended 31.12.01 RM	Year ended 31.12.02 RM	Year ended 31.12.03 RM	6 months ended 30.6.04 RM
Revenue ¹	2,587,901	4,915,438	6,365,325	8,063,498	14,158,655	11,898,855
EBIDTA ²	303,729	(354,142)	506,805	1,893,175	3,996,074	4,153,971
Interest	-	-	-	-	-	-
Depreciation	(2,458)	(253,552)	(340,986)	(340,637)	(396,929)	(190,772)
Profit/(loss) before taxation	301,271	(607,694)	165,819	1,552,538	3,599,145	3,963,199
Taxation	-	(28,000)	(7,102)	(12,834)	(69,425)	(29,765)
Profit/(loss) after taxation	301,271	(635,694)	158,717	1,539,704	3,529,720	3,933,434
Weighted average number of shares in issue ('000)	100	100	100	100	100	100
Gross earnings per share (RM)	3.01	(6.08)	1.66	15.53	35.99	39.63 ³
Net earnings per share (RM)	3.01	(6.36)	1.59	15.40	35.30	39.33 ³

Note

- In general with the exception of 2000 and 2001, JM recorded growth in its revenue and profit before tax due to an increase in job postings and the introduction of new products. In 2000, JM registered a loss before taxation despite an increase of revenue of RM2.3 million due to an increase in payroll, advertising, research and development and other operating costs arising from the expansion of its operations. In 2001, although revenue continued to increase, JM only managed to achieve a small profit before tax of RM165,819 due to an increase in payroll related expenses as a result of continued investment in headcount. In 2002, JM's profitability improved based on higher sales and controlled expenses. Due to an improvement in the general economy and an increased level of acceptance of JM's products and additional services, its revenue and profit before tax recorded substantial growth in 2003 and for the six month period ended 30 June 2004.*
- Earnings before interest, depreciation, tax and amortisation ("EBIDTA")*
- Based on 6 months ended 30.6.04 financial results*
- The effective tax rate of JM for the years ended 31 December 1999, 2001, 2002 and 2003, and the period ended 30 June 2004, is lower than the statutory tax rate as JM has been granted pioneer status under the Promotion of Investments Act, 1986 in respect of its Internet related services. Accordingly, the income from its pioneer activities is fully exempted from Malaysian income tax.*
- There were no extraordinary or exceptional items for the financial period/years under review.*



5.5 JobStreet.com Philippines Inc ("JP")

5.5.1 Summary of results

	Period from 21.10.99 (date of incorporation) to 31.12.99 RM	Year ended 31.12.00 RM	Year ended 31.12.01 RM	Year ended 31.12.02 RM	Year ended 31.12.03 RM	6 months ended 30.6.04 RM
Revenue ¹	-	364,478	779,619	1,329,995	1,842,406	1,395,070
EBIDTA ²	-	(498,017)	(47,512)	373,243	447,864	766,442
Interest	-	-	-	-	-	-
Depreciation	-	(52,522)	(53,580)	(50,750)	(51,063)	(26,847)
(Loss)/profit before taxation	-	(550,539)	(101,092)	322,493	396,801	739,595
Taxation	-	182,573	40,457	(95,139)	(109,947)	(219,907)
(Loss)/profit after taxation	-	(367,966)	(60,635)	227,354	286,854	519,688
Weighted average number of shares assumed in issue (‘000)	8,114	8,114	11,582	14,114	14,114	14,114
Gross earnings per share (RM)	-	(0.07)	(0.01)	0.02	0.03	0.05 ³
Net earnings per share (RM)	-	(0.05)	(0.01)	0.02	0.02	0.04 ³

Note

- 1 *JP showed positive growth rate during the financial period/years from 2000 to 2003 due mainly to increase in job posting revenue as a result of better recognition of JP's website which attracted an increasing number of candidates registered with JP. JP incurred a pre-tax loss in 31 December 2000 and 2001 mainly due to spending on advertising marketing expenses. Growth in the volume of job postings and turnover for recruitment services contributed to pre-tax profit in financial period/years 2002-2004.*
- 2 *Earnings before interest, depreciation, tax and amortisation ("EBIDTA")*
- 3 *Based on 6 months ended 30.6.04 financial results*
- 4 *There was a tax credit position in financial years 2000 and 2001 as JP incurred losses and deferred tax asset was recognised in respect of the unabsorbed losses carried forward. The effective tax rate was lower than the statutory tax rate of 32% for the financial years 2002, 2003 and period ended 30 June 2004 as the tax charge was only in respect of JP's interest income, which was subject to a lower tax rate.*
- 5 *There were no extraordinary or exceptional items for the financial period/years under review.*



5.6 JobStreet.com India Pvt Ltd (“JI”)

5.6.1 Summary of results

	Period from 16.2.00 (date of incorporation) to 31.12.00 RM	Year ended 31.12.01 RM	Year ended 31.12.02 RM	Year ended 31.12.03 RM	6 months ended 30.6.04 RM
Revenue ¹	230,610	1,126,049	1,254,425	1,624,579	1,176,302
EBIDTA ²	(2,954,727)	(1,012,994)	(319,549)	(145,087)	74,014
Interest	-	-	-	(1,058)	(1,094)
Depreciation	(59,195)	(110,844)	(88,877)	(69,435)	(14,466)
(Loss)/profit before taxation	(3,013,922)	(1,123,838)	(408,426)	(215,580)	58,454
Taxation	-	-	-	-	-
(Loss)/profit after taxation	(3,013,922)	(1,123,838)	(408,426)	(215,580)	58,454
Weighted average number of shares assumed in issue (‘000)	- ⁵	1 ⁶	200	311	311
Gross earnings per share (RM)	(150,696)	(1,535)	(2.04)	(0.69)	0.19 ³
Net earnings per share (RM)	(150,696)	(1,535)	(2.04)	(0.69)	0.19 ³

Note

1 During the initial years, lower business volume coupled with high advertising expenses to build its brand and resume database resulted in JI registering pre-tax losses. However, continuous growth in sales followed by a reduction in advertising activities and tighter cost control measures resulted in a reduction in JI's pre-tax loss in 2002 and 2003. In the six-month period ended 30 June 2004, JI achieved breakeven when growth in its sales contributed to the achievement of a pre-tax profit of RM58,454.

2 Earnings before interest, depreciation, tax and amortisation (“EBIDTA”)

3 Based on 6 months ended 30.6.04 financial results

4 There were no extraordinary or exceptional items for the financial period/years under review.

5 20 ordinary shares

6 Less than 1000 ordinary shares



5.7 Jobstreet.com Limited (“JHK”)

5.7.1 Summary of results

	Period from 26.5.00 (date of incorporation) to 31.12.00 RM	Year ended 31.12.01 RM	Year ended 31.12.02 RM	Year ended 31.12.03 RM	6 months ended 30.6.04 RM
Revenue	-	-	-	-	-
EBIDTA ¹	(5,768)	-	-	-	-
Interest	-	-	-	-	-
Depreciation	-	-	-	-	-
Loss before taxation	(5,768)	-	-	-	-
Taxation	-	-	-	-	-
Loss after taxation	(5,768)	-	-	-	-
Weighted average number of shares in issue (‘000)	- ³	-	-	-	-
Gross earnings per share (RM)	(2,884)	-	-	-	-
Net earnings per share (RM)	(2,884)	-	-	-	-

Note

- 1 Earnings before interest, depreciation, tax and amortisation (“EBIDTA”)
- 2 JHK is currently dormant
- 3 2 ordinary shares



6 Summarised balance sheets

6.1 Proforma consolidated summarised balance sheets

As the goodwill on consolidation was calculated based on net tangible assets using the audited financial statements of the JS Group as at 30 June 2004, it is therefore impracticable to present proforma consolidated balance sheets of JobStreet Group throughout the period/years under review. Accordingly, the proforma consolidated balance sheet of JobStreet Group has been presented based on the latest audited financial statements as at 30 June 2004 as shown in Section 7 of this report.

6.2 JobStreet Corporation Berhad ("JobStreet")

	At 30.6.04 RM
Investment in subsidiaries	-
Plant and equipment	-
Current assets	2
Less : Current liabilities	(43,815)
Net current liabilities	<u>(43,813)</u>
Share capital	2
Accumulated loss	(43,815)
	<u>(43,813)</u>
No of ordinary shares of RM1.00 each in issue	2
Net tangible assets ("NTA") per share	(21,907)



6.3 JobStreet.com Pte Ltd ("JS")

	← As at →					
	31.12.99	31.12.00	31.12.01	31.12.02	31.12.03	30.6.04
	RM	RM	RM	RM	RM	RM
Investment in subsidiaries	675,815	4,302,810	5,008,882	1,230,285	1,007,868	1,041,082
Plant and equipment	109,325	467,930	343,665	130,215	94,987	73,446
Current assets	3,531,599	5,596,275	9,174,191	2,610,101	2,398,265	3,377,587
Less :						
Current liabilities	(201,608)	(1,010,519)	(873,033)	(1,085,239)	(1,158,494)	(1,631,451)
Net current assets	3,329,991	4,585,756	8,301,158	1,524,862	1,239,771	1,746,136
	<u>4,115,131</u>	<u>9,356,496</u>	<u>13,653,705</u>	<u>2,885,362</u>	<u>2,342,626</u>	<u>2,860,664</u>
Share capital	206,044	2,015,254	2,035,831	2,042,410	2,042,410	2,206,317
Reserves	(774,597)	649,799	(2,723,031)	(8,996,353)	(10,470,341)	(10,466,985)
	(568,553)	2,665,053	(687,200)	(6,953,943)	(8,427,931)	(8,260,668)
Borrowings	4,683,684	6,691,443	14,340,905	9,839,305	10,770,557	11,121,332
	<u>4,115,131</u>	<u>9,356,496</u>	<u>13,653,705</u>	<u>2,885,362</u>	<u>2,342,626</u>	<u>2,860,664</u>
No of ordinary shares of SGD 0.10 each in issue	900,000	9,150,000	9,250,000	9,280,000	9,280,000	10,022,500
NTA per share	(0.63)	0.29	(0.07)	(0.75)	(0.91)	(0.82)

Note

- 1 The audited financial statements of JS are denominated in Singapore Dollar. The balances have been translated to Ringgit Malaysia based on the closing rates prevailing at each of the respective period/year ends as set out below:

	1 SGD
1999	RM2.29
2000	RM2.19
2001	RM2.06
2002	RM2.19
2003	RM2.23
2004	RM2.21



6.4 JobStreet.com Sdn Bhd ("JM")

	← As at →					
	31.12.99	31.12.00	31.12.01	31.12.02	31.12.03	30.6.04
	RM	RM	RM	RM	RM	RM
Plant and equipment	77,166	1,014,421	1,017,010	857,612	1,015,750	1,003,153
Current assets	959,432	5,227,895	1,368,097	3,007,738	7,887,805	12,397,617
Less :						
Current liabilities	(700,881)	(6,542,293)	(2,526,367)	(2,466,906)	(3,966,466)	(4,530,247)
Net current assets/ (liabilities)	258,551	(1,314,398)	(1,158,270)	540,832	3,921,339	7,867,370
	335,717	(299,977)	(141,260)	1,398,444	4,937,089	8,870,523
Share capital	100,000	100,000	100,000	100,000	100,000	100,000
Reserves	235,717	(399,977)	(241,260)	1,298,444	4,828,164	8,761,598
	335,717	(299,977)	(141,260)	1,398,444	4,928,164	8,861,598
Deferred taxation	-	-	-	-	8,925	8,925
	335,717	(299,977)	(141,260)	1,398,444	4,937,089	8,870,523
No of ordinary shares of RM1.00 each in issue	100,000	100,000	100,000	100,000	100,000	100,000
NTA per share	3.36	(3.00)	(1.41)	13.98	49.28	88.62



6.5 JobStreet.com Philippines Inc ("JP")

	← As at →					
	31.12.99	31.12.00	31.12.01	31.12.02	31.12.03	30.6.04
	RM	RM	RM	RM	RM	RM
Plant and equipment	147,401	109,512	73,329	30,590	125,267	106,084
Deferred tax assets	-	162,371	197,232	99,016	16,992	41,135
Pre-operating expenses ²	219,869	143,346	104,106	-	-	-
Current assets	776,412	388,556	443,442	959,800	1,631,712	2,336,206
Less :						
Current liabilities	(374,288)	(57,637)	(155,559)	(225,749)	(667,876)	(869,973)
Net current assets	402,124	330,919	287,883	734,051	963,836	1,466,233
	<u>769,394</u>	<u>746,148</u>	<u>662,550</u>	<u>863,657</u>	<u>1,106,095</u>	<u>1,613,452</u>
Share capital	769,394	769,394	1,225,712	1,225,712	1,225,712	1,225,712
Reserves	-	(23,246)	(563,162)	(362,055)	(119,617)	387,740
	<u>769,394</u>	<u>746,148</u>	<u>662,550</u>	<u>863,657</u>	<u>1,106,095</u>	<u>1,613,452</u>
No of ordinary shares of PHP 1 each in issue	8,114,000	8,114,000	14,114,000	14,114,000	14,114,000	14,114,000
NTA per share	0.07	0.07	0.04	0.06	0.08	0.11

Note

- 1 The audited financial statements of JP are denominated in Philippines Pesos. The balances have been translated to Ringgit Malaysia based on the closing rates prevailing at each of the respective period/years as set out below:

	100 PHP
1999	RM9.48
2000	RM7.61
2001	RM7.36
2002	RM7.15
2003	RM6.83
2004	RM6.76

- 2 JP adopted the accounting policy to amortise the pre-operating expenses over 5 years from the start of actual commercial operations and expensed off as incurred. An adjustment to align the accounting policy has not been made in this report as the deferred expenses were already fully amortised by year ended 31 December 2002. The balances were also not considered significant to the overall presentation of this report


6.6 JobStreet.com India Pvt Ltd ("JI")

	← As at →				
	31.12.00 RM	31.12.01 RM	31.12.02 RM	31.12.03 RM	30.6.04 RM
Plant and equipment	248,396	159,576	63,027	58,200	72,625
Current assets	719,243	505,732	603,441	624,066	769,818
Less :					
Current liabilities	(513,367)	(463,175)	(656,401)	(646,924)	(709,297)
Net current assets/(liabilities)	<u>205,876</u>	<u>42,557</u>	<u>(52,960)</u>	<u>(22,858)</u>	<u>60,521</u>
	<u>454,272</u>	<u>202,133</u>	<u>10,067</u>	<u>35,342</u>	<u>133,146</u>
Share capital	16	7,897	246,817	246,817	246,817
Reserves	454,256	194,236	(236,750)	(242,375)	(144,261)
	<u>454,272</u>	<u>202,133</u>	<u>10,067</u>	<u>4,442</u>	<u>102,556</u>
Non-current liabilities	-	-	-	30,900	30,590
	<u>454,272</u>	<u>202,133</u>	<u>10,067</u>	<u>35,342</u>	<u>133,146</u>
No of ordinary shares of INR 10 each in issue	20	10,020	310,980	310,980	310,980
NTA per share	22,713.61	20.17	0.03	0.01	0.33

Note

- 1 The audited financial statements of JI are stated at India Rupees. Its balances have been translated to Ringgit Malaysia based on the closing rates prevailing at each of the respective period/year ends as set out below:

	100 INR
2000	RM8.11
2001	RM7.88
2002	RM7.94
2003	RM8.35
2004	RM8.26


6.7 Jobstreet.com Limited (“JHK”)

	← As at →				
	31.12.00	31.12.01	31.12.02	31.12.03	30.6.04
	RM	RM	RM	RM	RM
Current assets	1	1	1	1	1
Less :					
Current liabilities	(5,753)	(5,706)	(5,696)	(5,724)	(5,842)
Net current liabilities	<u>(5,752)</u>	<u>(5,705)</u>	<u>(5,695)</u>	<u>(5,723)</u>	<u>(5,841)</u>
Share capital	1	1	1	1	1
Accumulated losses	(5,753)	(5,706)	(5,696)	(5,724)	(5,842)
	<u>(5,752)</u>	<u>(5,705)</u>	<u>(5,695)</u>	<u>(5,723)</u>	<u>(5,841)</u>
No of ordinary shares of HKD 1 each in issue	2	2	2	2	2
NTA per share	(2,876)	(2,853)	(2,848)	(2,862)	(2,921)

Note

- 1 The audited/unaudited financial statements of JHK for the period and years ended 31 December 2000 to 2003 and period ended 30 June 2004 are denominated in Hong Kong Dollars. The balances have been translated to Ringgit Malaysia based on the closing rates prevailing at each of the respective period/year ends as set out below:

	1 HKD
2000 (audited)	RM0.49
2001 (audited)	RM0.49
2002 (audited)	RM0.49
2003 (unaudited)	RM0.49
2004 (unaudited)	RM0.50



7. Proforma consolidated statement of assets and liabilities

The proforma consolidated statement of assets and liabilities at 30 June 2004 set out below have been prepared for illustration purposes only. The proforma consolidated statement of assets and liabilities should be read in conjunction with the notes thereon set out in Section 7.1:

	Note	RM
Non-current assets		
Plant and equipment	7.1.4	2,256,728
Goodwill	7.1.5	6,439,692
Deferred taxation		41,632
		<u>8,738,052</u>
Current assets		
Trade and other receivables	7.1.6	7,023,196
Cash and cash equivalents	7.1.7	18,007,919
		<u>25,031,115</u>
Current liabilities		
Payables	7.1.8	6,173,104
Income tax payable		230,522
		<u>6,403,626</u>
Net current assets		<u>18,627,489</u>
		<u>27,365,541</u>
Financed by:		
Capital and reserves		
Share capital	7.1.9	20,100,000
Share premium	7.1.10	6,647,255
Accumulated losses		(43,815)
		<u>26,703,440</u>
Minority interests	7.1.11	653,176
Deferred taxation		8,925
		<u>27,365,541</u>



7.1 Notes to the proforma consolidated statement of assets and liabilities

7.1.1 Basis of preparation

The proforma consolidated statement of assets and liabilities at 30 June 2004 set out above have been prepared for illustration purposes only and are based on the audited financial statements of JobStreet, JS, JM, JP and JI together with the unaudited management accounts of JHK as at 30 June 2004. The proforma consolidated statement is prepared based on the assumption that the JobStreet Group under the flotation scheme as detailed in Section 1.2, before the exercise of ESOS, had been effected on 30 June 2004.

7.1.2 Summary of significant accounting policies

The following accounting policies are adopted by the JobStreet Group.

(a) Basis of accounting

The financial statements of the Group and of the Company are prepared on the historical cost basis except as disclosed in the notes to this statement and in compliance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia.

(b) Basis of consolidation

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases. The subsidiaries are consolidated using the acquisition method of accounting.

A subsidiary is excluded from consolidation when either control is intended to be temporary if the subsidiary is acquired and held exclusively with a view of its subsequent disposal in the near future and it has not previously been consolidated or it operates under severe long term restrictions which significantly impair its ability to transfer funds to the Company. Subsidiary excluded on these grounds is accounted for as investments.

Under the acquisition method of accounting, the results of subsidiaries acquired or disposed during the period are included from the date of acquisition or up to the date of disposal. At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the Group financial statements. The difference between the acquisition cost and the fair values of the subsidiaries net assets is reflected as goodwill or negative goodwill as appropriate.

Intragroup transactions and balances and the resulting unrealised profits are eliminated on consolidation. Unrealised losses resulting from intragroup transactions are also eliminated unless cost cannot be recovered.



(c) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Plant and equipment retired from active use and held for disposal are stated at the carrying amount at the date when the asset is retired from active use, less impairment losses, if any.

Depreciation

Plant and equipment are depreciated on a straight-line basis to write off the cost of the assets over the term of their estimated useful lives at the following principal annual rates:

Leasehold improvements	10% - 33 1/3%
Computers	25% - 33 1/3%
Furniture and fittings	10% - 20%
Office equipment	14% - 33 1/3%

(d) Intangible asset

Goodwill

Goodwill represents the excess of the cost of acquisition over the fair values of the net identifiable assets acquired and is stated at cost less accumulated amortisation and accumulated impairment loss (refer Note 1(j)).

(e) Investments

Long term investments in subsidiaries are stated at cost in the Company, less impairment loss where applicable.

(f) Trade and other receivables

Trade and other receivables are stated at cost less allowance for doubtful debts.

(g) Employee benefits

(i) *Short term employee benefits*

Wages, salaries and bonuses are recognised as expenses in the period in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when absences occur.

(ii) *Defined contribution plans*

Obligations for contributions to defined contribution plans are recognised as an expense in the income statement as incurred.

**(g) Employee benefits (continued)*****(iii) Equity and equity-related compensation benefits***

The share option program allows Group employees to acquire shares of the Company. When the options are exercised, equity is increased by the amount of the proceeds received.

(h) Liabilities

Borrowings and trade and other payables are stated at cost.

(i) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(j) Impairment

The carrying amount of assets, other than inventories, deferred tax assets and financial assets (other than investments in subsidiaries), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or the cash-generating unit to which it belongs exceeds its recoverable amount. Impairment losses are recognised in the income statement.

The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, 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 an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss in respect of goodwill is not reversed unless the loss was caused by a specific external event of an exceptional nature that is not expected to recur and subsequent external events have occurred that reverse the effect of that event.

In respect of other assets, 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. The reversal is recognised in the income statement.



(k) Income tax

Tax on the profit or loss for the period comprises current and deferred tax. Income tax 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 expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Temporary differences are not recognised for goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that at the time of the transaction affects neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

(l) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to Ringgit Malaysia at rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Ringgit Malaysia at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to Ringgit Malaysia at the foreign exchange rates ruling at the date of the transactions.

(ii) Financial statements of foreign operations

The Group's foreign operations are not considered an integral part of the Company's operations. Accordingly, the assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Ringgit Malaysia at exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to Ringgit Malaysia at average exchange rates applicable throughout the period. Foreign exchange differences arising on translation are recognised directly in equity.

The closing rates used in the translation of foreign currency monetary assets and liabilities and the financial statements of foreign operations are as follows:

1USD	RM3.80
1SGD	RM2.21
100 PHP	RM6.76
100 INR	RM8.26

**(m) Revenue****(i) Services rendered**

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

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

(ii) Interest income

Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the asset.

(n) Expenses***Operating lease payments***

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

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

(o) Government grants

Grants from the government are recognised where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grant income relating to costs is recognised in the income statement during the period necessary to match them with the costs they are intended to compensate.

Government grant income relating to purchase of assets is deferred and credited to the income statement on the straight line basis over the expected lives of the related assets.

(p) Finance cost

Interest expense and similar charges are expensed in the income statement in the period in which they are incurred.



7.1.3 Financial risk management objectives and policies

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

(a) Credit risk

Management monitors its exposure to credit risk on an ongoing basis. Credit reviews are performed on an ongoing basis with the suspending of services for customers with poor payment track records. Fixed deposits are placed only with licensed banks.

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

(b) Interest rate risk

Fixed deposits are placed with licensed banks with varying maturing dates.

(c) Currency risk

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

(d) Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.



7.1.4 Plant and equipment

	Cost RM	Proforma Group Accumulated depreciation RM	Net book value RM
Computers	2,491,716	1,828,015	663,701
Furniture and fittings	740,653	327,050	413,603
Office equipment	484,608	368,038	116,570
Leasehold improvement	102,000	39,146	62,854
Balance as per audited financial statements	<u>3,818,977</u>	<u>2,562,249</u>	<u>1,256,728</u>
Acquisition of plant and equipment using the proceeds from public issue			1,000,000
			<u>2,256,728</u>

7.1.5 Goodwill

	Proforma Group RM
Purchase consideration for acquisition of subsidiaries	18,527,253
Net assets assumed	(12,087,561)
Goodwill	<u>6,439,692</u>

7.1.6 Trade and other receivables

	Proforma Group RM
Trade receivables	6,696,712
Allowance for doubtful debts	(765,975)
	<u>5,930,737</u>
Other receivables, deposits and prepayments	1,092,459
	<u>7,023,196</u>


7.1.7 Cash and cash equivalents

	Proforma Group RM
Deposits with licensed banks	8,193,893
Cash and bank balances	9,814,026
	<u>18,007,919</u>

7.1.8 Payables

	Proforma Group RM
Unearned revenue	3,538,883
Other payables and accrued liabilities	2,634,221
	<u>6,173,104</u>

7.1.9 Share capital

	Proforma Group RM
Ordinary shares of RM0.10 each	
Authorised	<u>50,000,000</u>
Issued and fully paid	<u>20,100,000</u>

7.1.10 Share premium

	Proforma Group RM
Issue of 18,299,998 ordinary shares of RM1.00 each at RM1.01 (rounded to nearest sen)	227,255
Public issue of 18,000,000 ordinary shares of RM0.10 each at an issue price of RM0.54 per share	7,920,000
Estimated listing expenses	(1,500,000)
	<u>6,647,255</u>



7.1.11 Minority interests

This consists of the minority shareholders' proportion of share capital and reserves of subsidiaries, net of their share of subsidiaries goodwill on consolidation and amortisation of goodwill charged to the minority shareholders.

7.1.12 Commitments

At 30 June 2004, the Group has commitments for future minimum lease payments under non-cancellable operating leases as follows:

	Profroma Group 2004 RM
Payable:	
Within 1 year	615,543
After 1 year but within 5 years	221,086
	<u>836,629</u>



8 Proforma consolidated net tangible asset cover

	RM
Proforma net tangible assets as at 30 June 2004	12,002,116
Add: Proceeds from public issue	9,720,000
Less: Estimated listing expenses	(1,500,000)
Proforma consolidated net tangible assets after public issue	<u>20,222,116</u>
	'000
Number of ordinary shares of RM0.10 each assumed in issue as at 30 June 2004	183,000
Add: Public issue	18,000
Number of ordinary shares of RM0.10 each assumed in issue after public issue	<u>201,000</u>
Proforma consolidated net tangible asset per share of RM0.10 each after public issue (sen)	<u>10</u>



9 Proforma consolidated cash flow statement

The proforma consolidated cash flow statement of JobStreet Group set out below has been prepared for illustration purposes only on the assumption that the flotation scheme as detailed in Section 1.2, before the exercise ESOS, had been effected on 30 June 2004.

	6 month period ended 30 June 2004 RM
Cash flows from operating activities	
Profit from ordinary activities before taxation	4,496,682
Adjustments for:	
Grant income	(314,777)
Interest expense	422,231
Interest income	(84,695)
Depreciation	256,597
Exchange differences	67,835
Operating profit before working capital changes	<u>4,843,873</u>
Decrease/(increase) in working capital:	
Trade and other receivables	(997,504)
Trade and other payables and deferred income	791,281
Income taxes paid, net	(73,633)
Net cash generated from operating activities	<u>4,564,017</u>
Cash flows from investing activities	
Interest received	84,695
Interest paid	(1,108)
Purchase of plant and equipment	(1,213,661)
Net cash used in investing activities	<u>(1,130,074)</u>
Cash flows from financing activities	
Proceeds from Public Issue	9,720,000
Share issue expenses	(1,500,000)
Proceeds from issue of shares under share option scheme	217,575
Grant received	580,798
Net cash generated from financing activities	<u>9,018,373</u>
Net increase in cash and cash equivalents	<u>12,452,316</u>
Cash and cash equivalents at 1 January 2004	5,211,053
Effects of exchange rate changes in cash and cash equivalents	(34,853)
Cash arising from assumed completion of proposed acquisition of JS Group	379,403
Cash and cash equivalents at 30 June 2004 ¹	<u><u>18,007,919</u></u>



Note

1 *Cash and cash equivalents*

Cash and cash equivalents included in the proforma consolidated cash flow statement comprise the following:

	<i>RM</i>
<i>Deposits with licensed banks</i>	<i>8,193,893</i>
<i>Cash and bank balances</i>	<i>9,814,026</i>
	<u><u><i>18,007,919</i></u></u>

10 **Events subsequent to balance sheet date**

No significant events have arisen, from the balance sheet date of JobStreet Group as at 30 June 2004 to the date of this report, which requires disclosure in this report.

11 **Audited financial statements**

No audited financial statements have been made up for JobStreet, JS, JM, JP, JI and JHK in respect of any period subsequent to 30 June 2004.

Yours faithfully

KPMG

Firm Number : AF0758
 Chartered Accountants

Siew Chin Kiang @ Seow Chin Kiang
 Partner
 Approval number: 2012/11/04(J)