



HELP
INTERNATIONAL
CORPORATION

annual report **2007**

Educating is Our Business



Our Vision

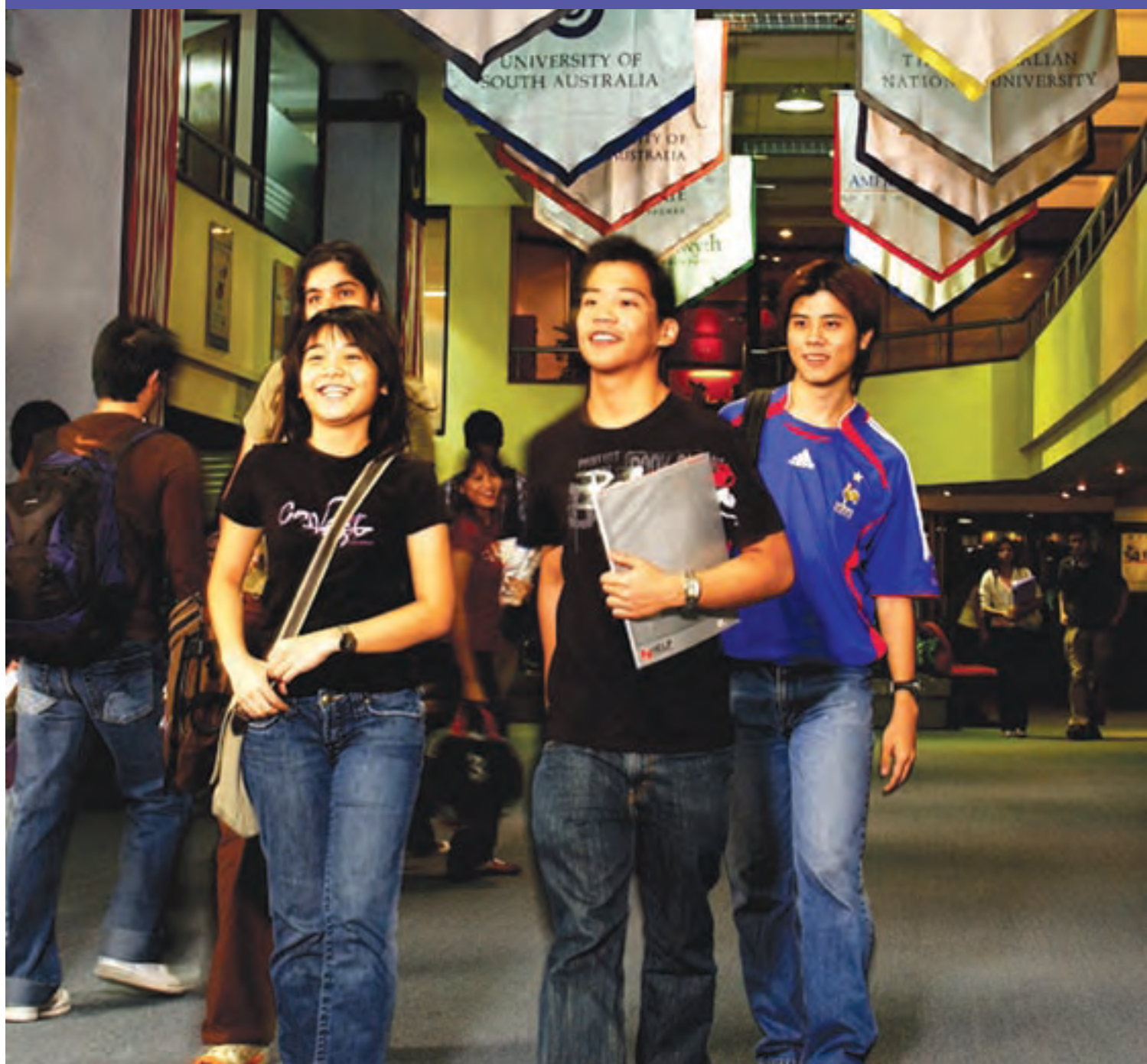
To help people succeed in life and to live a life of significance through education

Our Mission

- To be an international provider of quality education that is renowned in selective areas of excellence;
- To provide a learning experience that enhances students' career development, lifetime values and personal fulfillment;
- To share our success with the community we serve as a social business enterprise; and
- To have consistent performance and therefore discharge our duty to our shareholders and other stakeholders

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Corporate Information

Date of Incorporation

20 June 2005

Stock Exchange Listing

Second Board of Bursa Malaysia Securities Berhad
(Listed on 22 May 2007)

Authorised Capital

RM100,000,000 comprising 200,000,000 ordinary shares of RM0.50 each

Issued and Fully Paid-Up Capital (as at 17 March 2008)

RM44,388,000 comprising 88,776,000 ordinary shares of RM0.50 each

Board of Directors

Tan Sri Datuk Paduka Dr. Hajjah Saleha Bte Mohd Ali
(Chairman / Non-Independent Non-Executive Director)

Low Kam Yoke
(Group Chief Executive Officer / Executive Director)

Dr. Chan Tuck Hoong
(Executive Director)

Dato' Dr. Zakaria Bin Ahmad
(Executive Director)

Wen Chiu Chi
(Non-Independent Non-Executive Director)

Chong Koon San
(Non-Independent Non-Executive Director)

Ng Teh Kha
(Independent Non-Executive Director)

Ong Seng Pheow
(Senior Independent Non-Executive Director)

Dato' Dr. Thong Kok Cheong
(Independent Non-Executive Director)

Audit Committee

Ong Seng Pheow
(Chairman)

Dato' Dr. Thong Kok Cheong

Chong Koon San
(appointed on 21 December 2007)

Low Kam Yoke
(resigned on 21 December 2007)

Registered Office

Level 11, Wisma HELP, Lorong Dungun Kiri
Damansara Heights, 50490 Kuala Lumpur
Tel : (603) 2094 2000
Fax : (603) 2095 9554
Website: www.hic.com.my
Email: info@hic.com.my

Company Secretaries

Chua Siew Chuan (MAICSA 0777689)
Tan Ai Ning (MAICSA 7015852)

Principal Bankers

RHB Bank Berhad
HSBC Bank Malaysia Berhad
CIMB Bank Berhad

Solicitors

Shearn Delamore & Co
7th Floor, Wisma Hamzah-Kwong Hing
No. 1 Leboh Ampang, 50100 Kuala Lumpur

Auditors

Ernst & Young (AF:0039)
Level 23A, Menara Milenium, Jalan Damanlela,
Pusat Bandar Damansara, 50490 Kuala Lumpur

Share Registrar

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium, Jalan Damanlela
Pusat Bandar Damansara, Damansara Heights,
50490 Kuala Lumpur
Tel: (603) 2084 9000
Fax: (603) 2094 9940

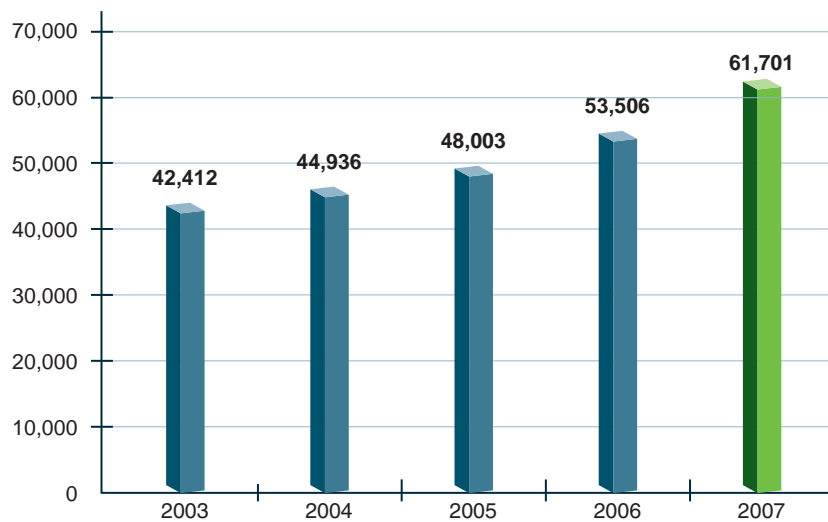
Investor Relations and Enquiries

Juliet Chan Ji-Quandt
Public and Investor Relations Officer
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Tel: (603) 2711 2000 ext 1718

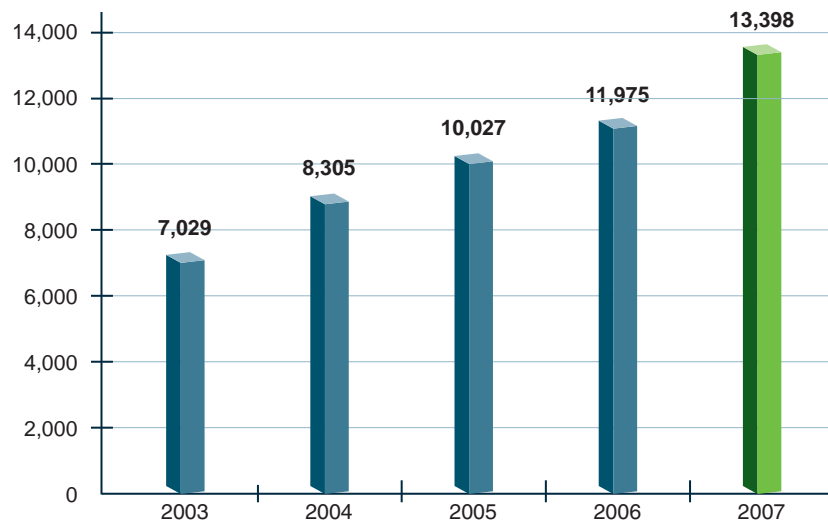
5-Year Group Financial Highlights

	FYE 31 October (Pro-forma) - RM'000				
	2003	2004	2005	2006	2007
Revenue	42,412	44,936	48,003	53,506	61,701
Profit before taxation	7,029	8,305	10,027	11,975	13,398
Taxation	(1,952)	(2,614)	(3,472)	(3,944)	(3,742)
Profit after taxation	5,077	5,691	6,555	8,031	9,656
Minority interests	-	-	-	25	12
Profit attributable to equity holders of the Company	5,077	5,691	6,555	8,056	9,668

Revenue (RM'000)



Profit before taxation (RM'000)



Board of Directors

Tan Sri Datuk Paduka Dr. Hajjah Saleha Bte Mohd Ali

Chairman and Non-Independent Non-Executive Director

Age 85

Tan Sri Datuk Paduka Dr. Hajjah Saleha Bte Mohd Ali was appointed as our Chairman and Non-Independent Non-Executive Director on 5 April 2007.

She has also been a Director of HELP University College Sdn Bhd (“HUC”) since 1 August 1987.

She served as a teacher in 1942, as well as from 1945-1946. Between 1949 and 1953, she was the Selangor and Malacca State Welfare Officer. Tan Sri Saleha has been involved in many public, social and welfare organisations. She was a member of the State of Selangor Legislative Council between 1950 and 1952, the Selangor Public Service Commission between 1960 and 1970, and the National Council of Religious Affairs Malaysia since 1974. She was also a member of the National Welfare Council Malaysia.

She is currently the President of the Institute of Management Consultants, Malaysia, and is the Chairman of the Board of Governors of Genting Highlands College. She is also an advisor to two research institutions, the Asia Strategy and Leadership Institute Malaysia (ASLI), and the Malaysian Strategic Research Centre (MSRC). She is a Director of Hirotako Holdings Berhad, Leong Hup Holdings Berhad, Lam Soon Berhad, Fitters Holdings Berhad, and Malaysia Land Development Berhad.

Tan Sri Saleha graduated with a Diploma in Social Science and Economics from the London School of Economics in 1949. In 1997, she was awarded the Doctor of University from the University of Southern Queensland, Australia.

Low Kam Yoke

Group Chief Executive Officer and Executive Director

Age 63

Low Kam Yoke was appointed as our Group Chief Executive Officer and Executive Director on 5 April 2007.

She has been the Chief Executive Officer of HUC since October 1995.

She founded HUC in 1986 together with her husband, Dr. Chan Tuck Hoong along with some professionals and academics. Low Kam Yoke initially held the position of Administrative Director, in charge of administrative and corporate affairs at HUC.

She has extensive experience in the field of education and has also rendered services as a consultant to those setting up new colleges in Malaysia. Her contribution to worldwide education was recognised in 2000, when she was awarded an Honorary Doctorate of Business Administration by the University of East London, United Kingdom. In 2001, she was awarded with the degree of Doctor of Education (honoris causa) by Charles Sturt University, Australia.

She was also awarded the Officier de l’Ordre National du Mérite by President Jacques Chirac of France in 2005 for her contribution to the development and promotion of educational and cultural collaboration between France and Malaysia.

In the same year, September 2005, she was awarded the prestigious Honorary Doctorate Degree of the University from the renowned University of Queensland, Australia.

Low Kam Yoke graduated with a Bachelor of Arts (Honours) in History and Geography, a Diploma in Education, and Master in Economics from the University of Malaya in 1967, 1968 and 1985 respectively. During her time in Australia, she studied at the University of Canberra for a Post Graduate Diploma in Library Science whilst working with the Australian Department of Education.

She is a member of the Remuneration Committee and is the wife of Dr. Chan Tuck Hoong.

Board of Directors (contd.)

Dr. Chan Tuck Hoong

President and Executive Director

Age 65

Dr. Chan Tuck Hoong was appointed as our Executive Director on 5 April 2007.

He is currently the President of HELP International Corporation Berhad ("HELP").

He is one of the Co-Founders and Executive Directors of HUC and also holds the position as the President of HELP University College.

Dr. Chan began his career as a lecturer and subsequently became an associate professor at the University of Malaya. He was also Chairman of the Division of Applied Economics during 1979-1986 at the University of Malaya.

Dr. Chan has set up and consulted for many private colleges in Asia particularly on accreditation exercises and quality assurance management processes. He has worked with many international institutions and government accreditation bodies.

A person with a distinguished academic career, Dr. Chan has taught in many universities, and participated in numerous professional seminars worldwide. He has also published widely and conducted many research projects for the Malaysian government, universities, and think tanks.

Dr. Chan is also an auditor with the Australian Universities Quality Agency (AUQA).

As an economist and educationist, he has consulted for various international organisations and governments. He has contributed significant policy inputs to various Malaysian government projects, including the Five Year Plans and the Industrial Master Plan. During 1984 -1989, he was on the Panel of Economists advising the Prime Minister's Department, and was a member of the committee that provided input for the Education Policy in Malaysia. This includes the Malaysian National Service Curriculum Development Committee (Ministry of Defence) and the Committee for Marketing and Competitiveness (Ministry of Education).

In addition, Dr. Chan was also the Chairman of the KLSE Composite Index for 10 years.

Dr. Chan is the President of the Australian National University (ANU) Alumni in Malaysia, and is also the Chairman of the Malaysian ANU Alumni Scholarship Committee. He is also a Distinguished Member of the Australian National University Alumni Hall of Fame.

He obtained his Bachelor of Arts (Honours) and Master of Economics at the University of Malaya in 1966 and 1968 respectively. He graduated with a Master of Arts (Economics) from McMaster University, Canada in 1971, and completed his PhD at the Australian National University (ANU) in 1974.

He was awarded Honorary Doctoral degrees from Oxford Brookes University, United Kingdom, and from Charles Sturt University, Australia.

Dr. Chan Tuck Hoong is the husband of Low Kam Yoke.

Board of Directors (contd.)

Dato' Dr. Zakaria Bin Ahmad

Executive Director

Age 61

Dato' Dr. Zakaria Bin Ahmad was appointed as our Executive Director on 5 April 2007.

A director of HUC since 31 March 1986, Dato' Dr. Zakaria started his career at the Malaysian Ministry of Foreign Affairs in 1970, and was a teaching fellow at McMaster University, Canada, from 1970-1971, where he completed his Masters degree.

Dato' Dr. Zakaria joined Universiti Sains Malaysia as an Assistant Lecturer after completing his Masters degree. He later moved on to lecture at the University of Malaya from 1972-1973. Subsequently, he was accepted by the Massachusetts Institute of Technology (MIT) in the United States to pursue his PhD.

Upon completion of his PhD, Dato' Dr. Zakaria was appointed as Head and Associate Professor of the Department of Political Science at Universiti Kebangsaan Malaysia between 1978-1983. From the years 1983-1985, Dato' Dr. Zakaria assumed the role of Deputy Director-General (Studies) at the Institute of Strategic and International Studies (ISIS) in Malaysia. In 1987, he returned to Universiti Kebangsaan Malaysia.

From 2001 to 2003, Dato' Dr. Zakaria was appointed the Tun Abdul Razak Chair in Southeast Asian Studies at Ohio University, United States.

In 2005, he was re-designated as an Executive Director of HUC.

Dato' Dr. Zakaria graduated from the University of Singapore in 1970 with a Bachelor of Social Science (Honours), obtained a Master of Arts in Political Science from McMaster University, Canada, in 1971, and completed his PhD from the Massachusetts Institute of Technology (MIT), United States in 1977.

Dato' Dr. Zakaria who is one of our directors and substantial shareholders, a member of key management, and academic personnel, is the sibling of Dato' Zabeidah Binti Ahmad, a director at Selangor Properties Berhad ("SPB"), HELP's controlling shareholder.

Mr. Wen Chiu Chi

Non-Independent Non-Executive Director

Age 52

Wen Chiu Chi was appointed as our Non-Independent Non-Executive Director on 5 April 2007. He has also been a Director of HUC since 11 April 1994.

He began his career as Junior Executive of SPB in 1978. Subsequently, he served as an Executive Director of SPB from 1979 to 2000. In 2000, he was appointed as Managing Director of SPB, a position which he holds until today. He is also a Director of various companies such as Kayin Holdings Sdn Berhad and a number of companies under the SPB group.

He graduated with a Bachelor of Commerce degree from the University of Western Australia in 1977.

Board of Directors (contd.)

Mr. Chong Koon San

Non-Independent Non-Executive Director
Age 41

Chong Koon San was appointed as our Non-Independent Non-Executive Director on 5 April 2007. He has also been a Director of HUC since 9 October 2000.

A lawyer by training, he is currently the Corporate Affairs Manager of SPB. He started his career as a litigation lawyer before moving on to banking and thereafter as an in-house legal advisor to Malaysian French Bank Berhad (now known as Alliance Bank Malaysia Berhad), Hume Industries (Malaysia) Berhad, Mah Sing Group Berhad and Johan Holdings Berhad.

He obtained his Bachelor of Law degree from the University of Malaya in 1991, and was called to the Malaysian Bar as an Advocate and Solicitor of the High Court of Malaya in 1992.

Mr. Chong is a member of the Audit Committee.

Mr. Ng Teh Kha

Independent Non-Executive Director
Age 59

Ng Teh Kha was appointed as our Independent Non-Executive Director on 5 April 2007. He has also been a Director of HUC since 9 May 1986.

Mr. Ng is an entrepreneur. He is the Managing Director of Koong Phin Corporation (M) Sdn Bhd since 1978, a company involved in marketing, manufacturing and design in fashion line business. In 1988, he joined Kangzen-Kenko Marketing (M) Sdn Bhd as the Managing Director.

Mr. Ng is a member of the Nomination Committee.

Mr. Ong Seng Pheow

Independent Non-Executive Director
Age 60

Ong Seng Pheow was appointed as our Independent Non-Executive Director on 5 April 2007.

He has over 34 years experience in public practice with an international firm of accountants. He started his career in 1969 in Turquand Youngs & Co. (now known as Ernst & Young) as an articled/ audit clerk. He worked as a manager and principal with Lim Ali & Co./Arthur Young between 1975 to 1984. Mr. Ong was the National Director of Assurance and Advisory Business Services of Ernst & Young Malaysia from 1994 until 2003.

He presently sits on the Board of Directors of Daiman Development Berhad, George Kent (Malaysia) Berhad, LCTH Corporation Berhad, RHB Bank Berhad and RHB Insurance Berhad. Mr. Ong is a member of the Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Institute of Accountants (MIA).

Mr. Ong is the Chairman of the Audit Committee and Remuneration Committee and is also a member of the Nomination Committee.

Board of Directors (contd.)

Dato' Dr. Thong Kok Cheong

Independent Non-Executive Director

Age 63

Dato' Dr. Thong Kok Cheong was appointed as our Independent Non-Executive Director on 5 April 2007.

Dato' Dr. Thong worked for Shell for 19 years, and has considerable experience in upstream business in exploration, production of oil and gas, and downstream oil business in refining, supply and trading. He was appointed Chief Corporate Planner for the Shell Group of Companies in Malaysia from 1991 to 1993.

After that he left to start his own business in property development, manufacturing and trading. Dato' Dr. Thong was appointed to the Board of Directors of Jasa Megah Industries Berhad, and Insas Berhad in 1993. He retired from the two companies in 2000. His current interest is in consultancy, property development and investment. Currently, he is a director of Grand Battery Technologies Berhad.

He graduated from the Imperial College of Science and Technology, University of London, with First Class Honours in Chemical Engineering in 1968, and obtained his PhD in 1971. He received the RH Gummer prize for 1969/70 for his research work in combustion, and has published papers in the Proceedings of the Royal Society, UK, Institute of Chemical Engineering, UK and Journal of Physics, UK. He was also the founding member of the Imperial College Alumni Malaysia, and is a former President of the Alumni.

Dato' Dr Thong is the Chairman of the Nomination Committee. He is also a member of the Audit Committee and the Remuneration Committee.

NOTES

1. All the directors are Malaysians.
2. Save for Mr. Wen Chiu Chi who has interest in certain related party transactions as disclosed in Note 23(a) to the Financial Statement, none of the Directors have any financial interests in any business arrangements involving the Group.
3. The attendance and securities holdings of the Directors are disclosed in page 27 and pages 83 respectively in this Annual Report.
4. None of the Directors have been convicted of any offences within the past ten (10) years.

Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors of HELP International Corporation Berhad, it gives me great pleasure to present the Inaugural Annual Report and Audited Financial Statements of the Company and the Group ("HELP Group") for the financial year ended 31 October 2007.

The year 2007 marks the start of an exciting historic chapter to our Group. The Company was successfully listed on the Second Board of the Bursa Malaysia Securities Berhad on 22 May 2007.



Review of Financial Performance

The year under review saw the HELP Group register growth both in revenue and profitability. The Group's revenue for the year 2007 was RM 61.7 million, an increase of 15.3% as compared to previous years' revenue of RM53.5 million. In line with the improvement in revenue, the Group's profit before taxation grew by 11.7% to RM13.4 million from RM12.0 million recorded in the previous year. I am very pleased to report that the Group recorded its highest earnings in 2007 since it was founded. Our programmes and businesses continue to grow strongly and our business model is recognised to be salient.

Dividends

The Board of Directors has recommended a Final Dividend of 6% less 26% taxation for the financial year ended 31 October 2007, subject to shareholders' approval at the forthcoming Annual General Meeting.

Business Environment

The education industry is a growth industry that is sustainable and is considered relatively recession proof. The government continues to place a high priority on education and training, and an emphasis on

Chairman's Statement (contd.)

upgrading the standards of teaching in this country. The 9th Malaysia Plan provides significant disbursements for education and training. Malaysia is poised to educate more of its citizens to higher levels than ever before, as the government aims to develop the country into a regional centre of educational excellence.

Corporate Development

The Group has identified certain needs in Malaysia and in certain regional economies. Industries such as finance and banking, hospitality and tourism, fraud management, healthcare and the oil and gas industries have a shortage of skilled professionals. Our aim is to provide these industries with graduates who have the necessary soft skills to succeed, contribute and lead in these industries.

The Group's strategy has always been to identify and move along with the growth of industries and the economy to provide the right sort of programmes and graduates to meet their needs. We believe that our primary customers are the companies that hire our graduates, and many have been headhunted by multinational firms.

The recent acquisition of HELP ICT Sdn. Bhd. ("HICT") (formerly known as Sepang Education Centre Sdn. Bhd.)

in Klang is an evidence that the Group is serious in meeting the shortage of skilled professionals in Malaysia. HICT has excellent infrastructure for both engineering and pharmaceutical courses, and we aim to turn HICT into the leading private engineering and pharmacy school in Malaysia.

Campuses

As part of our goal to reach University status, the Group has identified a location in Subang Delima where our new flagship campus will be situated. The new campus would benefit the Group by providing a platform for future expansion.

Human Resource Development

The Group has always lived up to its philosophy, and it has encouraged its staff to improve themselves. We have invested much in our staff, providing them with training and development incentives to help them nurture their talents within the company.

We are also working closely with our partner universities to provide good quality education to our academic staff to achieve their dreams of obtaining their postgraduate qualifications especially their PhDs.



Striking the gong on listing day at Bursa Malaysia Securities Berhad

Chairman's Statement (contd.)



HELP University College Convocation 2007

Corporate Social Responsibilities ("CSR")

The Group is well known for the CSR programmes that it has participated in. Besides offering scholarships and bursaries to outstanding and needy students, HELP has participated in many charity events. I would like to invite you to view the details of our CSR activities from pages 23 to 25 in this Annual Report.

hospitality and tourism industry, banking and finance, and healthcare. We also plan to expand into China, Asean and the Middle East. The next few years will be very exciting for the Group as we will be venturing into new waters and expanding rapidly to "HELP" educate the world.

Future Outlook

We are excited about our future. We have many projects in the pipeline, some of them include plans to franchise our programmes overseas, and to develop new courses for various industries such as the

Acknowledgements

On behalf of the Board of Directors, we would like to thank our shareholders, management, staff, students, parents, partners, regulatory bodies, and the Ministry of Higher Education for their faith, trust and belief in us.

Tan Sri Datuk Paduka Dr. Hajjah Saleha Bte Mohd Ali
Chairman

Letter to Shareholders

LOW KAM YOKE
Group Chief Executive Officer
&
DR. PAUL CHAN TUCK HOONG
President

“Educating is our Business”



Dr Paul Chan and Low Kam Yoke

Dear Shareholders,

It gives us great pleasure to present to you the 2007 Inaugural Annual Report for HELP International Corporation Berhad (“HELP”). HELP became a public listed company in May 2007 and as such, we would like to set the stage for our report to you. We believe that, in order for you to fully appreciate the context of our successes, our opportunities, and our challenges, we must emphasise our values as embodied in our Vision, Mission, and Strategy. In the final analysis, our financial performance is the ultimate measure of our success as managers and leaders in executing the primary business goal of creating economic value for you, our valued shareholders. We will highlight our achievements and provide a macro overview of our plans for the near future.

MILESTONES

It is fitting, in our first Annual Report that we review for you a bit of our history. Twenty two years ago, a group of academics, professionals and friends, all passionate about the value of education, came together to form an educational institution. We started with little capital but we had a clear vision: to provide the opportunity for unrestricted access to quality education. From this humble beginning, HELP University College (“HUC”) was born. HUC is now owned by HELP. We now have about 10,000 students from 65 countries. We have strategic and business relationships with over 50 universities from around the world. We offer 45 programmes and provide education solutions through the entire post-secondary education value-chain.

Letter to Shareholders (contd.)

VISION, MISSION AND VALUES

The **Vision** of HELP is:

To help people succeed in life and to live a life of significance through education. Our accomplishments over the past 22 years have proven that we have remained consistently loyal to this Vision.

Our **Mission** is:

- To be an international provider of quality education that is renowned in selective areas of excellence;
- To provide a learning experience that enhances students' career development, lifetime values and personal fulfilment;
- To share our success with the community we serve as a social business enterprise; and
- To have consistent performance and therefore discharge our duty to our shareholders and other stakeholders

Our **Values** are governed by the following five principles:

- Pride of Achievement
- Sharing Success
- The Courage to Be
- To be Compassionate
- To be Significant

We manage a strong culture of quality and leadership that focuses on sound academic standards, continuous improvement and talent development.

EDUCATION: A GROWTH INDUSTRY

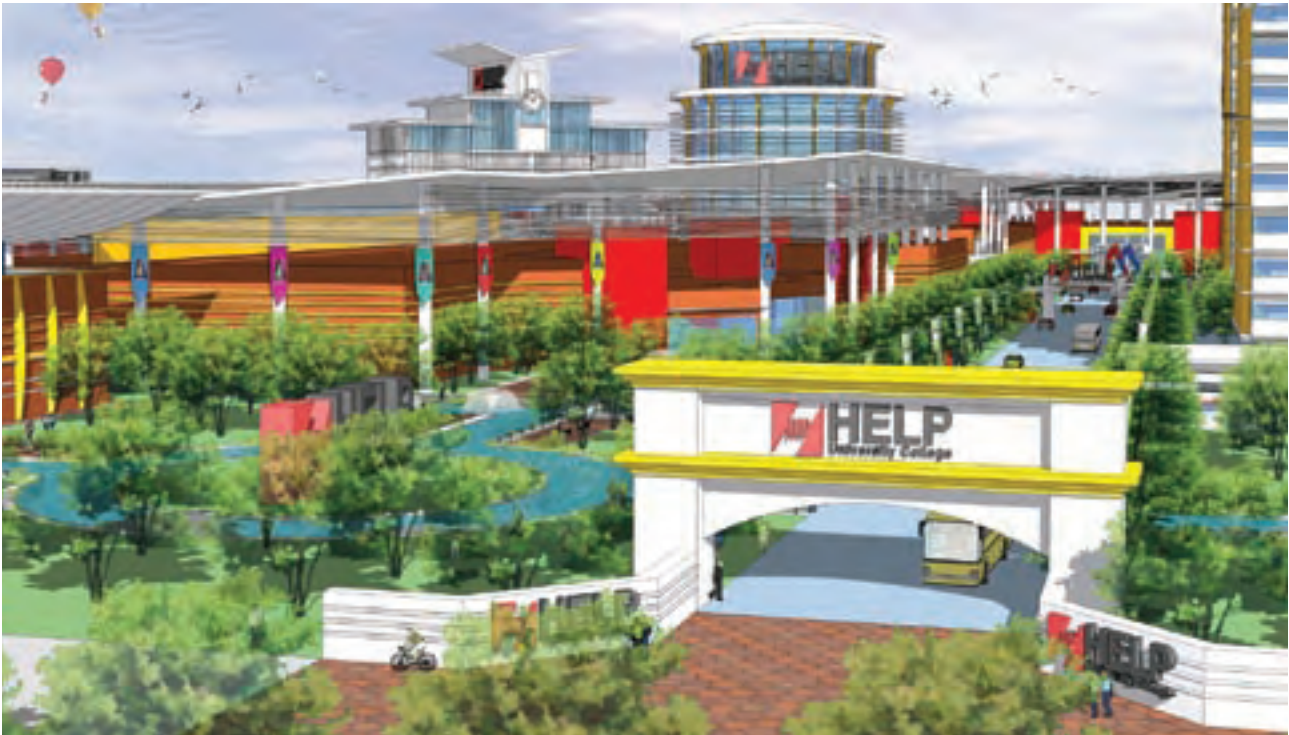
The global education industry is a multi billion dollar industry. It is now recognised as an industry by governments, the World Trade Organisation and international organisations. The Malaysian government prioritises it as a major industry. It is a growth industry that is totally sustainable, besides being non-cyclical. No society can succeed without a strong education and training system. With technological changes and new workplace performance requirements, education will have growing demand. It drives socio-economic progress and innovation. Education will be the driving force for the Asian Renaissance.



Corporate training

HELP's strategy is therefore to grow our group of educational institutions with the appropriate programmes and education services to match the diverse needs of different economic sectors.

Letter to Shareholders (contd.)



Artist's impression of our futuristic HUC Green Technology Campus at Subang 2 Delima

OUR ACHIEVEMENTS

2007 has been pivotal in our history. The most notable accomplishment was our public listing in Malaysia. Our principal goal has been to provide a market driven platform to share our successes with our employees and others who have contributed significantly to our financial and professional successes. We also wanted to provide a credible means to value our stock and to bring liquidity to our investors. We issued 14,776,000 new shares of which 6 million shares were made available for subscription by the Malaysian public. In addition, we issued 73,999,996 new shares in conjunction with the acquisition of HUC.

The future growth of HELP is focused on expansion, diversification and internationalisation of our programmes and services, partnerships, market segments, staff and student composition. This also includes infrastructure development. We are planning a 23 acre campus in Subang Delima of which the first phase is expected to be completed in 2011. This additional capacity can accommodate 10,000 students.

HUC, the flagship of the Group, has achieved remarkable quality growth and international recognition. We have a growing number of outstanding products that are of international academic quality and reputation.

A good university is generally supported by research-led teaching and a strong graduate school. HUC has a tradition of 18 years in postgraduate education. Our HELP Graduate School has a strong alumni in Asia. As a private tertiary institution we seek to offer the largest number of graduate programmes, including some innovative ones like the Master of Science in Economic Crime Management, Master of Managerial Psychology, and the Master of Business Intelligence besides the mainstream Master of Business Administration (MBA). A Doctor of Business Administration (DBA) programme has been submitted for approval to the Ministry of Higher Education ("MOHE").

Letter to Shareholders (contd.)

Our Business Studies programme is a priority choice for students in Malaysia. Our Bachelor of Business (Accounting) Honours degree has been accredited by CPA Australia, Institute of Chartered Accountants in England & Wales (ICAEW), and the Association of Chartered Certified Accountants (ACCA). HUC is the first private university college in Malaysia to be accredited by CPA Australia. Students who complete the required core subjects in this programme may apply for membership to these professional bodies with full credit exemptions. This puts HUC ahead of many Australian and British universities, and on par with many of them.

HUC's A-Levels Department is the largest Edexcel Centre in the world and is internationally branded because of the exceptional academic achievements of our students. We have many admitted to first class universities like Cambridge, Oxford, London School of Economics and Political Science (LSE), Imperial College, Princeton University, and the ANU for higher degrees.

Our Psychology programme is the largest in Malaysia amongst both private and public universities, and probably is the largest in Asia for a private university. Many of our psychology graduates end up pursuing their postgraduate degrees overseas, or are employed by international organisations.

HUC's Law programme is also one of the largest in Malaysia for the United Kingdom credit transfer programme. We are tied up with some of the finest law schools in the United Kingdom.

We have also continued to produce outstanding results at every level. In 2007, our A-Level's programme broke new records and won international acclaim. Our students won 26 Edexcel World Awards for the highest scores attained in the global A-Level examinations for Accounting, Law, Physics and Chemistry. 1 out of 2 students scored straight As for Further Mathematics, Mathematics, Physics, Chemistry, Biology, and Accounting. Overall, 1 out of 3 students scored straight As in their subjects, with a total of 2570 As scored.



Sir Graeme Davies, Vice-Chancellor, University of London addressing the graduands at HUC's 2007 Convocation

Our fundamental strengths also resulted in 36 First Class Honours from the University of London. Many of our students have been accepted to study at the LSE. This year, our A-Levels students broke another record as 29 of them were accepted by the LSE. It is largest number of students the LSE has ever admitted from one school for an intake. These students along with those who have transferred over to the LSE after completing one or two years of the University of London External Programme at HELP have also made us very proud.

Our business and law students have also continued to top the Dean's lists in many universities, winning awards and scholastic recognitions.

Today, other strong regional players have recognised our values and are now seeking partnering opportunities in various forms of collaboration for articulation, franchising, and staff development. This includes Vietnam, Indonesia, China and Saudi Arabia.

Letter to Shareholders (contd.)

It is also gratifying that many top foreign universities are discussing with us for various forms of comprehensive collaboration.

We are also establishing strong industry links for internships and job placements. This includes the Big 4 Accounting firms, GE, Ogilvy and Mather, SAS, Microsoft, and IBM. Employability is not an issue with our graduates.

In 2007, we were honoured to receive The Brand Laureate-SME's Chapter Award 2007 for Corporate Branding, Best Brands in Education-Tertiary Award.

In line with our growth objectives, we made a strategic acquisition. We acquired HELP ICT Sdn Bhd ("HICT") (formerly known as Sepang Education Centre Sdn. Bhd.) on 6 November 2007. The acquisition will provide us with a complementary academic platform while simultaneously allowing us to extend our footprint in the Klang Valley. This subsidiary will allow us to develop, partner, and offer engineering and health science programmes, which are experiencing growing demand. It also has a 4+0 American Degree Programme with Southern New Hampshire University (SNHU). Such programmes attract foreign students.

The past year demonstrated that HELP continues to have a broad-base acceptance as a global university with a solid reputation. HELP now has a total student population of around 10,000 with 20 percent from overseas. Our international students come from countries across Asia, and an increasing number from African countries.

HELP is also continuing to seize revenue opportunities for continuing management development in the lucrative Asia corporate training market. Our goal is to partner with governments, corporations, and academic institutions to develop and deliver innovative and timely professional development programmes. During 2007, we delivered programmes to McDonald's, Scicom Malaysia, Petronas, Global Talent Management (Shanghai), MISC, and the Saudi Arabia Government Investment Authority. We now cover the education value chain from Foundation programmes to postgraduate and continuing professional development (CPD) courses.

FINANCIAL PERFORMANCE

In the final analysis, the financial results must demonstrate that we are good stewards, ensuring that operating assets are producing the expected returns. Over the last 3 financial years ("FY"), we registered continued increase in our revenue. Our profit before tax ("PBT") margins have been consistently above 20%. During the same period, our net profit margins grew from 13.7% in FY 2005 to 15.7% in FY 2007. We closed 2007 with revenue of RM61.7 million, a PBT of RM13.4 million and a net profit of RM9.7 million.



Sharing success and pride of achievement on listing day

Letter to Shareholders (contd.)

Our stock performance also demonstrated the broad interests in our business and general support for our management team and our strategies. HELP's issue price for listing was 80 sen. Within 5 months, it had moved to RM1.34, then to RM1.68 and then RM2.02 before settling in a range from RM1.50 to RM1.60 in mid March 2008.



HELP's international mix of students

OUR ROADMAP

In July 2007, we held our Vision and Execution Retreat for Senior Management and Heads of Departments to map out our strategies and plans to expand, diversify and internationalise by niching the Malaysian and international markets.

We will seek out opportunities to increase revenues locally. We will expand internationally in Asia, and in the Middle East through innovative go-market-strategies. We will seek out partnerships that can license our Intellectual Properties ("IPs"), offer twinning programmes, or franchise our businesses. We plan to expand our offerings in management development programmes. We will continue to strengthen our new programmes, particularly in the area of economic crime management, hospitality, and healthcare. Finally, we will look for strategic acquisition and merger opportunities which will complement and/or enhance our current revenue streams.

As a model of social entrepreneurship, we are passionate about our responsibilities as good corporate citizens. Over the years we have engaged in many meaningful community programmes. This includes charity drives to support Non Government Organisations to assist AIDS and drug patients, the disabled and the disadvantaged. I would like to invite you to view the list of Corporate Social Responsibility programmes that HELP has participated in from pages 23 to 25.

Letter to Shareholders (contd.)

Although there is growing competition, HELP is confident of its future growth and success because it has competitive advantages due to the following:

- Creative leadership and innovative management
- Strong international brand
- Culture of performance and execution
- Strong corporate governance
- Strong referrals and relationships
- Unique positioning and niching
- Quality partnerships and networks
- Good quality faculty
- Proven outcomes
- Good infrastructure
- Articulation with top universities
- A growing influential alumni

Our ultimate goals are to be a

- Preferred college of first choice by students and parents
- Preferred college of first choice by employers for our graduates
- Preferred first choice for prospective employees
- Preferred first choice as a partner by foreign universities and professional bodies
- Preferred first choice for investors

APPRECIATION AND ACKNOWLEDGEMENT

Finally, we would like to finish by saying thank you for supporting us. We must also say thanks to the members of our Board of Directors for their confidence in and support for us in particular, and for the management team in general. Twenty-two years might seem like a long time, but in building a valuable education institution, it is but a short time. The future is certainly bright for us. Along with my management team, we will continue to strive to surpass your expectations by executing our strategies and holding fast to our Vision.

Low Kam Yoke
Group Chief Executive Officer

Dr Paul Chan Tuck Hoong
President

Foreign Partner Universities

As a premier education provider, we have collaborations with many top foreign universities and professional associations. We will continuously strive to improve our strategic alliances and to be the preferred first choice as a partner by foreign universities. The list of our partner universities is presented below :-

Australia

- Australian National University
- Charles Sturt University
- Curtin University of Technology
- Deakin University
- Edith Cowan University
- Flinders University
- Griffith University
- Macquarie University
- Murdoch University
- University of Adelaide
- University of Ballarat
- University of Melbourne
- University of New South Wales
- University of Queensland
- University of South Australia
- University of Tasmania
- University of Western Sydney

Denmark

- Esbjerg Business Academy

France

- Ecole Supérieure des Sciences
Commerciales d'Angers
- Institut Paul Bocuse
- Université de La Rochelle
- Université de Nice - Sophia Antipolis
- Université Francois-Rabelais de Tours

Germany

- Leipzig Graduate School of Management
(HHL-Handelshochschule Leipzig)

Hong Kong

- Hong Kong Polytechnic University
- Hong Kong SPACE
- Hong Kong University
- Hong Kong University of Science and Technology

Indonesia

- ITHB, Jawa Barat
- STIKOM Bali, Denpasar Bali
- STMIK Provisi, Jawa Tengah
- UKDW, Jogjakarta
- UPN "Veteran", Jawa Timur

New Zealand

- Auckland University of Technology
- University of Otago
- University of Waikato

Foreign Partner Universities (contd.)

People's Republic of China

- GEMS Institute of Software Technology
- Shanghai International Studies University

United Kingdom

- Anglia Ruskin University
- Aston University
- Cardiff University
- Edinburgh Business School
- London School of Economics and Political Science
- Loughborough University
- Middlesex University
- University of Birmingham
- University of East London
- University of Exeter
- University of Hertfordshire
- University of Leeds
- University of Liverpool
- University of London
- University of Teesside
- University of Wales, Aberystwyth
- University of the West of England, Bristol

USA and Canada

- American University (Washington D.C.)
- Bemidji State University
- Central Michigan University
- DePaul University
- Drake University
- Drexel University
- Emory University
- Indiana University-Purdue University Indianapolis
- Iowa State University
- Michigan Technological University
- Montana State University
- Pepperdine University
- Purdue University
- Scranton University
- Southern New Hampshire University
- Stevens Institute of Technology
- Teikyo Loretto Heights University
- Thompson Rivers University
- Towson University
- University of Mississippi
- University of North Texas
- University of Oklahoma
- University of Oregon
- University of Texas, Austin
- Upper Iowa University
- Utica College

Vietnam

- Banking Academy of Vietnam
- Hanoi Agricultural University
- International School – Vietnam National University
- Nong Lam University

Achievements and Recognition

Brand Laureate Award

HELP University College ("HUC") recently won The Brand Laureate-SME's Chapter Award 2007 for Corporate Branding, Best Brands in Education-Tertiary Award on 8 January 2008 from the Asia Pacific Brands Foundation.

Accreditation of HELP University College's Bachelor of Business (Accounting) Honours by CPA Australia, and the United Kingdom's ICAEW and ACCA in 2007

HUC's Bachelor of Business (Accounting) Honours programme was recently accredited by three prestigious professional accounting bodies namely: -

- CPA Australia;
- Institute of Chartered Accountants in England & Wales (ICAEW); and
- The Association of Chartered Certified Accountants (ACCA).

The accreditation of HUC's very own business degree by these professional accounting bodies put HUC on par or ahead of many British and Australian universities.

Academic Achievements

HUC's students have always done us proud by aiming high and excelling in both their studies and their extra curricular activities. Below are some of the achievements of our students:

- **A-Levels Department** - 2007 was a record breaking year for HUC's A-Levels Department. HUC's A-Levels Department is the largest Edexcel A-Levels Centre in the world outside of the United Kingdom.
- **Edexcel International World Awards 2007**- Our students won 26 Edexcel World Awards for the highest scores attained in the global A-Level examinations for Accounting, Law, Physics and Chemistry with 1 out of 2 scoring straight As. The total number of As scored was 2570, and the passing rate was 97%.

In 2006, we won 5 Edexcel World Awards.



The Brand Laureate Award

Achievements and Recognition (contd.)

- **The London School of Economics and Political Science (“LSE”)**

29 students were accepted into the prestigious LSE, which was another record for us. HUC is the only school in the history of the LSE to have had such a large number of students to be accepted by the university for one intake.

- **Admission and Scholarships from Top Notch Universities**

2 students were accepted into the University of Cambridge, and 54 students were admitted into various medical schools throughout the world in 2007.

28 students were also accepted into various universities worldwide to study actuarial science.

Our A-Level’s students also won a total of 27 scholarships both full and partial to pursue their studies overseas or locally.

6 of our Business Studies students won scholarships to continue their studies at the University of Queensland in 2008.

Our student won the 2008 International Undergraduate Scholarship to continue his studies at the University of Melbourne.

A handful of students who have transferred to the University of Queensland to study have also won scholarships to pursue their Honours degrees, and some have graduated with First Class Honours.

The Law Department which has the largest United Kingdom credit transfer programme in Malaysia, have seen some of the students performing very well with three students graduating with First Class Honours from Cardiff University, and Northumbria University in 2007.

- **Staff Academic Achievements**

In 2007, many of our staff members completed their masters, with some having obtained their PhDs under the HUC Staff Incentives Scheme.

Sports Achievements

HUC once again won the Malaysian Association of Private Colleges and Universities (MAPCU) Sports Tournament in 2007. HUC has won the tournament for five straight years.

We have also had two students chosen to be part of Malaysia’s National Futsal Women’s Team to compete in the Southeast Asian Games in 2007.

Outstanding Achievements

During the 2007 convocation, HUC offered its first honorary degree, the Master of Entrepreneurship to Mr. Lee Sheng Chow in recognition for his social contributions, his personal achievements in business, and his successful performance representing Malaysia in the Paralympic Games as a physically challenged individual. Mr. Lee was a student of HUC.

Corporate Social Responsibilities



Bringing cheer and joy through the 'Make A Wish Project' at University Hospital

HELP International Corporation Berhad ("HELP") through its subsidiary, HELP University College Sdn Bhd ("HUC"), has an excellent tradition of organising many specific and on-going community relevant and socially responsible activities such as fund raising for charity and aid for disaster victims, orphanages, and for the needy.

We want to share our success with the community we serve, therefore these events are organised out of a conviction that we have a duty to discharge to the community in fulfillment of our role as a social business enterprise, and as responsible corporate citizens.

Below are some of the activities that HELP has organized in 2007 as part of our Corporate Social Responsibility programme :

COMMUNITY

Community Activities

1. HELP funds and provides management support to the Malaysian Public Library, Research and Development Centre which is situated in Kampung Attap, Kuala Lumpur. HELP hopes to promote a stronger reading culture, enhance educational standards, to upgrade the general knowledge and strengthen the relationships among the various communities in Malaysia.
2. One of the community events that HUC participates and co-organises annually is the World Vision 30 Hour Famine in which many of our students and staff participate in to fast for 30 hours and to raise funds for underprivileged children. Last year we raised RM1.2 million.
3. HUC along with HELP ICT Sdn Bhd raised RM58,000 through donations and charity drives for one of our students suffering from leukemia and requires a bone marrow transplant.
4. In the "School Bully Prevention Project", a team of staff psychologists worked with UNICEF and the Ministry of Education to train teachers on how to handle bullying in schools in the Klang Valley.
5. "The Psychological Effects of the Tsunami on Children", was a project headed by the Department of Psychology, and funded by UNICEF. A team visited the tsunami affected areas in Malaysia, Kota Kuala Muda in Kedah to perform a Post Traumatic Stress Disorder (PTSD) psychological assessment of the children in the affected area.

Corporate Social Responsibilities (contd.)



Group picture of staff and residents from the Beautiful Gate Foundation at the Certificate Presentation Ceremony at HUC

6. "Mentoring Malaysia" is a project that aims to build up the sustaining psychosocial capacity of individual children in high schools in Malaysia. It was organised by the Asian Research Center for Child and Adolescent Development (ARCCADE) which is housed in the Faculty of Behavioural Sciences. ARCCADE worked in collaboration with UNICEF, the Malaysian Ministry of Education, and the Center for Prevention Research at Pennsylvania State University, United States on this project.
7. HUC Undergraduate Community Service, students from the Department of Psychology, Department of Business Studies, and the American Degree Transfer Program went on a week long community service stint in Tulai, Raub, where they stayed with foster families and participated in various programmes and activities in the village.
8. The Department of Information Technology trained staff and residents of the Beautiful Gate Foundation on Microsoft applications.
9. The Department of Law raised money during Christmas for a small needy orphanage.
10. "Make a Wish Project" in which HUC worked with the Lions Club of Bangsar, and Freedom and Fun for Kids to bring joy and cheer to the children in the paediatrics ward at University Hospital.

Safety Campaign

One of our initiatives was a Drunk Driving Project to raise awareness amongst youngsters on the dangers of drunk driving.

Sports

Our students are very active in sports and other extra curricular activities such as drama, dancing and singing. Some of these activities are either subsidised by HELP, with some fully funded.



Student participants from the "Mentoring Malaysia" project



"One footprint to destroy, 100 years to grow back" kolam artwork for "Project Aware"

Corporate Social Responsibilities (contd.)

Our popular classic series of Badminton Clinics and Tournaments held nationwide contributes to raising the standard of the sport and nurturing a new generation of players.

Many students have also represented our nation and states in various sporting activities such as badminton, soccer, futsal, taekwondo, cheerleading, and public speaking.

Others

As a committed educational provider, HELP further discharges its responsibilities by providing scholarships, study grants, and loans to nurture the talent of deserving students.

ENVIRONMENTAL

Save the environment

1. "Project Aware" art work to raise awareness amongst college students and staff regarding the destruction of corals.
2. Staff members are encourage to use their stationery efficiently and to recycle their papers to help reduce wastage, and cutting down of more trees.

WORKPLACE

Our principal goal has been to provide a market driven platform to share our successes with our employees and others who have contributed significantly to our financial and professional successes. We offer career advancement, continuous learning and development programmes to equip both the academic and administrative staff with relevant skills, knowledge and experience to enhance their individual competencies.

We have also emphasised on safety, health and welfare at work. Staff are encouraged to attend health talks and activities organised, such as training on first aid procedures and cardiopulmonary resuscitation (CPR).

HELP also adopts a policy of non-discrimination in employing those who are physically challenged. We have adapted our facilities and environment for staff members and students who are disabled.

MARKETPLACE

The HELP Group has adopted good corporate governance practices and sound ethical values to achieve its business goals and to enhance shareholders' value in our company.

To our customers, we are committed to ensure that we live up to our vision: To help people succeed in life and to live a life of significance through education.

We will endeavor to provide good affordable education to all, transfer of knowledge, skills and to enrich the learning experience for our clients.

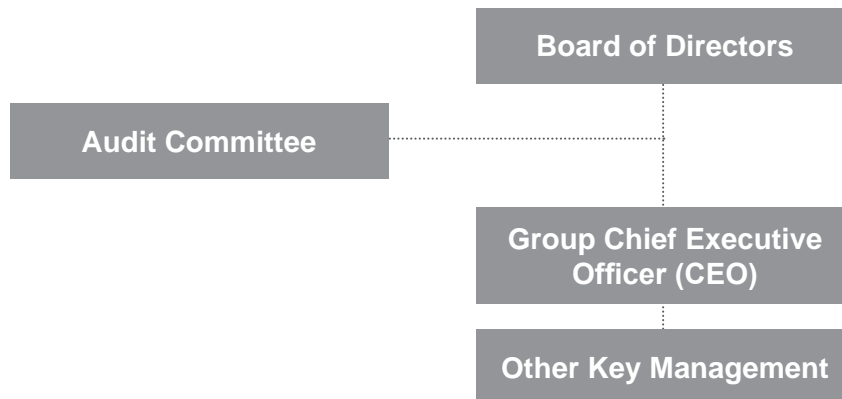
To all our business partners and strategic alliances, we believe in sharing success and developing mutually beneficial business relationships.

Statement on Corporate Governance

1. DIRECTORS

The Board of Directors (“the Board”) of HELP International Corporation Berhad is committed to ensuring that the highest standards of corporate governance principles as embodied in the Malaysian Code on Corporate Governance are practised throughout the Group. The Board acknowledges its responsibilities to safeguard the shareholders’ interests and to enhance their value.

The following chart shows our current Board-Management reporting structure:



1.1 The Board

The Board recognises the importance of having an effective and dynamic Board to lead and control the Group. The Board is fully responsible for the effective control and for the monitoring of the business operations of the Group on behalf on the shareholders. This includes the responsibility for determining the Group’s strategic direction, financial performance, standards of conduct, and critical business issues.

In line with these responsibilities, the Board has established and delegated specific responsibilities to three committees namely, the Audit Committee, the Nomination Committee, and the Remuneration Committee. These committees have the individual authority to examine and to report on related issues and make recommendations to the Board. The ultimate responsibility for the final decision on all matters, however, lies with the members of the entire Board.

1.2 Board Balance

The Board currently has nine (9) members, comprising three (3) Executive Directors (including the CEO), three (3) Non-Independent Non-Executive Directors (including the Chairman), and three (3) Independent Non-Executive Directors. Together, the Directors bring a wide range of business, financial, industry specific knowledge and public service experience relevant to the strategic direction of the Group. A brief profile of each director is presented from pages 4 to 8 in this Annual Report.

The Board is of the view that its current composition fairly reflects the interest of the shareholders.

The Chairman oversees the activities of the Board and, together with the CEO and the President is responsible to define the vision and strategic direction of the Group.

The Non-Executive Directors have the responsibility to provide the Company with unbiased and independent views and opinion after considering the interests of shareholders, employees, and customers.

The Independent Directors with necessary diligence will ensure that there are proper checks and balances across the various functions and committee groups in line with best practices and standards of governance.

The Company’s Articles of Association allow meetings of the Board to be conducted by way of instantaneous telecommunication devices.

Statement on Corporate Governance (contd.)

1.2 Board Balance (contd.)

The Board meets quarterly. The record of attendance of each Director from 22 May 2007 (date of listing) to 31 October, 2007 are as follow:

Directors	Attendance
Tan Sri Datuk Paduka Dr. Hajjah Saleha Bte Mohd Ali	2/2
Low Kam Yoke	2/2
Dr. Chan Tuck Hoong	2/2
Dato' Dr. Zakaria Bin Ahmad	2/2
Wen Chiu Chi	2/2
Chong Koon San	2/2
Ng Teh Kha	2/2
Ong Seng Pheow	2/2
Dato' Dr. Thong Kok Cheong	2/2

1.3 Supply of Information

The Board will be provided with an agenda and a set of Board reports prior to its meeting to ensure that the members can be properly informed about the issues and, where necessary, request additional information.

The reports provide the financial information, corporate information, significant operational and corporate issues, performances of the Group and Management's proposals which require the Board's approval. Senior Management staff would normally be invited to attend Board meetings to provide the Board with detailed explanations and clarifications on matters that are tabled. All proceedings from the Board meetings are minuted by the Company Secretary and signed by the Chairman.

The members of the Board have unrestricted access to the advice and services of the Company Secretary, to independent professional advice, and to internal auditors.

1.4 Appointments to the Board

The Malaysian Code on Corporate Governance endorses, as good practice, a formal procedure for appointment to the Board. This includes the setting up of a Nomination Committee to oversee the appointment of members and to make recommendations to the Board.

The Nomination Committee was established on 6 April 2007 and consists of the following members:

- Dato' Dr Thong Kok Cheong (Chairman, Independent Non-Executive Director)
- Ong Seng Pheow (Member, Independent Non-Executive Director)
- Ng Teh Kha (Member, Independent Non-Executive Director)

The committee regularly reviews the required mix of skills, experience and other qualities of the Directors, including core competencies which Non-Executive Directors should bring to the Board. This is to ensure that the nominees have the relevant education, knowledge, and experience to contribute to the Group.

The committee assesses the Board's structure, size and composition, to ensure there is a balanced proportion of Non-Executive Directors versus Executive Directors, and as to whether the Board has an adequate degree of independence to enable the overall membership to make balanced and well considered decisions. The committee also makes recommendations to the Board for consideration to fill seats on Board committees.

During the year, the Nomination Committee met once. The meeting was attended by all members.

1.5 Re-election / Re-appointment

Pursuant to Article 90 of the Articles of Association of the Company, all Directors are required to retire at the forthcoming Second Annual General Meeting. All Directors being eligible, have offered themselves for re-election.

Statement on Corporate Governance (contd.)

1.5 Re-election / Re-appointment (contd.)

Tan Sri Datuk Paduka Dr. Hajjah Saleha Bte Mohd Ali, a Director who is over the age of 70 years retired at the conclusion on this forthcoming Annual General Meeting pursuant to Section 129(2) of the Companies Act, 1965 and being eligible is seeking re-appointment in accordance to Section 129(6) of the Companies Act, 1965.

1.6 Training and Education

During the year, the Directors received appropriate continuous training by attending external seminars and briefings in order to remain updated on the new regulatory and statutory requirements, and industry best practices.

In addition, the Company has organised in-house seminars for the Directors in order to broaden their perspectives, to ensure that they remain current with the developments in the general business environment, and to update them on the Group's business activities.

2. DIRECTORS' REMUNERATION

The members of the Remuneration Committee are:

- Ong Seng Pheow (Chairman, Independent Non-Executive Director)
- Dato' Dr. Thong Kok Cheong (Member, Independent Non-Executive Director)
- Low Kam Yoke (Member, Executive Director)

The Remuneration Committee recommends to the Board the policy framework of the Executive Directors' remuneration package for each Executive Director in accordance with their performance, contributions, experience and level of responsibilities. The Board shall then endorse these recommendations. Individual Directors do not participate in decisions regarding their own remuneration packages. Directors' fees are approved at the Annual General Meeting by the shareholders.

A summary of the remuneration for Directors for the financial year ended 31 October 2007 is as follows:

Particular	Executive Directors RM'000	Non-Executive Directors RM'000	Total RM'000
Fees	-	62	62
Salaries and other emoluments	1,189	23	1,212
Employees provident fund	142	-	142
Benefits in kind	42	-	42
Total	1,373	85	1,458

The aggregate remuneration of Directors analysed into the appropriate bands of RM50,000 are as follows:

Range of Remuneration	Executive Directors	Non-Executive Directors
Below RM50,000	-	6
RM250,001-RM300,000	1	-
RM500,001- RM550,000	1	-
RM550,001-RM600,000	1	-

Statement on Corporate Governance (contd.)

3. SHAREHOLDERS

3.1 Dialogue between the Company and Investors

The Group recognises the need to communicate effectively with its shareholders, and other stakeholders in relation to the Group's business activities and performance.

Corporate announcements, stock quotes, annual reports and the financial analysts' reports are made available from the Group's website, www.hic.com.my. The corporate website contains a separate section for our shareholders or potential investors where they can make requests for additional information or provide feedback to the Group.

General queries and concerns regarding HELP International Corporation Berhad can be directed to:

Juliet Chan Ji-Quandt
Public and Investor Relations Officer
chanjq@hic.com.my
Tel: (603) 2711 2000 ext 1718
Website: www.hic.com.my
Email: info@hic.com.my

The Board has also designated Mr. Ong Seng Pheow as the Senior Independent Non-Executive Director to receive, examine and respond to shareholders' issues or public enquiries. Such enquiries should be made in writing and directed to him as follows:-

HELP International Corporation Berhad
Senior Independent Non-Executive Director
Mr. Ong Seng Pheow
Level 11, Wisma HELP,
Lorong Dungun Kiri, Damansara Heights,
50490 Kuala Lumpur
Tel: (603) 2094 2000 ext 3008
Fax: (603) 2095 9554

3.2 The Annual General Meeting ("AGM")

The AGM is the principal forum for dialogue with shareholders.

During the meeting, shareholders will be given every opportunity to question and comment on matters relating to the Group's business. Executive Directors and, where appropriate, the Chairman of the Audit Committee, will be available to respond to the shareholders' questions.

4. ACCOUNTABILITY AND AUDIT

4.1 Financial Reporting

In presenting the annual financial statements and quarterly announcements of results to shareholders, the Directors are committed to ensuring a balanced and fair assessment of the Group's position and future prospects. The Board is assisted by the Audit Committee in reviewing the financial reporting processes and the quality of financial information disclosed to ensure accuracy, consistency, relevancy, and timeliness.

The terms of reference of the Audit Committee, the composition of its membership and other pertinent information about its activities are highlighted in the Audit Committee Report from pages 31 to 35 in this Annual Report.

Statement on Corporate Governance (contd.)

4.1 Financial Reporting (contd.)

The Audit Committee also assists the Board in reviewing the appropriateness of the accounting policies applied by the Company as well as changes to these policies.

The Statement on Directors' Responsibilities for Preparing the Financial Statements is presented on page 36 of this Annual Report.

4.2 Internal Control

In line with the requirement of the Bursa Malaysia Securities Berhad, a Statement on Internal Control is set out from pages 37 to 38 in this Annual Report.

The Board assumes the overall responsibility for maintaining an effective system of internal control to ensure that the Group's operations are effective and efficient and to safeguard the Group assets and shareholders' interest.

4.3 Relationship with Auditors

The Board maintains a formal and transparent professional relationship with the external and internal auditors through the Audit Committee. From time to time, the Auditors highlight to the Audit Committee on matters that require the Board's attention.

This Statement is made in accordance with the resolution of the Board of Directors dated 25 March 2008.

Audit Committee Report

CHAIRMAN

Ong Seng Pheow

MEMBERS

Dato' Dr. Thong Kok Cheong

Chong Koon San
(appointed on 21 December 2007)

Low Kam Yoke
(resigned on 21 December 2007)

1. MEMBERSHIP AND ATTENDANCE

The Audit Committee members and details of attendance of each member at the Audit Committee meetings held during the year are as follow:-

Committee Members	Attendance
Ong Seng Pheow (Independent Non-Executive Director)	3/3
Dato' Dr. Thong Kok Cheong (Independent Non-Executive Director)	3/3
Low Kam Yoke (Group Chief Executive Officer and Executive Director) [resigned on 21 December 2007]	3/3
Chong Koon San (Non Independent Non-Executive Director) [appointed on 21 December 2007]	0/0

The Company formalised the appointment of Mr. Chong Koon San as a new Audit Committee member in replacement of Low Kam Yoke on 21 December 2007, thus Mr. Chong Koon San did not attend any meetings held during the year.

2. COMPOSITION OF MEMBERS

The Board shall appoint the Audit Committee members from amongst themselves, comprising no fewer than three (3) non-executive directors. The majority of the Audit Committee members shall be independent directors.

In this respect, the Board adopts the definition of "independent director" as defined under the Listing Requirements of Bursa Malaysia Securities Berhad.

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

- (a) a member of the Malaysian Institute of Accountants ("MIA"); or
- (b) if he is not a member of MIA, he must have at least three (3) years working experience and:
 - (i) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - (ii) he must be a member of one of the associations of the accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
- (c) fulfils such other requirements as prescribed or approved by the Exchange.

No alternate director of the Board shall be appointed as a member of the Audit Committee.

Audit Committee Report (contd.)

2. COMPOSITION OF MEMBERS (contd.)

The term of office and performance of the Audit Committee and each of its members shall be reviewed by the Board at least once every three (3) years to determine whether the Audit Committee and members have carried out their duties in accordance with their terms of reference.

If a member of the Audit Committee resigns, dies, or for any reason ceases to be a member resulting in non-compliance to the composition criteria as stated in paragraph such number of the new members as maybe required to fill the vacancy above, the Board shall within three (3) months of the event appoint a new member to fill the vacancy.

3. CHAIRMAN

The members of the Audit Committee shall elect a chairman from amongst their number who shall be an independent director.

In the absence of the Chairman of the Audit Committee, the other members of the Audit Committee shall amongst themselves elect a Chairman who must be an independent director to chair the meeting.

4. SECRETARY

The Company Secretary shall be the Secretary of the Audit Committee and as a reporting procedure, the Minutes shall be circulated to all members of the Board.

5. MEETINGS

The Audit Committee shall meet regularly, with due notice of issues to be discussed, and shall record its conclusions in discharging its duties and responsibilities. In addition, the Chairman may call for additional meetings at any time at the Chairman's discretion.

Upon the request of the external auditor, the Chairman of the Audit Committee shall convene a meeting of the Audit Committee to consider any matters the external auditor believes should be brought to the attention of the directors or shareholders.

Notices of Audit Committee meetings shall be given to all the Audit Committee members unless the Audit Committee waives such requirements.

The Chairman of the Audit Committee shall engage on a continuous basis with Senior Management, such as the Chairman, the Group Chief Executive Officer, the Financial Controller and with the internal auditors and the external auditors in order to be kept informed of matters affecting the Company.

The Group Chief Executive Officer, the Financial Controller, representatives of the internal and external auditors should normally attend meetings. Other Board members and employees may attend meetings upon the invitation of the Audit Committee. The Audit Committee shall be able to convene meetings with the external auditors, the internal auditors, or both, without executive Board members and employees present whenever deemed necessary, and at least twice a year with the external auditors.

Questions arising at any meetings of the Audit Committee shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Audit Committee shall have a second, or casting vote.

6. MINUTES

Minutes of each meeting shall be kept at the registered office and distributed to each member of the Audit Committee and also to the other members of the Board. The Audit Committee Chairman shall report on each meeting to the Board.

The minutes of the Audit Committee meeting shall be signed by the Chairman of the meeting at which the proceedings were held, or by the Chairman of the next succeeding meeting.

Audit Committee Report (contd.)

7. QUORUM

In order to form a quorum in respect of a meeting of the Audit Committee, the majority of members present must be independent directors.

8. OBJECTIVES

The principal objectives of the Audit Committee are to assist the Board in discharging its statutory duties and responsibilities relating to accounting and reporting practices of the Company and the Group. In addition, the Audit Committee shall:-

- (a) evaluate the quality of the audits performed by the internal and external auditors;
- (b) provide assurance that the financial information presented by management is relevant, reliable and timely;
- (c) oversee compliance with laws and regulations and observance of a proper code of conduct; and
- (d) determine the quality, adequacy and effectiveness of the Group's control environment.

9. AUTHORITY

The Audit Committee shall, in accordance with procedures to be determined by the Board and at the expense of the Company:-

- (a) have explicit authority to investigate any matter within its terms of reference, the resources to do so, and full access to information. All employees shall be directed to co-operate as requested by members of the Audit Committee;
- (b) have full and unlimited/unrestricted access to all information and documents/resources which are required to perform its duties, as well as to the internal and external auditors, and Senior Management of the Company and Group;
- (c) obtain independent professional or other advice, and to invite outsiders with relevant experience to attend, if necessary;
- (d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any); and
- (e) where the Audit Committee is of the view that the 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 matters to Bursa Malaysia Securities Berhad.

10. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Audit Committee are as follows:-

- (a) to consider the appointment of the external auditors, the audit fees, and any questions of resignations or dismissals;
- (b) to discuss with the external auditors before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;
- (c) to review with the external auditors their evaluation of the system of internal control and the audit report;

Audit Committee Report (contd.)

10. DUTIES AND RESPONSIBILITIES (contd.)

- (d) to review the quarterly and year-end financial statements, prior to the approval by the Board, focusing particularly on: -
- any changes in accounting policies and practices;
 - significant adjustments arising from the audit; and
 - compliance with accounting standards and other legal requirements.
- (e) to discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss (in the absence of management, where necessary);
- (f) to review the external auditor's management letter and management's response;
- (g) to do the following, in relation to the internal audit function:-
- (i) review the adequacy of the scope, functions competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;
 - (ii) review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;
 - (iii) review any appraisals or assessments of the performance of members of the internal audit function; and
 - (iv) approve any appointment or termination of senior staff members of the internal audit function.
- (h) to consider any related party transactions and conflict of interest situations that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (i) to consider the major findings of internal investigations and management's response;
- (j) to determine the remit of the internal audit function;
- (k) to consider other topics as defined by the Board; and
- (l) to consider and examine such other matters as the Audit Committee considers appropriate.

11. SUMMARY OF ACTIVITIES

In line with the terms of reference of the Audit Committee, the following were reviewed and discussed by the Audit Committee during the year :-

- (a) reviewed the quarterly financial results and announcements and the audited financial statements prior to submission to the Board for approval;
- (b) reviewed the audit plans by external auditors and reports prepared;
- (c) ascertained and reviewed the state of internal control and extent of compliances with established policies, procedures and statutory requirements;
- (d) reviewed the Statement on Corporate Governance, Audit Committee Report, Statement on Internal Control and Statement on Directors' Responsibilities for Preparing the Financial Statements prior to inclusion in the Annual Report;

Audit Committee Report (contd.)

11. SUMMARY OF ACTIVITIES (contd.)

- (e) reviewed and approved the minutes of the Audit Committee's meetings;
- (f) reviewed the related party transactions that may have arisen within the Group or the Company;
- (g) made recommendations to the Board on the re-appointment of the external auditors; and
- (h) reviewed and assessed the fee structure and independence of the external auditors in performing such services.

12. INTERNAL AUDIT FUNCTION

The Audit Committee reviews the internal audit charter and the adequacy and relevance of the scope, functions, resources, internal audit plans, and results of the internal audit and processes.

The internal audit function is outsourced to an independent internal audit service provider.

The internal auditors appointed are independent of the activities or operations of other operating units. The principal role of the internal auditors are to undertake independent regular and systematic review of the systems of internal control so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively.

It is the responsibility of the internal auditors to provide to the Audit Committee with independent and objective reports on the state of internal control, and the extent of the compliances of the Group's established policies and procedures as well as other relevant statutory requirements.

Statement on Directors' Responsibilities for Preparing the Financial Statements

This statement is prepared pursuant to paragraph 15.27(a) of the Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are required by the Companies' Act, 1965 to prepare annual financial statements which are in accordance with applicable approved accounting standards and give a true and fair view of the financial position of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and of the Company for that financial year.

The Directors have considered that in preparing the financial statements:

- the Group and the Company have adopted appropriate accounting policies and are consistently applied;
- reasonable and prudent judgments and estimates were made; and
- all applicable approved accounting standards in Malaysia have been followed.

The Directors are responsible for ensuring that the Group keeps accounting records which discloses with reasonable accuracy the financial position of the Group, and which enables them to ensure that the financial statements comply with the provisions of the Company Act, 1965.

The Directors have overall responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities.

Statement on Internal Control

Introduction

The Board recognises the importance of a sound internal control system to safeguard shareholders' investments and the Group's assets.

This Statement on Internal Control outlines the nature and scope of internal control of the Group during the year.

Board Responsibilities

The Board is committed to maintaining a system of internal control in financial, operational and compliance processes as well as risk management to achieve the following objectives:

- safeguarding the shareholders' interest and the assets of the Group;
- identifying and managing risks affecting the Group;
- ensuring compliance with regulatory requirements; and
- ensuring operational results are closely monitored.

The Board also acknowledges its responsibility for reviewing the adequacy and integrity of the internal control system. In view of the limitations that are inherent in any internal control system, this system is designed to manage rather than eliminate the risk of failure to achieve business objectives. Accordingly, it can only provide reasonable, but not absolute assurance against material misstatement or loss.

Key Internal Control Process

The Group's system of internal control comprises the following key elements:

- **Terms of reference**
Clear definition of the terms of reference, i.e. functions, authorities and responsibilities of the various committees of the Board of Directors have been established.
- **Control procedures**
Procedure Manuals with stipulated policies, procedures and practices governing various aspects of the business operations incorporating necessary control to mitigate risks are adopted for the Group's business units. These policies and procedures are periodically reviewed and updated to ensure that they continue to be relevant as the business evolves.
- **Organisational structure and accountability levels**
The Group has a well defined organisational structure with clear lines of responsibilities and delegation of authority.
- **Budgeting, reporting and review**
A detailed budgeting process is established whereby operating and finance units prepare an annual budget for the following financial year. The budget is then presented to the Board for approval.

The Management carries out monthly reviews of the financial results of the Group's business units in comparison to the budget while reviewing other business and operational issues. Major variances between the actual results and the budget are investigated and where and when necessary, is acted upon.

Statement on Internal Control (contd.)

Key Internal Control Process (contd.)

- **Internal audit**

The internal audit function is outsourced to an independent service provider. The internal audit team carries out internal audit reviews assessing the adequacy and integrity of the internal control systems of the major business units of the Group. The internal audit team highlights areas for improvement and subsequently reviews the extent to which its recommendations have been implemented. The Audit Committee reports to the Board of Directors the plans and activities of the internal auditors, as well as their findings and recommendations.

- **Risk Management**

The Board is fully aware of the principal risks faced by the Group and has put in place the appropriate controls to manage these risks through the involvement of the Executive Directors and Management in the day-to-day operations of the Group.

Risk exposures are also identified from the internal audit reviews carried out and are managed by Management via the formulation and implementation of internal control to address the risks identified.

The Board is of the view that the internal control system is satisfactory for the financial year under review. As an ongoing continuous improvement, the Group will continue to take the necessary measures to strengthen its internal control.

Additional Compliance Information

In compliance with the Listing Requirements of Bursa Malaysia Securities Berhad, the following are provided:-

1. Utilisation of Proceeds Raised from Initial Public Offering

Purpose	Proposed Utilisation RM'000	Actual Utilisation as at 31 October 2007 RM'000	Balance RM'000
Improvement to existing facilities	4,000	1,919	2,081
Investment in and development of intellectual property, including staff development	2,660	479	2,181
International business development	1,179	268	911
Working capital	1,982	1,982	-
	9,821	4,648	5,173

2. Share Buybacks

During the financial year, there were no share buybacks by the Company.

3. Options, Warrants or Convertibles Securities

The Company has not issued any options, warrants or convertible securities during the financial year.

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

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

5. Impositions of Sanctions / Penalties

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

6. Non-audit fees

The amount of non-audit fees payable to the external auditors of the Company, Messrs Ernst & Young by the Group for the financial year amounted to RM5,000.

7. Profit Estimate, Forecast or Projection

The Group issued a profit forecast for the financial year ended 31 October 2007 in the Prospectus dated 27 April 2007. The variance between the actual audited and forecast profit after taxation and minority interests was below 10%.

The variance between the audited results and the unaudited results previously announced for the financial year ended 31 October 2007 was below 10%.

Additional Compliance Information (contd.)

8. Profit Guarantee

During the year, there was no profit guarantees given by the Company.

9. Material Contracts and Contracts Relating to Loan

There were no material contracts and contracts relating to loans entered by the Group involving Directors and major shareholders during the financial year.

10. Revaluation Policy

The Group does not have a policy on revaluation of its landed property and neither has the Group revalued its landed property during the financial year ended 31 October 2007.

11. Recurring Related Party Transactions of a Revenue or Trading Nature

The details of related party transactions during the financial year are set out in Note 23(a) to the Financial Statements.

The Company is proposing the following to the shareholders at the forthcoming Extraordinary General Meeting ("EGM") of the Company:-

- (i) to ratify the recurrent related party transactions of a revenue or trading nature entered from 22 May 2007, i.e. the date of listing of the Company until its forthcoming EGM; and
- (ii) to seek the shareholders' mandate for the Company or/and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group.

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Directors' Report

The directors have pleasure of presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 October 2007.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Company was listed on the Second Board of Bursa Malaysia Securities Berhad on 22 May 2007 after the completion of its Public Issue (refer Note 22(a) to the financial statements).

The core business of the Group is in education and training. This includes tertiary, continuing professional development ("CPD"), vocational and pre-university programmes.

Other than stated above, there have been no significant changes in the nature of the principal activities of the Group and of the Company during the financial year.

The acquisition of HELP University College Sdn. Bhd. ("HUC") on 5 April 2007 arose from a common control transfer. HUC has been consolidated under the principles of merger accounting, which assumes that the Group has been in existence throughout the current and previous financial years. Accordingly, comparative financial information on the Group has been presented from 1 November 2005 to 31 October 2006. The details of the acquisitions of HUC and its subsidiaries are disclosed in Note 5(a) of the financial statements.

RESULTS

	Group RM	Company RM
Profit for the year	9,656,198	6,115,055
Attributable to:		
Equity holders of the Company	9,668,006	6,115,055
Minority interests	(11,808)	-
	9,656,198	6,115,055

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

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 October 2007, of 6% less 27% taxation on 88,776,000 ordinary shares of RM0.50 each, amounting to a dividend payable of RM1,944,194 (2.19 sen net per ordinary share) shall be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 October 2008.

Directors' Report (contd.)

DIRECTORS

The names of directors of the Company in office since the date of the last report and at the date of this report are:

Tan Sri Datuk Paduka Dr. Hajjah Saleha bte. Mohd. Ali	(appointed on 5 April 2007)
Low Kam Yoke	(appointed on 5 April 2007)
Dr. Chan Tuck Hoong	(appointed on 5 April 2007)
Dato' Dr. Zakaria bin Ahmad	(appointed on 5 April 2007)
Wen Chiu Chi	(appointed on 5 April 2007)
Chong Koon San	(appointed on 5 April 2007)
Ng Teh Kha	(appointed on 5 April 2007)
Ong Seng Pheow	(appointed on 5 April 2007)
Dato' Dr. Thong Kok Cheong	(appointed on 5 April 2007)
Mak Chooi Peng	(resigned on 5 April 2007)
Lee Yew Beng	(resigned on 5 April 2007)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments or fees received or due and receivable by the directors or the fixed salary of a full time employee of the Company and its related corporations) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company, during the financial year were as follows:

	Number of Ordinary Shares of RM0.50 Each			
	At date of appointment*	Bought	Sold	At 31 October 2007
The Company				
Tan Sri Datuk Paduka Dr. Hajjah Saleha bte. Mohd. Ali				
- Direct Interest	1,029,447	130,000	-	1,159,447
- Indirect Interest	2,141,031	-	-	2,141,031
Low Kam Yoke				
- Direct Interest	2,841,855	430,000	1,220,825	2,051,030
- Indirect Interest	-	2,227,629	1,260,100	967,529
Dr. Chan Tuck Hoong				
- Direct Interest	2,073,394	490,000	890,704	1,672,690
- Indirect Interest	-	2,227,629	1,260,100	967,529
Dato' Dr. Zakaria bin Ahmad				
- Direct Interest	3,320,330	9,559,017	3,032,233	9,847,114
Chong Koon San				
- Direct Interest	-	60,000	-	60,000

Directors' Report (contd.)

DIRECTORS' INTERESTS (contd.)

	Number of Ordinary Shares of RM0.50 Each			At 31 October 2007
	At date of appointment*	Bought	Sold	
Ng Teh Kha				
- Direct Interest	2,073,394	160,000	890,704	1,342,690
- Indirect Interest	-	890,704	360,000	530,704

Other than the above, none of the directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

* These represent shares acquired via the exchange of shares of HUC with shares of the Company for the acquisition of HUC as described in Note 5(a) to the financial statements.

ISSUE OF SHARES

On 14 March 2007, the Company's issued and paid-up share capital was increased from 2 to 4 ordinary shares via a share split on the basis of 1 existing ordinary share of RM1 each into 2 new ordinary shares of RM0.50 each. The par value of the share is now RM0.50 per ordinary share.

Subsequently, as part of the listing scheme, the Company increased its:

- (a) authorised ordinary share capital from RM100,000 to RM50,000,000 through the creation of 99,800,000 ordinary shares of RM0.50 each; and
- (b) issued and paid-up ordinary share capital from RM2 to RM44,388,000 by way of:
 - (i) the issuance of 73,999,996 ordinary shares of RM0.50 each at an issue price of approximately RM0.62 per ordinary share as purchase consideration for the acquisition of subsidiaries described in Note 5(a) to the financial statements; and
 - (ii) the issuance of 14,776,000 ordinary shares of RM0.50 each through a public issue at an issue price of RM0.80 per ordinary share for cash.

OTHER STATUTORY INFORMATION

- (a) Before the balance sheets and income statements of the Group and of the Company were made out, the directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

Directors' Report (contd.)

OTHER STATUTORY INFORMATION (contd.)

- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

Significant events during the financial year are disclosed in Note 22 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 15 February 2008.

Low Kam Yoke

Dr. Chan Tuck Hoong

Statement by Directors

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT 1965

We, Low Kam Yoke and Dr. Chan Tuck Hoong, being two of the directors of HELP International Corporation Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 48 to 82 are drawn up in accordance with the provisions of the Companies Act 1965 and applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 October 2007 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 15 February 2008.

Low Kam Yoke

Dr. Chan Tuck Hoong

Statutory Declaration

PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT 1965

I, Low Kam Yoke, being the director primarily responsible for the financial management of HELP International Corporation Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 48 to 82 are in my opinion 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 abovenamed Low Kam Yoke at
Kuala Lumpur in Wilayah Persekutuan
on 15 February 2008

Low Kam Yoke

Before me,

Karam Singh A/L Sudagar Singh PMC (No. W 353)
COMMISSIONER FOR OATHS

Report of the Auditors

TO THE MEMBERS OF HELP INTERNATIONAL CORPORATION BERHAD (Incorporated in Malaysia)

We have audited the financial statements set out on pages 48 to 82. These financial statements are 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act 1965 and applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of:
 - (i) the financial position of the Group and of the Company as at 31 October 2007 and of the results and the cash flows of the Group and of the Company for the year then ended; and
 - (ii) the matters required by Section 169 of the Companies Act 1965 to be dealt with in the financial statements; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements and the auditors' report thereon of the subsidiary of which we have not acted as auditors, as indicated in Note 5 to the financial statements, being financial statements that have been included in the consolidated financial statements.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company 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 auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Ernst & Young
AF: 0039
Chartered Accountants

Gladys Leong
No. 1902/04/08(J)
Partner

Kuala Lumpur, Malaysia
15 February 2008

Balance Sheets

AT 31 OCTOBER 2007

	Note	Group		Company	
		2007 RM	2006 RM	2007 RM	2006 RM
NON-CURRENT ASSETS					
Property and equipment	3	43,918,337	44,611,335	-	-
Intangible assets	4	80,489	88,880	-	-
Investments in subsidiaries	5	-	-	56,764,916	-
		43,998,826	44,700,215	56,764,916	-
CURRENT ASSETS					
Trade receivables	6	2,721,524	2,457,886	-	-
Other receivables	7	5,957,293	16,638,597	1,016,314	2,030
Marketable securities	8	1,730	1,730	-	-
Tax recoverable		1,061,233	310,290	271	-
Cash and cash equivalents	9	57,676,343	21,491,584	5,053,723	2
		67,418,123	40,900,087	6,070,308	2,032
CURRENT LIABILITIES					
Fees received in advance		14,559,537	12,987,833	-	-
Other payables	10	21,744,098	17,218,803	1,223,822	38,196
Tax payable		-	1,056,450	-	-
		36,303,635	31,263,086	1,223,822	38,196
NET CURRENT ASSETS/(LIABILITIES)					
		31,114,488	9,637,001	4,846,486	(36,164)
		75,113,314	54,337,216	61,611,402	(36,164)
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY					
Share capital	11	44,388,000	37,000,000	44,388,000	2
Share premium	11	2,532,654	-	2,532,654	-
Capital reserve	11	-	-	8,611,859	-
Retained earnings/(accumulated losses)		26,248,274	16,580,268	6,078,889	(36,166)
		73,168,928	53,580,268	61,611,402	(36,164)
Minority interests		13,510	25,318	-	-
TOTAL EQUITY		73,182,438	53,605,586	61,611,402	(36,164)
NON-CURRENT LIABILITY					
Deferred tax liabilities	12	1,930,876	731,630	-	-
		75,113,314	54,337,216	61,611,402	(36,164)

The accompanying notes form an integral part of the financial statements.

Income Statements

FOR THE YEAR ENDED 31 OCTOBER 2007

	Note	Group		Company	
		1.11.2006 to 31.10.2007 RM	1.11.2005 to 31.10.2006 RM	1.11.2006 to 31.10.2007 RM	20.6.2005 to 31.10.2006 RM
Revenue	13	61,701,456	53,506,160	-	-
Other operating income		3,234,343	3,049,531	8,605,534	-
Depreciation		(4,173,817)	(4,361,314)	-	-
Amortisation		(66,616)	(133,541)	-	-
Other operating expenses		(47,297,103)	(40,086,124)	(187,179)	(36,166)
Profit/(loss) before tax	14	13,398,263	11,974,712	8,418,355	(36,166)
Income tax expense	17	(3,742,065)	(3,943,705)	(2,303,300)	-
Profit/(loss) for the year/period		9,656,198	8,031,007	6,115,055	(36,166)
Attributable to:					
Equity holders of the Company		9,668,006	8,055,631	6,115,055	(36,166)
Minority interests		(11,808)	(24,624)	-	-
		9,656,198	8,031,007	6,115,055	(36,166)
Earnings per share attributable to equity holders of the Company (sen):					
Basic	18	12.0	10.9		
Diluted		N/A	N/A		

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 OCTOBER 2007

	Attributable to Equity Holders of the Company			Total RM	Minority Interests RM	Total Equity RM
	Share capital RM	Share premium RM	Non-distributable Retained earnings/ losses (accumulated losses) RM (Note 19)			
At 1 November 2005*	2	-	-	2	-	2
Effects arising from merger* (Note 5(a))	36,999,998	-	21,524,637	58,524,635	-	58,524,635
At 1 November 2005, as restated	37,000,000	-	21,524,637	58,524,637	-	58,524,637
Profit for the year	-	-	8,055,631	8,055,631	(24,624)	8,031,007
Acquisition of subsidiary	-	-	-	-	49,942	49,942
Dividends [^]	-	-	(13,000,000)	(13,000,000)	-	(13,000,000)
At 31 October 2006	37,000,000	-	16,580,268	53,580,268	25,318	53,605,586
At 1 November 2006	2	-	(36,166)	(36,164)	-	(36,164)
Effects arising from merger* (Note 5(a))	36,999,998	-	16,616,434	53,616,432	25,318	53,641,750
At 1 November 2006, as restated	37,000,000	-	16,580,268	53,580,268	25,318	53,605,586
Profit for the year	-	-	9,668,006	9,668,006	(11,808)	9,656,198
Ordinary shares issued pursuant to listing exercise	7,388,000	4,432,800	-	11,820,800	-	11,820,800
Listing expenses set off against share premium	-	(1,900,146)	-	(1,900,146)	-	(1,900,146)
At 31 October 2007	44,388,000	2,532,654	26,248,274	73,168,928	13,510	73,182,438

* Merger accounting has been adopted in respect of the acquisition of certain subsidiaries (refer Notes 2(c)(ii) and 5(a)). The Group's comparatives for the year ended 31 October 2006 are presented on the assumption that the Group has been in existence throughout the current and previous financial years.

[^] In respect of dividends declared and paid by a subsidiary which was consolidated under the merger method of accounting.

Statement of Changes in Equity

FOR THE YEAR ENDED 31 OCTOBER 2007

	←Non-distributable→			Distributable	
	Share capital RM	Share premium RM	Capital reserve RM	Retained earnings/ (accumulated losses) RM (Note 19)	Total Equity RM
At 20 June 2005					
(Date of incorporation)	2	-	-	-	2
Loss for the period	-	-	-	(36,166)	(36,166)
At 31 October 2006	2	-	-	(36,166)	(36,164)
Profit for the year	-	-	-	6,115,055	6,115,055
Ordinary shares issued pursuant to:					
- acquisition of subsidiaries (Note 5(a))	36,999,998	-	8,611,859	-	45,611,857
- listing exercise (Note 22(a))	7,388,000	4,432,800	-	-	11,820,800
Listing expenses set off against share premium	-	(1,900,146)	-	-	(1,900,146)
At 31 October 2007	44,388,000	2,532,654	8,611,859	6,078,889	61,611,402

The accompanying notes form an integral part of the financial statements.

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 OCTOBER 2007

	1.11.2006 to 31.10.2007 RM	1.11.2005 to 31.10.2006 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	13,398,263	11,974,712
Adjustments for:		
Impairment of goodwill	27,050	76,652
Provision for doubtful debts	271,495	600,000
Depreciation	4,173,817	4,361,314
Amortisation	66,616	133,541
Dividend income	(114)	-
Interest income	(1,313,490)	(785,047)
Property and equipment written off	77	11,887
(Gain)/loss on disposal of property and equipment	(51,005)	1,903
Gain on disposal of investment in subsidiary	-	(163,875)
Operating profit before working capital changes	16,572,709	16,211,087
Increase in receivables	(2,126,615)	(122,707)
Increase in payables, including fees received in advance	6,096,525	4,636,448
Change in related company balance	(28,438)	28,438
Net cash generated from operations	20,514,181	20,753,266
Interest received	1,279,392	759,108
Taxes paid	(4,350,189)	(3,501,422)
Net cash generated from operating activities	17,443,384	18,010,952
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	91	-
Net cash inflow from acquisition of subsidiary	-	176,995
Net cash outflow from disposal of subsidiary	-	(30)
Repayment from a related company	12,308,746	480,245
Proceeds from disposal of property and equipment	51,183	1,519,843
Purchase of property and equipment	(3,481,074)	(3,000,846)
Purchase of software	(58,225)	(70,016)
Net cash generated from/(used in) investing activities	8,820,721	(893,809)

Consolidated Cash Flow Statement (contd.)

FOR THE YEAR ENDED 31 OCTOBER 2007

	1.11.2006 to 31.10.2007 RM	1.11.2005 to 31.10.2006 RM
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	-	(13,000,000)
Proceeds from issuance of ordinary shares	11,820,800	-
Payment of listing expenses	(1,900,146)	-
Net cash generated from/(used in) financing activities	9,920,654	(13,000,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS	36,184,759	4,117,143
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	21,491,584	17,374,441
CASH AND CASH EQUIVALENTS AT END OF YEAR	57,676,343	21,491,584
Cash and cash equivalents comprise:		
Cash on hand and at banks	1,951,434	2,230,863
Deposits with licensed banks	26,150,000	15,000,000
Placements with unit trust funds	29,574,909	4,260,721
	57,676,343	21,491,584

The accompanying notes form an integral part of the financial statements.

Cash Flow Statement

FOR THE YEAR ENDED 31 OCTOBER 2007

	1.11.2006 to 31.10.2007 RM	20.6.2005 to 31.10.2006 RM
CASH FLOWS FROM OPERATING/PRE-OPERATING ACTIVITIES		
Profit/(loss) before tax	8,418,355	(36,166)
Adjustments for:		
Interest income	(105,534)	-
Dividend income	(8,500,000)	-
Operating loss before working capital changes	(187,179)	(36,166)
Increase in receivables	(1,003,270)	(2,030)
Increase in payables	40,635	38,196
Change in amount due to a subsidiary	(31,762,066)	-
Net cash used in operations/pre-operations	(32,911,880)	-
Interest received	94,520	-
Taxes paid	(8,571)	-
Net cash used in operating/pre-operating activities	(32,825,931)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	27,959,000	-
Acquisition of subsidiary	(2)	-
Net cash generated from investing activities	27,958,998	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	11,820,800	2
Payment of listing expenses	(1,900,146)	-
Net cash generated from financing activities	9,920,654	2
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,053,721	2
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	5,053,723	2
Cash and cash equivalents comprise:		
Cash on hand and at banks	53,723	2
Deposits with licensed banks	5,000,000	-
	5,053,723	2

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

31 OCTOBER 2007

1. CORPORATE INFORMATION

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are described in Note 5. There have been no significant changes in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Second Board of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Level 11, Wisma HELP, Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur.

The holding company is Selangor Properties Berhad, a company listed on the Main Board of Bursa Malaysia Securities Berhad. The directors regard Kayin Holdings Sdn. Berhad as the ultimate holding company. Both of these companies are incorporated in Malaysia.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 15 February 2008.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements comply with the provisions of the Companies Act 1965 and applicable Financial Reporting Standards ("FRS") in Malaysia. At the beginning of the financial year, the Group and the Company had adopted new and revised FRS which are mandatory for financial periods beginning on or after 1 January 2006 and 1 October 2006, as described fully in Note 2(I).

The financial statements of the Group and the Company have also been prepared on a historical basis.

The financial statements are presented in Ringgit Malaysia (RM).

(b) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Tuition and Education Fees

Tuition fees are recognised on an accruals basis whereas enrolment, registration, resource and other fees are recognised on a receipt basis.

(ii) Dividend Income

Dividend income is recognised when the right to receive payment is established.

(iii) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

Notes to the Financial Statements (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

(c) Subsidiaries and Basis of Consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities.

In the Company's separate financial statements, investment in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(ii) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisition of subsidiaries are accounted for using the purchase method except for subsidiaries arising from common control transfers. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any 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 represents goodwill.

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

Subsidiaries arising from common control transfers are consolidated using the principles of the merger method of accounting. Common control transfers are acquisitions of entities whereby these entities have common ultimate controlling parties prior to and immediately after such transfers. The difference between the carrying value of the investment and the nominal value of ordinary shares acquired is treated as a merger reserve or merger deficit. Merger deficit is adjusted against suitable reserves of the subsidiaries acquired to the extent that laws or statutes do not prohibit the use of such reserves. The results and financial position of the companies being merged are included as if the merger had been effected throughout the current and previous financial years.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

Notes to the Financial Statements (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

(d) Intangible Assets

(i) Goodwill

Goodwill acquired in a business combination is initially measure at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Other Intangible Assets

The Group's other intangible asset consists of computer software.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The useful life of computer software is assessed to be finite. Computer software is amortised on a straight-line basis over 3 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each balance sheet date.

(e) Property and Equipment and Depreciation

All items of property and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Subsequent to recognition, property and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation of other property and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Freehold building	2%
Office equipment, furniture and fittings	10% - 20%
Computer equipment	20% - 33 1/3%
Library books, renovation and signboards	10% - 33 1/3%
Motor vehicles	20%

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property and equipment.

Notes to the Financial Statements (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

(e) Property and Equipment and Depreciation (contd.)

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in profit or loss.

(f) Impairment of Non-financial Assets

The carrying amounts of assets 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 to determine the amount of impairment loss.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date or more frequently when indicators of impairment are identified.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. 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. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

An impairment loss is recognised in profit or loss in the period in which it arises.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

(g) Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised as income or an expense and included in the profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest is the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

Notes to the Financial Statements (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

(h) Employee Benefits

(i) Short Term Benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. 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. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined Contribution Plans

Defined contribution plans are post-employment benefits plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employees benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF").

(i) Financial Instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends and gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly to equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

(i) Cash and Cash Equivalents

For the purposes of the cash flow statements, cash and cash equivalents includes cash on hand and at bank, deposit at call and placements with unit trust funds which have an insignificant risk of changes in value. These placements are with cash management trusts and are viewed as an alternative to short term placements with licensed financial institutions.

(ii) Marketable Securities

Marketable securities, which represent quoted shares, are carried at the lower of cost and market value, determined on an aggregate basis. Cost is determined on the weighted average basis while market value is determined based on quoted market values. Increases or decreases in the carrying amount of marketable securities are recognised in profit or loss. On disposal of marketable securities, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

(iii) Receivables

Receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

Notes to the Financial Statements (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

(i) Financial Instruments (contd.)

(iv) Payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

(v) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(j) Leases

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(k) Related Parties

Related parties refer to the Selangor Properties Berhad group of companies.

(l) Changes in Accounting Policies and Effects Arising from Adoption of New and Revised FRSs

On 1 November 2006, the Group and the Company adopted the following FRSs mandatory for financial periods beginning on or after 1 January 2006 and 1 October 2006:

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 117	Leases
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 124	Related Party Disclosures
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

The adoption of the abovementioned FRSs other than FRS 101 and FRS 138 does not result in significant changes in accounting policies of the Group and of the Company. The principal changes in accounting policies and their effects resulting from the adoption of FRS 101 and FRS 138 are discussed below.

Notes to the Financial Statements (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

(I) Changes in Accounting Policies and Effects Arising from Adoption of New and Revised FRSS (contd.)

(i) FRS 101: Presentation of Financial Statements

Prior to 1 November 2006, minority interests at the balance sheet date were presented in the consolidated balance sheet separately from liabilities and equity. Upon the adoption of the revised FRS 101, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the year. A similar requirement is also applicable to the statement of changes in equity. The revised FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the year, showing separately the amounts attributable to equity holders of the Company and to minority interests.

(ii) FRS 138: Intangible Assets

Prior to 1 November 2006, all intangible assets were considered to have a finite useful life and were stated at cost less accumulated amortisation and impairment losses. Upon the adoption of FRS 138, the useful lives of intangible assets are now assessed at the individual asset level as having either a finite or indefinite life. Accordingly, computer software is considered to have finite useful lives and therefore, continue to be stated at cost less accumulated amortisation and impairment losses.

Although the application of FRS 138 is prospective, the Company has reclassified the comparative amounts for computer software and amortisation of computer software for better presentation. As such, from 1 November 2006, computer software is stated at cost less accumulated amortisation and impairment losses.

Restatement of comparatives

The following comparative amounts for the Group have been restated as a result of adopting FRS 138:

	Previously stated RM	Increase/ (decrease) RM	Restated RM
Balance Sheet			
Computer equipment	1,553,284	(88,880)	1,464,404
Intangible assets	-	88,880	88,880
Income Statement			
Depreciation	4,494,855	(133,541)	4,361,314
Amortisation of intangible assets	-	133,541	133,541

These changes have no impact on the Company's financial statements.

Notes to the Financial Statements (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

(l) Changes in Accounting Policies and Effects Arising from Adoption of New and Revised FRSs (contd.)

The Company has not early adopted the following FRSs, Amendments to FRS and Interpretations which have effective dates as follows:

FRSs, Amendments to FRS and Interpretations	Effective for financial periods beginning on or after
FRS 6: Exploration for and Evaluation of Mineral Resources	1 January 2007
Amendment to FRS 119 ₂₀₀₄ : Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures	1 January 2007
FRS 107: Cash Flow Statements	1 July 2007
FRS 111: Construction Contracts	1 July 2007
FRS 112: Income Taxes	1 July 2007
FRS 118: Revenue	1 July 2007
FRS 120: Accounting for Government Grants and Disclosure of Government Assistance	1 July 2007
FRS 134: Interim Financial Reporting	1 July 2007
FRS 137: Provision, Contingent Liabilities and Contingent Assets	1 July 2007
Amendment to FRS 121: The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation	1 July 2007
IC Interpretation 1: Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 July 2007
IC Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments	1 July 2007
IC Interpretation 5: Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 July 2007
IC Interpretation 6: Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	1 July 2007
IC Interpretation 7: Applying the Restatement Approach under FRS 129 ₂₀₀₄ – Financial Report in Hyperinflationary Economies	1 July 2007
IC Interpretation 8: Scope of FRS 2	1 July 2007
FRS 139: Financial Instruments: Recognition and Measurement	Deferred

The adoption of the above FRSs, Amendments to FRS and Interpretations upon their effective dates are not expected to have any significant impact on the financial statements of the Group and the Company.

(m) Significant Accounting Estimates and Judgements

The preparation of financial statements in accordance with FRSs requires the use of certain accounting estimates and exercise of judgement. Estimates and judgements are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

No major judgements have been made by management in applying the Company's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year.

Notes to the Financial Statements (contd.)

3. PROPERTY AND EQUIPMENT

	Freehold land RM	Freehold building RM	Office equipment, furniture and fittings RM	Computer equipment RM	Library books, renovation and signboards RM	Motor vehicles RM	Total RM
Group							
31 October 2007							
Cost							
At 1 November 2006	9,740,797	24,777,003	23,872,437	10,168,995	8,820,493	1,157,434	78,537,159
Additions	-	-	1,764,401	314,058	1,007,616	394,999	3,481,074
Disposals	-	-	(330)	-	(428)	(130,461)	(131,219)
Written off	-	-	-	(82)	-	-	(82)
At 31 October 2007	9,740,797	24,777,003	25,636,508	10,482,971	9,827,681	1,421,972	81,886,932
Accumulated Depreciation							
At 1 November 2006	-	1,486,621	17,371,117	8,704,591	5,363,424	1,000,071	33,925,824
Charge for the year	-	495,540	1,983,261	702,281	896,532	96,203	4,173,817
Disposals	-	-	(292)	-	(288)	(130,461)	(131,041)
Written off	-	-	-	(5)	-	-	(5)
At 31 October 2007	-	1,982,161	19,354,086	9,406,867	6,259,668	965,813	37,968,595
Net Carrying Amount							
At 31 October 2007	9,740,797	22,794,842	6,282,422	1,076,104	3,568,013	456,159	43,918,337
31 October 2006							
Cost							
At 1 November 2005	11,223,000	24,777,003	25,496,222	6,471,287	8,110,183	1,151,927	77,229,622
Additions	-	-	953,748	1,100,373	817,255	129,470	3,000,846
Acquisition of subsidiary	-	-	-	4,319	-	-	4,319
Disposals	(1,482,203)	-	(330)	(7,199)	(70)	(123,963)	(1,613,765)
Written off	-	-	(78,913)	(4,950)	-	-	(83,863)
Reclassification	-	-	(2,498,290)	2,605,165	(106,875)	-	-
At 31 October 2006	9,740,797	24,777,003	23,872,437	10,168,995	8,820,493	1,157,434	78,537,159
Accumulated Depreciation							
At 1 November 2005	-	991,081	17,243,247	6,022,804	4,543,659	926,850	29,727,641
Charge for the year	-	495,540	2,193,411	680,272	828,741	163,350	4,361,314
Acquisition of subsidiary	-	-	-	864	-	-	864
Disposals	-	-	(259)	(1,561)	(70)	(90,129)	(92,019)
Written off	-	-	(67,438)	(4,538)	-	-	(71,976)
Reclassification	-	-	(1,997,844)	2,006,750	(8,906)	-	-
At 31 October 2006	-	1,486,621	17,371,117	8,704,591	5,363,424	1,000,071	33,925,824
Net Carrying Amount							
At 31 October 2006	9,740,797	23,290,382	6,501,320	1,464,404	3,457,069	157,363	44,611,335

Notes to the Financial Statements (contd.)

3. PROPERTY AND EQUIPMENT (contd.)

Freehold land of the Group forms part of the land held under a master title registered in the name of Bungsar Hill Holdings Sdn. Bhd., a related company.

Included in property and equipment of the Group are the following costs of fully depreciated assets which are still in use:

	Group	
	2007 RM	2006 RM
Office equipment, furniture and fittings	11,218,379	8,719,464
Computer equipment	7,870,611	7,178,669
Library books, renovation and signboards	2,789,899	2,344,166
Motor vehicles	897,503	763,801
	22,776,392	19,006,100

4. INTANGIBLE ASSETS

	Goodwill RM	Software RM	Total RM
Group			
31 October 2007			
Cost			
At 1 November 2006	76,652	3,283,008	3,359,660
Additions	-	58,225	58,225
Acquisition of subsidiary	27,050	-	27,050
At 31 October 2007	103,702	3,341,233	3,444,935
Accumulated Amortisation and Impairment			
At 1 November 2006	76,652	3,194,128	3,270,780
Charge for the year	-	66,616	66,616
Impairment loss recognised in profit or loss (Note 14)	27,050	-	27,050
At 31 October 2007	103,702	3,260,744	3,364,446
Net Carrying Amount			
At 31 October 2007	-	80,489	80,489

Notes to the Financial Statements (contd.)

4. INTANGIBLE ASSETS (contd.)

	Goodwill RM	Software RM	Total RM
31 October 2006			
Cost			
At 1 November 2005	-	3,212,992	3,212,992
Additions	-	70,016	70,016
Acquisition of subsidiary	76,652	-	76,652
At 31 October 2006	76,652	3,283,008	3,359,660
Accumulated Amortisation and Impairment			
At 1 November 2005	-	3,060,587	3,060,587
Charge for the year	-	133,541	133,541
Impairment loss recognised in profit or loss (Note 14)	76,652	-	76,652
At 31 October 2006	76,652	3,194,128	3,270,780
Net Carrying Amount			
At 31 October 2006	-	88,880	88,880

Included in intangible assets of the Group is costs of fully amortised software which are still in use amounting to RM3,171,822 (2006: RM3,086,760).

5. INVESTMENTS IN SUBSIDIARIES

	Company	
	2007 RM	2006 RM
Unquoted shares at cost	78,518,916	-
Less: Dividends received from pre-acquisition profits	(21,754,000)	-
	56,764,916	-

Notes to the Financial Statements (contd.)

5. INVESTMENTS IN SUBSIDIARIES (contd.)

The details of the subsidiaries, all of which are incorporated in Malaysia, are as follows:

Name of Company	Equity Interest		Principal Activities
	2007 %	2006 %	
HELP University College Sdn. Bhd. ("HUC")	100	100	Providing university focused education for a wide range of pre-university, undergraduate and post graduate degree programmes
HELP Training Centre Sdn. Bhd. ("HTC")	100	100	Providing educational and other learning facilities through its own centre and in twinning with other educational institutions
HELP Academy Sdn. Bhd. ("HA")	100	100	Providing higher learning courses, educational and other learning facilities through its own centre and in twinning with other educational institutions
International Centre for Security Management Sdn. Bhd. ("ICSM") *	72	72	Managing business of an institute of higher studies or educational establishment and events management
HELP Executive Advanced Training Sdn. Bhd. ("HEAT")	100	100	Providing professional and executive education and training
HELP M&E Sdn. Bhd.	100	100	Providing pre-university courses/services and distribution for education products and services

* Audited by a firm other than Ernst & Young

Acquisition of Subsidiaries

- (a) On 5 April 2007, the Company completed the acquisitions of HUC, and the subsidiaries of HUC, comprising HTC, HEAT, HA and ICSM (see Note 22(a)(ii) and (iii)) for a total cash consideration of RM32,907,057, equal to the respective unaudited net tangible assets as at 15 March 2007 except for HEAT, which was acquired for cash consideration of RM1. These acquisitions were made in conjunction with and as an integral part of the Company's listing exercise (Note 22).

The acquisition of HUC arises from a common control transfer and was consolidated under the principles of merger method of accounting.

Notes to the Financial Statements (contd.)

5. INVESTMENTS IN SUBSIDIARIES (contd.)

Acquisition of Subsidiaries (contd.)

(a) (contd.)

The effects of merger on the financial statements of the Group are as follows:

	RM
Nominal value of ordinary shares issued	36,999,998
Less: Nominal value of ordinary shares acquired	(22,293,000)
Merger deficit arising	14,706,998

The merger deficit arising have been set-off against the following reserves of the subsidiary acquired as their usage is not prohibited by laws or statutes:

	Balance before set off RM	Utilised against merger deficit RM	Balance after set off RM
As at 1 November 2005			
Share premium	325,680	(325,680)	-
Retained earnings	35,905,955	(14,381,318)	21,524,637
	36,231,635	(14,706,998)	21,524,637
As at 1 November 2006			
Share premium	325,680	(325,680)	-
Retained earnings	30,997,752	(14,381,318)	16,616,434
	31,323,432	(14,706,998)	16,616,434

The acquired subsidiaries have contributed the following results to the Group:*

	1.11.2006 to 31.10.2007 RM	1.11.2005 to 31.10.2006 RM
Revenue	61,701,456	53,506,160
Profit for the year	9,776,086	8,067,173

* Computed on a basis of a full financial year as merger method of accounting has been adopted.

Notes to the Financial Statements (contd.)

5. INVESTMENTS IN SUBSIDIARIES (contd.)

Acquisition of Subsidiaries (contd.)

(a) (contd.)

The assets and liabilities arising from the acquisitions as at the end of financial year are as follows:

	Acquiree's carrying amount	
	2007 RM	2006 RM
Property and equipment	43,918,337	44,611,335
Intangible assets	80,489	88,880
Trade and other receivables	7,662,503	19,094,453
Marketable securities	1,730	1,730
Tax recoverable	1,060,962	310,290
Cash and bank balances	48,847,564	21,491,582
	101,571,585	85,598,270
Trade and other payables	36,222,873	30,168,440
Tax payable	-	1,056,450
Deferred tax liabilities	1,930,876	731,630
	38,153,749	31,956,520
Carrying value of net assets	63,417,836	53,641,750
Less: Minority interests	(13,510)	(25,318)
Group's share of net assets	63,404,326	53,616,432

- (b) On 2 August 2007, the Company acquired the entire issued and paid up share capital of HELP M&E Sdn. Bhd., a company comprising 2 ordinary shares of RM1 each for a total cash consideration of RM2.

The acquired subsidiary has contributed the following results to the Group:

	1.11.2006 to 31.10.2007 RM
Revenue	-
Loss for the year	(2,893)

If the acquisition had occurred on 1 November 2006, the contribution to the Group's revenue and loss for the year would have been RM Nil and RM12,420 respectively.

Notes to the Financial Statements (contd.)

5. INVESTMENTS IN SUBSIDIARIES (contd.)

Acquisition of Subsidiaries (contd.)

(b) (contd.)

The assets and liabilities arising from the acquisition as at date of acquisition are as follows:

	Fair value recognised on acquisition RM	Acquiree's carrying amount RM
Other receivables	1,862	1,862
Cash and bank balances	2	2
	1,864	1,864
Other payables	28,912	28,912
Fair value of net liabilities	(27,048)	
Goodwill on acquisition	27,050	
Total cost of acquisition	2	

The cash outflow on acquisition is as follows:

	As at date of acquisition RM
Purchase consideration satisfied by cash	(2)
Cash and bank balances of subsidiary acquired	2
Net cash inflow of the Group	-

(c) HUC subscribed for 204,000 ordinary shares of RM1 each for RM204,000, representing 71.8% equity interest in ICSM. The shares in ICSM were issued on 21 November 2005, therefore making ICSM a subsidiary of HUC.

The acquired subsidiary has contributed the following results to the Group:

	1.11.2005 to 31.10.2006 RM
Revenue	228,009
Loss for the year	(87,414)

There is no material variation in contributions of revenue and loss to the Group for the previous financial year had the acquisition been completed on 1 November 2005.

Notes to the Financial Statements (contd.)

5. INVESTMENTS IN SUBSIDIARIES (contd.)

Acquisition of Subsidiaries (contd.)

(c) (contd.)

The assets and liabilities arising from the acquisition as at date of acquisition are as follows:

	Fair value recognised on acquisition RM	Acquiree's carrying amount RM
Property and equipment	3,455	3,455
Cash and bank balances	380,995	380,995
	384,450	384,450
Trade and other payables	(207,160)	(207,160)
Fair value of net assets	177,290	
Less: Minority interests	(49,942)	
Group's share of net assets	127,348	
Goodwill on acquisition	76,652	
Total cost of acquisition	204,000	

The cash inflow on acquisition is as follows:

	As at date of acquisition RM
Purchase consideration satisfied by cash	(204,000)
Cash and bank balances of subsidiary acquired	380,995
Net cash inflow of the Group	176,995

(d) On 6 November 2007, the Group completed the acquisition of the entire issued and paid-up share capital of HELP ICT Sdn. Bhd. (formerly known as Sepang Education Centre Sdn. Bhd.), as disclosed in Note 22(c).

Disposal of Subsidiary

On 10 July 2006, HUC disposed of its 70% equity interest in Batik Sayang Sdn. Bhd., comprising 210,000 shares of RM1 each, at a total cash consideration of RM1.

Notes to the Financial Statements (contd.)

5. INVESTMENTS IN SUBSIDIARIES (contd.)

Disposal of Subsidiary (contd.)

The disposal had the following effects on the financial position of the Group as at the date of disposal:

	At date of disposal RM
Cash and bank balances	31
Other payables	(151,641)
Tax payable	(12,264)
Net liabilities disposed	(163,874)
Total disposal proceeds	(1)
Gain on disposal	163,875
Cash outflow arising on disposal:	
Cash consideration	1
Cash and bank balances of subsidiary disposed	(31)
Net cash outflow of the Group	(30)

6. TRADE RECEIVABLES

The Group's normal trade credit term is 14 to 30 days (2006: 14 to 30 days). Other credit terms are assessed and approved on a case-by-case basis.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

7. OTHER RECEIVABLES

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
Due from a related company	-	12,308,746	-	-
Deposits	3,004,400	1,305,482	1,001,000	-
Prepayments	512,315	1,179,614	4,300	2,030
Sundry receivables	3,312,073	2,444,755	11,014	-
	6,828,788	17,238,597	1,016,314	2,030
Less: Provision for doubtful debts	(871,495)	(600,000)	-	-
	5,957,293	16,638,597	1,016,314	2,030

The amount due from a related company is unsecured, has no fixed terms of repayment and bears an weighted average interest of 4.0% (2006: 3.8%) per annum.

The Group has no significant concentration of credit risk that may arise from exposure to a single debtor or to groups of debtors.

Notes to the Financial Statements (contd.)

8. MARKETABLE SECURITIES

	Group	
	2007 RM	2006 RM
Quoted shares in Malaysia, at cost	3,000	3,000
Less: Amount written down	(1,270)	(1,270)
	1,730	1,730
Market value of quoted shares	1,730	1,730

9. CASH AND CASH EQUIVALENTS

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
Cash on hand and at banks	1,951,434	2,230,863	53,723	2
Deposits with licensed banks	26,150,000	15,000,000	5,000,000	-
Placements with unit trust funds	29,574,909	4,260,721	-	-
	57,676,343	21,491,584	5,053,723	2

The weighted average effective interest rates and average maturities of deposits placed with licensed banks as at the balance sheet date were as follows:

	Group and Company	
	2007	2006
Weighted average effective interest rate (% per annum)	3	3
Average maturities (days)	104	91

10. OTHER PAYABLES

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
Sundry payables	13,985,913	12,547,946	78,831	38,196
Accruals	7,758,185	4,642,419	-	-
Amount due to a related company	-	28,438	-	-
Amount due to a subsidiary	-	-	1,144,991	-
	21,744,098	17,218,803	1,223,822	38,196

The amounts due to a related company and a subsidiary are unsecured, interest-free and have no fixed terms of repayment.

Notes to the Financial Statements (contd.)

11. SHARE CAPITAL, SHARE PREMIUM AND CAPITAL RESERVE

	Number of Ordinary Shares		Amount	
	2007	2006	2007 RM	2006 RM
Authorised share capital				
At 1 November 2006/20 June 2005	100,000	100,000	100,000	100,000
Increase pursuant to share split	100,000	-	-	-
Created during the year	99,800,000	-	49,900,000	-
At 31 October	100,000,000	100,000	50,000,000	100,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

	Number of ordinary shares of 50 sen each Share capital (Issued and fully paid)	Amount			Total share capital and capital reserve RM
		Share capital (Issued and fully paid) RM	Share premium RM	Capital reserve RM	
Group					
At 1 November 2005/2006	2	2	-	-	2
Increase pursuant to share split #	2	-	-	-	-
Effects arising from merger* (Note 5(a))	73,999,996	36,999,998	-	-	36,999,998
At 1 November 2005/2006, as restated	74,000,000	37,000,000	-	-	37,000,000
Ordinary shares issued pursuant to listing exercise	14,776,000	7,388,000	4,432,800	-	11,820,800
Listing expenses set off against share premium	-	-	(1,900,146)	-	(1,900,146)
At 31 October 2007	88,776,000	44,388,000	2,532,654	-	46,920,654
Company					
At 20 June 2005/1 November 2006	2	2	-	-	2
Increase pursuant to share split	2	-	-	-	-
Ordinary shares issued pursuant to:					
- acquisition of subsidiaries (Note 5(a))	73,999,996	36,999,998	-	8,611,859	45,611,857
- listing exercise (Note 22(a))	14,776,000	7,388,000	4,432,800	-	11,820,800
Listing expenses set off against share premium	-	-	(1,900,146)	-	(1,900,146)
At 31 October 2007	88,776,000	44,388,000	2,532,654	8,611,859	55,532,513

Notes to the Financial Statements (contd.)

11. SHARE CAPITAL, SHARE PREMIUM AND CAPITAL RESERVE (contd.)

On 14 March 2007, the Company

- (a) completed a share split whereby every 1 existing ordinary share of RM1 each was subdivided into 2 ordinary shares of RM0.50 each; and
- (b) increased its authorised share capital from RM100,000 to RM50,000,000 through the creation of 99,800,000 ordinary shares of RM0.50 each.

* Under the merger method of accounting, the increase in issued share capital of RM36,999,998 for the acquisition of subsidiaries at the Group as per Note 5(a) is deemed to have occurred on the first day of the previous financial years. The new ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

12. DEFERRED TAXATION

	Group	
	2007 RM	2006 RM
At 1 November 2006/2005	731,630	743,771
Recognised in the income statement (Note 17)	1,199,246	(12,141)
At 31 October	1,930,876	731,630

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred Tax Liabilities/(Assets) of the Group:

	Property and equipment RM	Other payables RM	Total RM
At 1 November 2006	1,214,060	(482,430)	731,630
Recognised in the income statement	1,658,387	(459,141)	1,199,246
At 31 October 2007	2,872,447	(941,571)	1,930,876
At 1 November 2005	1,362,339	(618,568)	743,771
Recognised in the income statement	(148,279)	136,138	(12,141)
At 31 October 2006	1,214,060	(482,430)	731,630

Notes to the Financial Statements (contd.)

12. DEFERRED TAXATION (contd.)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2007 RM	2006 RM
Unused tax losses	213,513	178,452
Unabsorbed capital allowances	5,258	8,168

The unused tax losses and unabsorbed capital allowances are available for offsetting against future taxable profits of the respective subsidiaries in which those items arose. Deferred tax assets have not been recognised in respect of these items as they have arisen in subsidiaries that have a history of losses.

13. REVENUE

	Group	
	1.11.2006 to 31.10.2007 RM	1.11.2005 to 31.10.2006 RM
Enrolment fees	673,527	502,205
Registration fees	2,100,663	2,113,327
Tuition fees	56,582,585	48,637,023
Resource fees	1,329,138	1,350,732
Miscellaneous fees earned	1,015,543	902,873
	61,701,456	53,506,160

14. PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax is stated after charging/(crediting):

	Group		Company	
	1.11.2006 to 31.10.2007 RM	1.11.2005 to 31.10.2006 RM	1.11.2006 to 31.10.2007 RM	20.6.2005 to 31.10.2006 RM
Directors' remuneration (Note 16)	1,539,768	1,187,557	65,000	-
Staff costs (Note 15)	25,154,478	21,590,910	-	-
Auditors' remuneration	44,200	34,200	10,000	1,000
Rental expenses				
- premises	5,753,595	5,403,841	-	-
- equipment	723,421	464,788	-	-
(Gain)/loss on disposal of property and equipment	(51,005)	1,903	-	-
Property and equipment written off	77	11,887	-	-
Provision for doubtful debts	271,495	600,000	-	-
Impairment of goodwill	27,050	76,652	-	-
Gain on disposal of investment in subsidiary	-	(163,875)	-	-
Dividend income	(114)	-	(8,500,000)	-
Interest income	(1,313,490)	(785,047)	(105,534)	-
Rental income	(403,254)	(486,796)	-	-

Notes to the Financial Statements (contd.)

15. STAFF COSTS

	Group	
	1.11.2006 to 31.10.2007 RM	1.11.2005 to 31.10.2006 RM
Wages and salaries	17,947,669	15,890,360
Social security costs	148,322	134,357
EPF	2,093,356	1,844,418
Other staff related expenses	4,965,131	3,721,775
	25,154,478	21,590,910

16. DIRECTORS' REMUNERATION

	Group		Company	
	1.11.2006 to 31.10.2007 RM	1.11.2005 to 31.10.2006 RM	1.11.2006 to 31.10.2007 RM	20.6.2005 to 31.10.2006 RM
Directors of the Company				
Executive:				
Salaries and other emoluments	1,188,520	957,640	-	-
EPF	141,768	114,917	-	-
Benefits-in-kind	42,345	35,569	-	-
	1,372,633	1,108,126	-	-
Non-Executive:				
Fees	62,000	27,000	42,000	-
Other emoluments	23,000	-	23,000	-
	85,000	27,000	65,000	-
Directors of Subsidiaries				
Executive:				
Salaries and other emoluments	112,000	88,000	-	-
EPF	12,480	-	-	-
	124,480	88,000	-	-
	1,582,113	1,223,126	65,000	-
Total excluding benefits-in-kind (Note 14)	1,539,768	1,187,557	65,000	-

Notes to the Financial Statements (contd.)

17. INCOME TAX EXPENSE

	Group		Company	
	1.11.2006 to 31.10.2007 RM	1.11.2005 to 31.10.2006 RM	1.11.2006 to 31.10.2007 RM	20.6.2005 to 31.10.2006 RM
Current year's income tax	4,209,890	4,621,056	2,303,300	-
Over provided in prior years	(1,667,071)	(665,210)	-	-
	2,542,819	3,955,846	2,303,300	-
Deferred tax (Note 12):				
Relating to origination and reversal of temporary differences	(89,362)	(483,557)	-	-
Relating to changes in tax rates	(74,265)	(27,097)	-	-
Under provided in prior years	1,362,873	498,513	-	-
	1,199,246	(12,141)	-	-
Tax expense for the year/period	3,742,065	3,943,705	2,303,300	-

During the financial year, the income tax rate of 20% (2006: 20%) was applicable to the subsidiaries for chargeable income of up to RM500,000 (2006: RM500,000). For chargeable income in excess of RM500,000 (2006: RM500,000), the corporate tax rate of 27% (2006: 28%) is applicable. The statutory tax rate will be reduced to 26% from the current year's rate of 27%, effective year of assessment 2008 and to 25% effective year of assessment 2009. The computation of deferred tax as at 31 October 2007 has reflected these changes.

A reconciliation of income tax expense applicable to profit/(loss) before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	1.11.2006 to 31.10.2007 RM	1.11.2005 to 31.10.2006 RM
Group		
Profit before tax	13,398,263	11,974,712
Taxation at Malaysia statutory tax rate of 27% (2006: 28%)	3,617,531	3,352,919
Effect of income subject to tax rate of 20%	(35,000)	(40,000)
Effect of the change in tax rates on opening balance of deferred tax	(77,574)	(26,565)
Deferred tax recognised at a different tax rates	3,309	(532)
Income not subject to tax	(67,660)	(45,885)
Expenses not deductible for tax purposes	596,976	849,535
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	8,681	20,930
Under provision of deferred tax in prior years	1,362,873	498,513
Over provision of tax charge in prior years	(1,667,071)	(665,210)
Tax expense for the year	3,742,065	3,943,705

Notes to the Financial Statements (contd.)

17. INCOME TAX EXPENSE (contd.)

	1.11.2006 to 31.10.2007 RM	20.6.2005 to 31.10.2006 RM
Company		
Profit/(loss) before tax	8,418,355	(36,166)
Taxation at Malaysia statutory tax rate of 27% (2006: 28%)	2,272,956	(10,126)
Expenses not deductible for tax purposes	30,344	10,126
Tax expense for the year/period	2,303,300	-

18. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year held by the Company.

	1.11.2006 to 31.10.2007	Group 1.11.2005 to 31.10.2006
Profit attributable to ordinary equity holders of the Company (RM)	9,668,006	8,055,631
Weighted average number of ordinary shares in issue *	80,558,115	74,000,000
Basic earnings per share for profit for the year (sen)	12.0	10.9

* As the Group is assumed to have been in existence throughout the current and previous financial years, the ordinary shares in issue for the previous financial year includes the ordinary shares issued to acquire HUC.

19. RETAINED EARNINGS

Presently, Malaysian companies adopt the full imputation system. In the Budget 2008, the Government announced the proposal to introduce the single tier tax system for companies effective from the year of assessment 2008. Under the proposed single tier system, the Company shall not be entitled to deduct tax on dividends paid, credited or distributed to its shareholders, and such dividends paid, credited or distributed by the Company will be exempted from tax in the hands of the shareholders. However, there will be a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to its shareholders under limited circumstances. Companies also have an irrevocable option to disregard the Section 108 balance and opt to pay dividends under the single tier system. This proposed change in the tax law also provides for the Section 108 balance to be locked in as at 31 December 2007.

During the transitional period, the Company can utilise the balance in the Section 108 account as at 31 October 2007 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Bill, 2007.

As at 31 October 2007, the Company has sufficient balance in the Section 108 account to pay franked dividends out of its entire retained earnings.

Notes to the Financial Statements (contd.)

20. DIVIDENDS

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 October 2007, of 6% less 27% taxation on 88,776,000 ordinary shares of RM0.50 each, amounting to dividend payable of RM1,944,194 (2.19 sen net per ordinary share) shall be proposed for shareholders' approval. The financial statements for current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 October 2008.

21. SEGMENTAL INFORMATION

The Group is principally involved in education activities carried out in Malaysia and accordingly no segmental information has been prepared.

22. SIGNIFICANT EVENTS

During the year,

- (a) The Company's entire issued and paid-up capital of RM44,388,000 comprising 88,776,000 ordinary shares of RM0.50 each, was officially listed on the Second Board of Bursa Malaysia Securities Berhad on 22 May 2007. The transactions in conjunction with and as an integral part of the listing of and quotation for the entire issued and paid-up capital of the Company are as follows:
 - (i) Sub-division of 2 ordinary shares of RM1 each, into 4 ordinary shares of RM0.50 each;
 - (ii) Acquisition of the entire equity interest in HUC comprising 22,293,000 ordinary shares of RM1 each for a total purchase consideration of RM45,611,857, satisfied wholly by the issuance of 73,999,996 new ordinary shares of RM0.50 each, credited as fully paid-up, at an issue price of approximately RM0.62 per share;
 - (iii) Acquisition of HUC's entire equity interest in HTC and HEAT, both of which comprise 2 ordinary shares of RM1 each, HA, which comprises 200,000 ordinary shares of RM1 each and ICSM, which comprises 204,000 ordinary shares of RM1 each, from HUC for a total cash consideration equal to their respective unaudited net tangible assets as at 15 March 2007 except for HEAT, which was acquired for cash consideration of RM1;
 - (iv) Restricted offer for sale of 13,145,058 shares by certain existing shareholders to the existing bumiputra shareholders and a bumiputra investor; and
 - (v) Public issue of 14,776,000 new shares at an issue price of RM0.80 per share.
- (b) On 2 August 2007, the Company acquired the entire issued and paid up share capital of HELP M&E Sdn. Bhd., a company comprising 2 ordinary shares of RM1 each fully paid-up for a total cash consideration of RM2.
- (c) The Company entered into a conditional Share Acquisition Agreement with Excellenex Sdn. Bhd. to acquire the entire issued and paid-up capital of HELP ICT Sdn. Bhd. (formerly known as Sepang Education Centre Sdn. Bhd.), comprising 5,000,000 ordinary shares of RM1 each for a total cash consideration of RM2 million.

The above acquisition has been completed on 6 November 2007.

Notes to the Financial Statements (contd.)

23. RELATED PARTY DISCLOSURE

(a) Related Party Transactions

In addition to the transactions detailed elsewhere in the financial statements, the Group had the following transactions with related parties during the financial year:

	1.11.2006 to 31.10.2007 RM	Group 1.11.2005 to 31.10.2006 RM
Rental expense to a related company, Chong Chook Yew Sdn. Bhd.	3,012,856	2,379,472
Interest income from a related company, Keruan Jaya Sdn. Bhd.	186,149	299,708

The directors are of the opinion that the above transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

(b) Compensation of Key Management Personnel

The remuneration of executive directors and other members of key management during the year was as follows:

	1.11.2006 to 31.10.2007 RM	Group 1.11.2005 to 31.10.2006 RM
Salaries and other emoluments	2,049,520	1,695,052
EPF	245,217	203,240
Benefits-in-kind	54,590	47,063
	2,349,327	1,945,355

24. CONTINGENT LIABILITIES

A third party has instituted a legal suit against the Company's subsidiaries, HUC and HTC, pertaining to a dispute regarding the interpretation of a lease agreement entered into by HUC and the third party. Based on legal advice, the directors are of the opinion that the claim is without merit and the likelihood of an outflow of resources arising therefrom is remote.

25. OPERATING LEASE ARRANGEMENTS

HUC and HTC have entered into operating lease agreements for the use of buildings. The leases have a remaining lease term of 2 to 15 years. Certain contracts include contingent rental arrangements based on the revenue generated by HUC for 30 years while others include fixed rentals for an average of 3 years.

The Group also leases various equipment under cancellable operating lease agreements. The Group is required to give 1 to 3 months notice for the termination of those agreements.

Notes to the Financial Statements (contd.)

25. OPERATING LEASE ARRANGEMENTS (contd.)

The future aggregate minimum lease payments under non-cancellable operating leases contracted for as at the balance sheet date but not recognised as liabilities are as follows:

	1.11.2006 to 31.10.2007 RM	Group 1.11.2005 to 31.10.2006 RM
Future minimum rental payments:		
Not later than 1 year	5,620,184	4,853,710
Later than 1 year and not later than 5 years	10,529,780	9,028,600
Later than 5 years	11,417,670	12,663,234
	27,567,634	26,545,544

The lease payments and contingent rent recognised in profit or loss during the financial year are disclosed in Note 14.

26. FINANCIAL INSTRUMENTS

(a) Financial Risk Management Objectives and Policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its interest rate, foreign exchange, liquidity and credit risks. The Group operates within clearly defined guidelines and the Group's policy is not to engage in speculative transactions.

(b) Interest Rate Risk

The Group's primary interest rate risk relates to investments in financial assets as it does not have any interest-bearing debt as at 31 October 2007. The investments in financial assets are mainly short term in nature and they are not held for speculative purposes but have been placed in fixed deposits which yield better returns than cash at bank.

The information on maturity dates and effective interest rates of financial assets are disclosed in their respective notes.

(c) Liquidity Risk

The Group actively manages its operating cash flows so as to ensure that all funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements.

(d) Credit Risk

Credit risks, or the risk of counterparties defaulting, are controlled by the application of monitoring procedures. Trade receivables are monitored on an ongoing basis via Group management reporting procedures.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instrument.

Notes to the Financial Statements (contd.)

26. FINANCIAL INSTRUMENTS (contd.)

(e) Foreign Exchange Risk

The Group has minimal exposures to foreign exchange risk as it was not involved in any activity that would give rise to material impact from this risk.

(f) Fair Values

The carrying amounts of financial assets and liabilities of the Company at the balance sheet date approximated their fair values except for the following:

	Carrying amount RM	Company Fair value RM
Financial liabilities		
At 31 October 2007		
Amount due to a subsidiary	1,144,991	*

* It is not practical to estimate the fair values of amounts due to a subsidiary due principally to a lack of fixed repayment terms entered by the party involved and without incurring excessive costs.

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

(i) Cash and Cash Equivalents, Trade and Other Receivables/Payables

The carrying amounts approximate fair values due to the relatively short term maturity of these financial instruments.

(ii) Marketable Securities

The fair value of quoted shares is determined by reference to stock exchange quoted market bid prices at the close of the business on the balance sheet date.

(iii) Contingent Liabilities

It is not practicable to estimate the fair value of contingent liabilities reliably due to the uncertainties of timing, costs and eventual outcome.

27. COMPARATIVE

The acquisition of HUC on 5 April 2007 arose from a common control transfer. HUC has been consolidated under the principles of merger accounting, which assumes that the Group has been in existence throughout the current and previous financial years. Accordingly, comparative financial information on the Group has been presented from 1 November 2005 to 31 October 2006.

The comparative financial information of the Company was made up from 20 June 2005 (date of incorporation) to 31 October 2006.

Analysis of Shareholdings

AS AT 17 MARCH 2008

Authorised Share Capital	100,000,000
Class of Shareholdings	Ordinary shares of RM 0.50
Total no. issued	88,776,000
No. of shareholders	876
Voting rights	One (1) vote per ordinary share

Distribution of shareholdings

Name	No. of shareholders	% of shareholders	No. of shares held	% of issued share capital
Less than 100	5	0.57	154	0.00
100 to 1,000	529	60.39	178,450	0.20
1,001 to 10,000	225	25.69	959,500	1.08
10,001 to 100,000	85	9.70	2,583,875	2.91
100,001 to 4,438,799	29	3.31	26,953,718	30.36
4,438,800 and above	3	0.34	58,100,303	65.45
	876	100.00	88,776,000	100.00

Substantial Holders

according to the Register of Substantial Shareholders as at 17 March 2008

Name	Direct		Indirect	
	No. of shares	%	No. of shares	%
1. Selangor Properties Berhad	45,275,760	51.00	-	-
2. Dato' Dr. Zakaria Bin Ahmad	8,780,677	9.89	-	-
3. PLL for Acacia Partners LP	6,400,000	7.21	-	-
4. Kayin Holdings Sdn Berhad	-	-	45,275,760	51.00
5. Puan Sri Datin Chong Chook Yew	-	-	45,275,760	51.00

Directors' Holdings

according to the Register of Directors' Interests as at 17 March 2008

Name	Direct		Indirect	
	No. of shares	% of issued share capital	No. of shares	% of issued share capital
1. Tan Sri Datuk Paduka Dr. Hajjah Saleha Bte Mohd Ali	1,159,447	1.31	2,141,631 ⁽¹⁾	2.41
2. Low Kam Yoke	2,051,030	2.3	77,529 ⁽²⁾	0.09
3. Dr. Paul Chan Tuck Hoong	1,672,690	1.88	77,529 ⁽²⁾	0.09
4. Dato' Dr. Zakaria Bin Ahmad	8,780,677	9.89	-	-
5. Wen Chiu Chi	-	-	-	-
6. Chong Koon San	60,000	0.07	-	-
7. Ng Teh Kha	1,342,690	1.51	500,704 ⁽³⁾	0.56
8. Ong Seng Pheow	-	-	-	-
9. Dato' Dr. Thong Kok Cheong	-	-	-	-

Note

⁽¹⁾ Deemed interested through her indirect interest in Zasa Consultancy Sdn Bhd

⁽²⁾ Deemed interested by virtue of his/her son, Mr. Chan Eu-Khin's shareholdings, i.e. 61,529 ordinary shares

Deemed interested by virtue of his/her daughter, Ms. Chan Ji-Quandt's shareholdings, i.e. 16,000 ordinary shares

⁽³⁾ Deemed interested by virtue of his spouse, Mdm Ong Yee Mian's shareholdings, i.e. 500,704 ordinary shares

Analysis of Shareholdings (contd.)

AS AT 17 MARCH 2008

Thirty largest shareholdings

(without aggregating securities from different accounts belonging to the same person)

No.	Name of Shareholders	No. of shares	%
1.	Selangor Properties Berhad	45,275,760	51.00
2.	CIMB Group Nominees (Tempatan) Sdn Bhd Hanyajaya Sdn Bhd for Zakaria Bin Ahmad	6,424,543	7.24
3.	CITIGROUP Nominees (Asing) Sdn Bhd PLL for ACACIA Partners LP	6,400,000	7.21
4.	Tele Suria Resources Sdn Bhd	3,875,216	4.37
5.	Kassim Rahman Usaha Sdn Bhd	3,626,000	4.08
6.	CITIGROUP Nominees (Asing) Sdn Bhd PLL for ACACIA Institutional Partners LP	2,850,000	3.21
7.	Zasa Consultancy Services Sdn Bhd	2,116,031	2.38
8.	Zakaria Bin Ahmad	1,948,563	2.19
9.	Ng Teh Kha	1,342,690	1.51
10.	CIMB Group Nominees (Tempatan) Sdn Bhd Hanyajaya Sdn Bhd for Low Kam Yoke	1,192,146	1.34
11.	CIMB Group Nominees (Tempatan) Sdn Bhd Hanyajaya Sdn Bhd for Chan Tuck Hoong	1,182,690	1.33
12.	AMSEC Nominees (Tempatan) Sdn Bhd AMTRUSTEE Berhad for Pacific Pearl Fund	1,172,000	1.32
13.	Saleha Binti Mohamed Ali	1,159,447	1.31
14.	HSBC Group Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for MAAKL Progress Fund	680,900	0.77
15.	Yu Kok Ann	587,000	0.66
16.	Ong Yee Mian	500,704	0.56
17.	CIMB Nominees (Tempatan) Sdn Bhd CIMB Bank for Chan Tuck Hoong	490,000	0.55
18.	CIMB Nominees (Tempatan) Sdn Bhd CIMB Bank for Low Kam Yoke	430,000	0.48
19.	Low Kam Yoke	428,884	0.48
20.	Khong Kim Hoong	418,200	0.47
21.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Zakaria Bin Ahmad (PB)	407,571	0.46

Analysis of Shareholdings (contd.)

AS AT 17 MARCH 2008

Thirty largest shareholdings (contd.)

(without aggregating securities from different accounts belonging to the same person)

No.	Name of Shareholders	No. of shares	%
22.	M.I.T Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Evelyn Chin Yu-Min	400,000	0.45
23.	CITIGROUP Nominees (Asing) Sdn Bhd PLL For ACACIA II Partners LP	390,000	0.44
24.	Noraini Binti A.R. Abdullah	356,559	0.40
25.	Kamil Ahmad Merican	312,106	0.35
26.	CITIGROUP Nominees (Asing) Sdn Bhd PLL for ACACIA Conservation Fund LP	240,000	0.27
27.	Tan Koon Choo @ Tan Koon Tze	203,911	0.23
28.	Tan Kee Huat	150,000	0.17
29.	Lim Yan Pok Holdings Sdn Bhd	150,000	0.17
30.	CITIGROUP Nominees (Asing) Sdn Bhd PLL for Acacia Conservation Fund (Offshore) Ltd	120,000	0.14
TOTAL		84,830,921	95.54

Property

HELD BY THE GROUP

Address	Description/ existing use	Tenure	Land/ built-up areas	Approximate age of building	Net book value as at 31 October 2007 RM'000	Date of Acquisition
Wisma HELP, Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur	11-storey building known as Wisma HELP	Freehold	Land: 49,883 sq ft Built-up: 272,426 sq ft	28 years	32,536	27.11.2003

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Second Annual General Meeting of HELP International Corporation Berhad will be held at the Conference Hall, HELP University College, BZ-2 Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur on Tuesday, 29 April 2008 at 10:30 a.m. or at any adjournment thereof for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 October 2007 together with the Report of the Directors' and Auditors' Report thereon. **(Resolution 1)**
2. To approve the payment of Directors' Fees for the financial year ended 31 October 2007. **(Resolution 2)**
3. To approve the declaration of a first and final dividend of 6% (3 sen per ordinary share of 50 sen each) less 26% income tax for the financial year ended 31 October 2007. **(Resolution 3)**
4. To re-elect the following Directors who are retiring in accordance with Article 90 of the Articles of Association of the Company and being eligible, have offered themselves for re-election:-
 - (a) Dr. Chan Tuck Hoong **(Resolution 4)**
 - (b) Low Kam Yoke **(Resolution 5)**
 - (c) Dato' Dr. Zakaria Bin Ahmad **(Resolution 6)**
 - (d) Wen Chiu Chi **(Resolution 7)**
 - (e) Chong Koon San **(Resolution 8)**
 - (f) Ng Teh Kha **(Resolution 9)**
 - (g) Ong Seng Pheow **(Resolution 10)**
 - (h) Dato' Dr. Thong Kok Cheong **(Resolution 11)**
5. To consider and if thought fit, to pass the following ordinary resolution in accordance with Section 129 of the Companies Act, 1965: - **(Resolution 12)**

"THAT pursuant to Section 129 of the Companies Act, 1965, Tan Sri Datuk Paduka Dr. Hajjah Saleha Bte Haji Mohd Ali who is over the age of 70 years be and is hereby re-appointed as Director of the Company and to hold office until the conclusion of the next Annual General Meeting." **(Resolution 13)**
6. To re-appoint Messrs Ernst & Young as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.
7. **As Special Business**

To consider and, if thought fit, with or without any modification, to pass the following Ordinary Resolution:-

ORDINARY RESOLUTION

- AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

"THAT subject to Section 132D of the Companies Act, 1965 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and 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 and paid-up

Notice of Annual General Meeting (contd.)

share capital of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad; AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

(Resolution 14)

8. To transact any other ordinary business for which due notice has been given.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that the first and final dividend of 6% (3 sen per ordinary share of 50 sen each) less 26% income tax will be payable on 29 May 2008 to depositors whose names appear in the Record of Depositors at the close of business on 12 May 2008 if approved by the members at the Second Annual General Meeting.

A Depositor shall qualify for entitlement only in respect of:-

- (a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 12 May 2008 in respect of ordinary transfers; and
- (b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689)
TAN AI NING (MAICSA 7015852)

Company Secretaries
3 April 2008

Explanatory Note to Special Business:

Authority Pursuant to Section 132D of the Companies Act, 1965

The proposed adoption of the Ordinary Resolution is primarily to give flexibility to the Board of Directors to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting. This authority unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting.

Notes:-

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 April 2008 ("General Meeting Record of Depositors") shall be eligible to attend the Meeting.*
2. *A member shall be entitled to appoint at least one proxy to attend and vote at the same meeting. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.*
3. *A holder may appoint at least one (1) proxy to attend at the same meeting. Where a holder appoints two (2) or more proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.*
4. *The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or if the member is a corporation, either under seal or under the hand of an officer or attorney duly authorised.*
5. *The instrument appointing a proxy or a power of attorney must be deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting.*

Statement Accompanying the Notice of Annual General Meeting

1. Details of Annual General Meeting

The Second Annual General Meeting of HELP International Corporation Berhad will be held at the Conference Hall, HELP University College, BZ-2 Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur on Tuesday, 29 April 2008 at 10:30 a.m. or at any adjournment thereof.

2. Details of Directors Standing for Re-Election

Directors who are standing for re-election at the Second Annual General Meeting of HELP International Corporation Berhad are as follow: -

Article 90 of the Company's Articles of Association

- (i) Dr. Chan Tuck Hoong
- (ii) Low Kam Yoke
- (iii) Dato' Dr. Zakaria Bin Ahmad
- (iv) Wen Chiu Chi
- (v) Chong Koon San
- (vi) Ng Teh Kha
- (vii) Ong Seng Pheow
- (viii) Dato' Dr. Thong Kok Cheong

3. Details of Director Standing for Re-Appointment

Director standing for re-appointment pursuant to Section 129(6) of the Companies Act, 1965 is as follow:-

- (i) Tan Sri Datuk Paduka Dr. Hajjah Saleha Bte Haji Mohd Ali

4. The details of the above Directors standing for re-election/re-appointment are set out in their respective profiles which appear on pages 4 to 8 of the Company's 2007 Annual Report. Their holdings in securities of the Company are set out in the Analysis of Shareholdings on page 83 of the Company's 2007 Annual Report.

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FORM OF PROXY

*I/We, (full name in capital letters) _____
of (full address) _____ being a *member/members of
HELP INTERNATIONAL CORPORATION BERHAD ("the Company"), hereby appoint (full name in capital letters)
_____ NRIC No _____
of (full address) _____
or failing *him/her, (full name in capital letters) _____
_____ NRIC No _____
of (full address) _____

or failing *him/her, the CHAIRMAN OF THE MEETING as *my/our proxy to vote for *me/us and on *my/our behalf at the Second Annual General Meeting of the Company to be held at the Conference Hall, HELP University College, BZ-2 Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur on Tuesday, 29 April 2008 at 10:30 a.m. or at any adjournment thereof.

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

First Proxy "A"	%
Second Proxy "B"	%
	100%

In the case of a vote by a show of hands, my proxy _____ (one only) shall vote on *my/our behalf.

Please indicate with an "X" in the spaces provided below as to how you wish your votes to be casted. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

NO.	RESOLUTIONS	FOR	AGAINST
1.	To receive the Audited Financial Statements for the financial year ended 31 October 2007 together with the the Reports of the Directors' and Auditors' thereon.		
2.	To approve the payment of Directors' Fees for the financial year ended 31 October 2007.		
3.	To approve the declaration of a first and final dividend of 6% (3 sen per ordinary share of 50 sen each) less 26% income tax for the financial year ended 31 October 2007.		
4.	To re-elect Dr. Chan Tuck Hoong who retires in accordance with Article 90 of the Company's Articles of Association, and being eligible, has offered himself for re-election.		
5.	To re-elect Madam Low Kam Yoke who retires in accordance with Article 90 of the Company's Articles of Association, and being eligible, has offered herself for re-election.		
6.	To re-elect Dato' Dr. Zakaria Bin Ahmad who retires in accordance with Article 90 of the Company's Articles of Association, and being eligible, has offered himself for re-election.		
7.	To re-elect Wen Chiu Chi who retires in accordance with Article 90 of the Company's Articles of Association, and being eligible, has offered himself for re-election.		
8.	To re-elect Chong Koon San who retires in accordance with Article 90 of the Company's Articles of Association, and being eligible, has offered himself for re-election.		
9.	To re-elect Ng Teh Kha who retires in accordance with Article 90 of the Company's Articles of Association, and being eligible, has offered himself for re-election.		
10.	To re-elect Ong Seng Pheow who retires in accordance with Article 90 of the Company's Articles of Association, and being eligible, has offered himself for re-election.		
11.	To re-elect Dato' Dr. Thong Kok Cheong who retires in accordance with Article 90 of the Company's Articles of Association, and being eligible, has offered himself for re-election.		
12.	To re-appoint Tan Sri Datuk Paduka Dr. Hajjah Saleha Bte Haji Mohd Ali who is due to retire pursuant to Section 129 of the Companies Act, 1965, and being eligible, has offered herself for re-election.		
13.	To re-appoint Messrs Ernst & Young as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.		
14.	As Special Business <u>Ordinary Resolution</u> Authority to issue shares pursuant to Section 132D of the Companies Act, 1965.		

As witness *my/our hand(s) this _____ day of _____, 2008

* Strike out whichever not applicable

Signature of Member/Common Seal

Notes:-

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 April 2008 ("General Meeting Record of Depositors") shall be eligible to attend the Meeting.
- A member shall be entitled to appoint at least one proxy to attend and vote at the same meeting. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- A holder may appoint at least one (1) proxy to attend at the same meeting. Where a holder appoints two (2) or more proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or if the member is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy or a power of attorney must be deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting.

Affix
Stamp

The Company Secretary
HELP INTERNATIONAL CORPORATION BERHAD

(700568-H)

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

HELP International Corporation Berhad (700568-H)
(Incorporated in Malaysia)

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