

EXPLANATORY NOTES AND ADDITIONAL INFORMATION

1. Basis of Preparation

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

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company and its subsidiaries (“the Group”) subsequent to 31 December 2014.

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

Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)*

Amendments to MFRS 2, *Share-based Payment (Annual Improvements 2010-2012 Cycle)*

Amendments to MFRS 3, *Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*

Amendments to MFRS 8, *Operating Segments (Annual Improvements 2010-2012 Cycle)*

Amendments to MFRS 13, *Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*

Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)*

Amendments to MFRS 119, *Employee Benefits – Defined Benefit Plans: Employee Contributions*

Amendments to MFRS 124, *Related Party Disclosures (Annual Improvements 2010-2012 Cycle)*

Amendments to MFRS 138, *Intangible Assets (Annual Improvements 2010-2012 Cycle)*

Amendments to MFRS 140, *Investment Property (Annual Improvements 2011-2013 Cycle)*

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

2. Seasonality or Cyclicity of Interim Operations

Generally, the Group’s operations are not affected by seasonal or cyclical factors. However, the Group’s share of profit from an associate company which is involved in the job portal business may be negatively impacted in the last quarter of the year as recruitment activities tend to slow down towards year-end and during major holidays.

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3. Unusual Items

On 18 September 2015, the Company had accepted the mandatory unconditional cash offer pursuant to which the Company disposed its remaining holdings of 14,439,000 ordinary shares of HK\$0.20 each representing 4.33% equity interest in Cinderella Media Group Limited for a total cash consideration of HKD29,426,682 (equivalent to RM16,376,007 based on the exchange rate as at 14 September 2015 of HKD1:RM0.556502) (as disclosed in Note 8). The Company received the proceeds from the mandatory unconditional cash offer on 5 October 2015.

During the quarter, two of the Group’s properties, namely Wisma JobStreet.com in Kuala Lumpur and a two-storey shop office in Taman Gaya, Johor Darul Takzim, have been transferred from Property and Equipment to Investment Properties since these properties are predominantly leased to a third party. The difference arising at the date of transfer between the carrying amount of the properties immediately prior to the transfer and their fair values of RM5.4 million, net of deferred tax, have been recognised directly in equity as a revaluation of property and equipment.

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

4. Changes in Estimates

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

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

Prior to the completion of the share consolidation on 7 May 2015, the Company had on 14 April 2015 cancelled all 7,953,800 treasury shares held. Consequently, the Company’s issued and paid up capital had decreased from RM70,795,380 comprising 707,953,800 ordinary shares of RM0.10 each to RM70,000,000 comprising 700,000,000 ordinary shares of RM0.10 each.

During the current financial year, the Company repurchased its own shares on the Bursa Malaysia Securities Berhad as follows:-

Month	Number of shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate cost paid
		RM	RM	RM
May 2015	1,000	1.98	1.98	2,025
August 2015	139,300	1.60	1.50	216,441
November 2015	1,000	1.95	1.95	1,995
Total	141,300¹			220,461

¹ Comprising of ordinary shares of RM0.50 each after the completion of the share consolidation.

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6. Dividends Paid

The Company had on 24 November 2015 declared a third interim single tier dividend of 0.625 sen per ordinary share of RM0.50 each for the financial year ending 31 December 2015 amounting to RM0.874 million. The dividend was subsequently paid on 30 December 2015.

7. Operating Segments

Segment information is not presented as the principal activity of the Group is primarily in investment holding with associates in Taiwan and Malaysia.

8. Subsequent Events

There were no material events subsequent to the end of the current quarter under review that have not been reflected in the financial statements for the current quarter.

9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the quarter under review.

10. Changes in contingent assets and contingent liabilities

There were no material contingent liabilities or contingent assets as at 15 February 2016 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report).

11. Review of Performance for the Quarter

For the quarter ended 31 December 2015, consolidated revenue amounted to RM2.5 million, which is a significant decrease compared with the revenue in the corresponding quarter in the preceding year of RM15.5 million. In Q4 2014, the Group had recognised a dividend in specie received from the Group’s quoted investments in Hong Kong amounting to RM14.8 million. Revenue for the current quarter included revenue from the lease of office space (“rental revenue”) and air-conditioner charges amounting to RM2.0 million, of which RM1.5 million was in respect of the first 9 months of 2015 reclassified during the quarter to revenue in line with the transfer of the Group’s properties from Property & Equipment to Investment Properties.

Other operating expenses of RM1.7 million for the quarter ended 31 December 2015 was due to a reclassification of rental income for the 9 months ended 30 September 2015 amounting to RM1.5 million to revenue.

On a pre-tax basis, the Group’s profit before tax (“PBT”) decreased substantially to RM0.9 million compared with a profit of RM15.9 million in the corresponding quarter in the preceding year. Apart from the dividend in specie of RM14.8 million, Q4 2014’s result was impacted by several significant one-off items such as bonus provisions, impairment loss on other investments, gain on disposal of the Group’s investment in quoted securities and higher interest income generated from the proceeds on the disposal of the Group’s online job portal business to SEEK Asia Investments Pte Ltd.

For the year ended 31 December 2015, the Group’s revenue and PBT amounted to RM6.6 million and RM26.8 million respectively, or a decrease of 69.4% and an increase of 28.1% respectively compared with the preceding financial year. PBT for the current financial year was positively impacted by the gain arising from the disposal of the Group’s investment in Cinderella Media Group Limited of RM12.5 million (2014: RM2.4 million), higher unrealised foreign exchange

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gain of RM1.1 million (2014: RM0.2 million), receipt of RM1.3 million from SEEK Asia Investments Ltd pursuant to the Closing Date Financial Adjustment, higher share of profit from both 104 Corporation and Innity Corporation Berhad of RM10.0 million (2014: RM7.9 million) and lower operating expense of RM9.5 million (2014: RM10.9 million). Other than these factors, PBT in the previous year was also negatively impacted by impairment loss on the Group’s unquoted investments as well as a write-off of the loans given to Jobstreet Recruitment (Thailand) Co., Ltd.

12. Comparison with previous quarter's results

	Q4 2015 <u>Current Quarter</u> RM'000	Q3 2015 <u>Preceding Quarter</u> RM'000
Revenue	2,514	1,206
Profit before tax	908	16,015

For the current quarter under review, the Group recorded a higher revenue of RM2.5 million compared with RM1.2 million recorded in the preceding quarter. Revenue in the current quarter included revenue from the lease of office space (“rental revenue”) and air-conditioner charges amounting to RM2.0 million, of which RM1.5 million was in respect of the first 9 months of 2015 reclassified during the quarter to revenue in line with the transfer of the Group’s properties from Property & Equipment to Investment Properties. Revenue in the previous quarter included an interim dividend from 1010 Printing Group Limited for the financial year ended 31 December 2015 amounting to RM0.7 million.

In terms of profitability, the Group achieved a significantly lower PBT of RM0.9 million during the current quarter compared with RM16.0 million achieved in the preceding quarter. Besides the dividend from 1010 Printing Group Limited, PBT in the preceding quarter was inflated by the gain from the disposal of the Group’s investment in Cinderella Media Group Limited amounting to RM10.0 million, receipt of RM0.5 million from SEEK Asia Investments Pte Ltd, unrealised foreign exchange gains of RM1.0 million and an increase in the fair values of financial assets classified as fair value through profit or loss of RM1.2 million.

PBT in the current quarter was impacted by a decrease in the fair values of financial assets classified as fair value through profit or loss amounting to RM1.1 million and lower income from the provision of transition services to SEEK Asia. In addition, share of profits from associates of RM2.4 million was lower in Q4 (Q3: RM2.8 million) mainly due to lower profits from 104 Corporation whose profit in the last quarter of the year is typically lower than in the preceding quarters.

13. Prospects for the Year 2016

Subsequent to the disposal of the online job portal business to SEEK Asia on 20 November 2014, the Group’s future prospects will depend on the performance of its associated companies in Taiwan and Malaysia, quoted investment in Hong Kong, and operating activities, including Autoworld, in Malaysia. The Group will derive income primarily from the provision of website advertising services on Autoworld, dividend income from its quoted investments and rental of office space. The Board and management will endeavour to identify and evaluate new businesses and/or assets to be acquired by the Company which can contribute to the financial performance of the Group. Subsequent to the disposal of the online job portal business, the Group has a healthy cash position and does not have any debt.

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Uncertain economic conditions may however affect the performance of the Group’s existing businesses, associated companies and investments. Additionally, the acquisition of suitable new businesses and/or assets will take time.

14. Profit Forecast

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

15. Taxation

The taxation charge for the current quarter includes the following:

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM’000	RM’000	RM’000	RM’000
Estimated current tax payable	106	1,454	1,685	2,452
Deferred taxation	(127)	-	(127)	-
	<u>(21)</u>	<u>1,454</u>	<u>1,558</u>	<u>2,452</u>

16. Quoted Investments

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

	Individual Quarter Ended 31.12.2015	Cumulative Quarter Ended 31.12.2015
	RM’000	RM’000
Quoted securities of associate companies		
Share of results and changes in equity in associates and exchange differences	(441)	19,171
	<u> </u>	<u> </u>
Long term:		
Purchase consideration	212	212
Sale proceeds	-	19,839
Gain on disposal of quoted securities	-	12,461
Changes in fair value	(1,426)	2,702
	<u> </u>	<u> </u>
Short term:		
Purchase consideration	198	20,607
Sale proceeds	-	-
Changes in fair value	16	38
	<u> </u>	<u> </u>

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The Group’s available-for-sale investments in quoted securities, investments in the quoted securities of associate companies and other short term investments in quoted securities as at 31 December 2015 are summarized below:

	RM’000
At cost	135,418
At carrying value/book value	153,280
At market value	225,978

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

17. Status of Corporate Proposals

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

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

18. Group Borrowings and Debt Securities

The Group’s borrowings are unsecured, denominated in Japanese Yen and classified as follows:-

	As at
	31.12.2015
	RM’000
Current	108*
Non-current	-
Total	<u>108</u>

* A director of a subsidiary advanced JPY3.1 million to the subsidiary for the settlement of a legal suit.

19. Material Litigation

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

20. Dividend

The Company had on 22 February 2016 declared a fourth interim single tier dividend of 0.625 sen per ordinary share of RM0.50 each for the financial year ending 31 December 2015 amounting to RM0.874 million computed based on the issued and paid-up share capital as at 15 February 2016. The dividend entitlement and payment dates will be announced at a later date.

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During the previous corresponding period, the Company had declared a fourth interim single tier dividend of 1.75 sen per ordinary share of RM0.10 each for the financial year ended 31 December 2014, amounting to RM12.250 million. The interim single tier of 0.625 sen per ordinary share of RM0.50 each for the current quarter is in line with the financial performance of the Group and the existing dividend policy of the Company. However, in view of the changes to the Group’s nature of business subsequent to the sale of the online job posting business and the need to retain cash to fund future acquisitions, the Board has after due deliberations decided to discontinue the existing dividend policy going forward.

21. Earnings Per Share

(a) Basic earnings per share

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

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Net profit attributable to owners of the Company (RM’000)				
- Continuing operations	941	14,449	25,410	18,563
- Discontinued operations	-	1,882,765	-	1,931,971
	941	1,897,214	25,410	1,950,534
Weighted average number of shares in issue (‘000)	139,859	140,120	139,949	134,730
Basic earnings per share (sen)				
- Continuing operations	0.67	10.31 [^]	18.16	13.78 [^]
- Discontinued operations	-	1,343.68 [^]	-	1,433.96 [^]
	0.67	1,353.99	18.16	1,447.74

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(b) Fully diluted earnings per share

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

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Net profit attributable to owners of the Company (RM'000)				
- Continuing operations	941	14,449	25,410	18,563
- Discontinued operations	-	1,882,765	-	1,931,971
	941	1,897,214	25,410	1,950,534
Weighted average number of shares in issue (*000)	139,859	140,120	139,949	134,730
Adjustments for share options (RM'000)	-	-	-	-
	139,859	140,120	139,949	134,730
Diluted earnings per share (sen)				
- Continuing operations	0.67*	10.31* [^]	18.16*	13.78* [^]
- Discontinued operations	-*	1,343.68* [^]	-*	1,433.96* [^]
	0.67*	1,353.99	18.16*	1,447.74

* The diluted earnings per share is the same as the basic earnings per share as there were no potential dilutive ordinary shares as at 31 December 2015 and 31 December 2014 respectively.

[^] Pursuant to MFRS 133, Earnings Per Share, the comparative earnings per share for the individual and cumulative quarter ended 31 December 2014 have been adjusted for the share consolidation exercise involving the consolidation of every five (5) existing ordinary share of RM0.10 each in the Company into one (1) ordinary share of RM0.50 each completed on 7 May 2015 as if these events had occurred since 1 January 2014.

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22. Realised and Unrealised Profits/losses

	Group As at 31.12.2015	Group As at 31.12.2014
Total retained earnings of the Company and its subsidiaries:		
- Realised	31,994,420	34,270,968
- Unrealised	1,047,329	(115,442)
Total share of retained earnings of associated companies:		
- Realised	9,208,363	5,742,635
- Unrealised	(190,389)	(5,605)
Total share of accumulated losses of joint venture:		
- Realised	(3,155,674)	(3,155,674)
	<hr/> 38,904,049	<hr/> 36,736,882
Add: Consolidation adjustments	26,514,706	22,754,044
	<hr/> 65,418,755	<hr/> 59,490,926

23. Profit for the Period

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after (charging)/ crediting:-				
Depreciation	(71)	(432)	(272)	(2,752)
Foreign exchange gain/(loss)	(186)	598	1,133	(391)
Reversal/ impairment (loss) on trade receivables	(48)	(89)	(63)	(157)
Bad debts written off	-	(123)	(1)	(148)
Gain on disposal of quoted investments	-	2,104	12,461	2,372

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

24. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors on 22 February 2016.