

# BOARDROOM LIMITED

(Registration No. 200003902Z)

## THIRD QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 MARCH 2008

### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP					
	S\$'000		%	S\$'000		%
	3rd Qtr 1 Jan 2008 to 31 Mar 2008	3rd Qtr 1 Jan 2007 to 31 Mar 2007	Increase/ (Decrease)	Year to Date 1 Jul 2007 to 31 Mar 2008	Year to Date 1 Jul 2006 to 31 Mar 2007	Increase/ (Decrease)
Corporate Secretarial Fees	4,428	4,335	2.1%	13,419	12,796	4.9%
Share Registration Fees	1,117	942	18.6%	3,616	2,761	31.0%
Accountancy Fees	3,172	2,620	21.1%	8,942	7,215	23.9%
Others	295	186	58.6%	983	515	90.9%
<b>Total Revenue</b>	<b>9,012</b>	<b>8,083</b>	<b>11.5%</b>	<b>26,960</b>	<b>23,287</b>	<b>15.8%</b>
Other income	110	123	-10.6%	394	469	-16.0%
Staff Cost	(4,734)	(3,864)	22.5%	(13,867)	(11,540)	20.2%
Operating Expenses	(1,509)	(1,679)	-10.1%	(4,020)	(4,130)	-2.7%
Depreciation and Amortisation	(206)	(156)	32.1%	(541)	(400)	35.3%
Impairment of Goodwill	(50)	(52)	-3.8%	(300)	(346)	-13.3%
Loss on Foreign Exchange	(39)	62	NM	(163)	83	NM
	<b>2,584</b>	<b>2,517</b>	<b>2.7%</b>	<b>8,463</b>	<b>7,423</b>	<b>14.0%</b>
Share of Associate's Result	(22)	0	NM	211	0	NM
Gain from Partial Dilution of Associate	0	0	NM	94	0	NM
<b>Profit Before Tax</b>	<b>2,562</b>	<b>2,517</b>	<b>1.8%</b>	<b>8,768</b>	<b>7,423</b>	<b>18.1%</b>
Less: Income Tax	(480)	(436)	10.1%	(1,870)	(1,466)	27.6%
<b>Profit After Tax</b>	<b>2,082</b>	<b>2,081</b>	<b>0.0%</b>	<b>6,898</b>	<b>5,957</b>	<b>15.8%</b>

NM: Not Meaningful

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Note	GROUP		COMPANY	
		S\$'000		S\$'000	
		31 MAR 2008	30 JUN 2007	31 MAR 2008	30 JUN 2007
<b>NON-CURRENT ASSETS</b>					
Property, Plant & Equipment		1,719	1,350	216	190
Computer Software		203	228	157	184
Interest in Subsidiaries		0	0	25,156	25,161
Interest in Associate		4,877	4,571	4,534	4,534
Intangible Assets	1	27,395	29,946	0	0
		<b>34,194</b>	<b>36,095</b>	<b>30,063</b>	<b>30,069</b>
<b>CURRENT ASSETS</b>					
Trade Receivables		9,402	8,782	0	0
Unbilled Disbursements		216	155	0	0
Other Receivables		1,767	1,498	1,818	1,035
Loans to Subsidiaries		0	0	6,491	6,395
Amount due from Subsidiaries (non-trade)		0	0	1,065	2,706
Cash & Cash Equivalents		15,952	15,665	12,403	9,410
		<b>27,337</b>	<b>26,100</b>	<b>21,777</b>	<b>19,546</b>
<b>HELD UNDER TRUST</b>					
Clients' Bank Accounts - contra	2	29,731	13,612	0	0
Clients' Ledger Balances - contra	2	(29,731)	(13,612)	0	0
		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Less:					
<b>CURRENT LIABILITIES</b>					
Trade Payables		5,157	4,630	686	683
Disbursements Billed in Advance		0	6	0	0
Other Payables		77	36	0	0
Amount owing to Subsidiaries (non-trade)		0	0	6,753	1,476
Excess of Progress Billings over Work-In-Progress		2,893	2,014	0	0
Provision for Taxation		1,160	2,757	0	0
		<b>9,287</b>	<b>9,443</b>	<b>7,439</b>	<b>2,159</b>
Net Current Assets		18,050	16,657	14,338	17,387
Deferred Taxation		(132)	(136)	(74)	(74)
<b>NET ASSETS</b>		<b>52,112</b>	<b>52,616</b>	<b>44,327</b>	<b>47,382</b>
<b>FINANCED BY:</b>					
Share Capital		32,315	32,223	32,315	32,223
Reserves		19,797	20,393	12,012	15,159
<b>SHAREHOLDERS' INTEREST</b>		<b>52,112</b>	<b>52,616</b>	<b>44,327</b>	<b>47,382</b>

**Notes:**

- Intangible assets represent goodwill arising from acquisitions of Arthur Andersen's Corporate Secretarial and Accounting Business, Hong Kong and Malaysian subsidiaries. Any excess of the consideration over the fair value of the net assets as at the date of the acquisition represents goodwill.
- Monies Held Under Trust comprises funds received in advance for payments of payroll and disbursements on clients' behalf and clients' monies held in escrow.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As at 31/03/2008		As at 30/06/2007	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	NIL	NIL	NIL

**Amount repayable after one year**

As at 31/03/2008		As at 30/06/2007	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	NIL	NIL	NIL

**Details of any collateral**

NIL

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	GROUP			
	S\$'000			
	3rd Qtr 1 Jan 2008 to 31 Mar 2008	3rd Qtr 1 Jan 2007 to 31 Mar 2007	Year to Date 1 Jul 2007 to 31 Mar 2008	Year to Date 1 Jul 2006 to 31 Mar 2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit Before Tax	2,551	2,517	8,859	7,423
Adjustments for:				
- Depreciation of Property, Plant and Equipment	194	144	503	362
- (Profit) / Loss from Disposal of Property, Plant and Equipment	0	(5)	0	59
- Amortisation of Intangible Assets	12	12	38	38
- Impairment of Intangible Assets	50	52	300	346
- Exchange Difference	40	(99)	202	(227)
- Interest Income	(74)	(106)	(240)	(339)
- Share Based Payment	0	0	(5)	(50)
- Income derived from Associate Company	33	0	(302)	0
- Gain from Partial Dilution of Associate	0	0	(94)	0
Operating Profit Before Working Capital Changes	2,806	2,515	9,261	7,612
Increase in Operating Receivables	(1,732)	(1,168)	(1,276)	(1,651)
Increase in Operating Payables	931	1,132	641	537
Increase in Excess of Progress Billings over Work-In-Progress	1,569	1,645	1,028	1,093
Cash Generated from Operations	3,574	4,124	9,654	7,591
Payment of Income Tax	(704)	(686)	(3,123)	(1,614)
<b>Net Cash Generated from Operating Activities</b>	<b>2,870</b>	<b>3,438</b>	<b>6,531</b>	<b>5,977</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisition of Property, Plant and Equipment	(158)	(1,271)	(876)	(1,375)
Acquisition of Computer Software	0	(4)	(14)	(23)
Adjustments to Goodwill	0	47	0	47
Proceeds from Disposal of Property, Plant and Equipment	0	6	0	11
Interest Received	71	109	216	382
<b>Net Cash (Used in) / Generated from Investing Activities</b>	<b>(87)</b>	<b>(1,113)</b>	<b>(674)</b>	<b>(958)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from Exercise of Employee Share Options	3	200	92	374
Dividends Paid	(2,019)	(1,832)	(5,323)	(5,112)
<b>Net Cash (Used in) / Generated from Financing Activities</b>	<b>(2,016)</b>	<b>(1,632)</b>	<b>(5,231)</b>	<b>(4,738)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>767</b>	<b>693</b>	<b>626</b>	<b>281</b>
Cash and Cash Equivalents at beginning	15,319	15,817	15,665	16,289
Exchange (Loss) / Gain Arising from Translation of Foreign Currency Cash & Cash Equivalents	(134)	(18)	(339)	(78)
<b>CASH AND CASH EQUIVALENTS AT END (31 MARCH)</b>	<b>15,952</b>	<b>16,492</b>	<b>15,952</b>	<b>16,492</b>

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

GROUP	Share Capital S\$'000	Share Premium S\$'000	Exchange Translation Reserves S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
<b>Balance at 1 July 2007</b>	32,223	0	(1,100)	639	20,854	52,616
Issue of shares (under Boardroom Share Option Scheme)	89	-	-	-	-	89
Net Profit for the period	-	-	-	-	4,816	4,816
Adjustment of overseas subsidiaries' prior year retained earnings	-	-	-	-	21	21
2007 final tax-exempt dividend of S\$0.018 per share	-	-	-	-	(3,304)	(3,304)
Share option expenses	-	-	-	(5)	-	(5)
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	-	(1,282)	-	-	(1,282)
<b>Balance at 31 December 2007</b>	32,312	0	(2,382)	634	22,387	52,951
Issue of shares (under Boardroom Share Option Scheme)	3	-	-	-	-	3
Net Profit for the period	-	-	-	-	2,082	2,082
2008 interim tax-exempt dividend of S\$0.011 per share	-	-	-	-	(2,019)	(2,019)
Share option expenses	-	-	-	0	-	0
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	-	(905)	-	-	(905)
<b>Balance at 1 March 2008</b>	32,315	0	(3,287)	634	22,450	52,112

<b>Balance at 1 July 2006</b>	31,794	0	(112)	693	16,441	48,816
Issue of shares (under Boardroom Share Option Scheme)	174	-	-	-	-	174
Net Profit for the period	-	-	-	-	3,876	3,876
2006 final tax-exempt dividend of S\$0.018 per share	-	-	-	-	(3,280)	(3,280)
Share option expenses	-	-	-	(50)	-	(50)
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	-	(853)	-	-	(853)
<b>Balance at 31 December 2006</b>	31,968	0	(965)	643	17,037	48,683
Issue of shares (under Boardroom Share Option Scheme)	200	-	-	-	-	200
Net Profit for the period	-	-	-	-	2,081	2,081
2007 interim tax-exempt dividend of S\$0.01 per share	-	-	-	-	(1,832)	(1,832)
Share option expenses	-	-	-	0	-	0
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	-	(349)	-	-	(349)
<b>Balance at 1 March 2007</b>	32,168	0	(1,314)	643	17,286	48,783

COMPANY	Share Capital S\$'000	Share Premium S\$'000	Exchange Translation Reserves S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
Balance at 1 July 2007	32,223	0	0	639	14,520	47,382
Issue of shares (under Boardroom Share Option Scheme)	89	-	-	-	-	89
Net Profit for the period	-	-	-	-	1,167	1,167
2007 final tax-exempt dividend of S\$0.018 per share	-	-	-	-	(3,304)	(3,304)
Share option expenses	-	-	-	(5)	-	(5)
Balance at 31 December 2007	32,312	0	0	634	12,383	45,329
Issue of shares (under Boardroom Share Option Scheme)	3	-	-	-	-	3
Net Profit for the period	-	-	-	-	1,014	1,014
2008 interim tax-exempt dividend of S\$0.011 per share	-	-	-	-	(2,019)	(2,019)
Share option expenses	-	-	-	0	-	0
Balance at 31 March 2008	32,315	0	0	634	11,378	44,327

Balance at 1 July 2006	31,794	0	0	693	12,038	44,525
Issue of shares (under Boardroom Share Option Scheme)	174	-	-	-	-	174
Net Profit for the period	-	-	-	-	205	205
2006 final tax-exempt dividend of S\$0.018 per share	-	-	-	-	(3,280)	(3,280)
Share option expenses	-	-	-	(50)	-	(50)
Balance at 31 December 2006	31,968	0	0	643	8,963	41,574
Issue of shares (under Boardroom Share Option Scheme)	200	-	-	-	-	200
Net Profit for the period	-	-	-	-	101	101
2007 interim tax-exempt dividend of S\$0.01 per share	-	-	-	-	(1,832)	(1,832)
Share option expenses	-	-	-	0	-	0
Balance at 31 March 2007	32,168	0	0	643	7,232	40,043

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the financial period, a total of 10,000 ordinary shares were allotted pursuant to the exercise of share options granted under the Boardroom Share Option Scheme. This gave rise to an increase in the Company's share capital from \$32,311,758.75 as at 31 December 2007 to \$32,315,108.75 as at 31 March 2008.

As at 31 March 2008, there were 1,272,000 (as at 31 March 2007: 1,984,000) unissued ordinary shares under exercisable options granted and unexercised under the Boardroom Share Option Scheme. There were no shares held as treasury shares as at 31 March 2008 and 30 June 2007.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares excluding treasury shares as at 31 March 2008 was 183,574,250 and as at 30 June 2007 was 183,297,250.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Nil.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

These figures have not been audited nor reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Yes.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Nil.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	GROUP	
	31 MAR 2008	31 MAR 2007
Earnings per ordinary share for the period after deducting any provision for preference dividends :-		
(a) Based on weighted average number of ordinary shares on issue; and	3.76 cents	3.27 cents
(b) On a fully diluted basis	3.75 cents	3.26 cents

**Notes:**

- The earnings per share is calculated based on the profit after tax on the weighted average number of shares in issue of 183,486,525 (31 March 2007 – 182,365,802).
- The diluted earnings per share is calculated based on the profit after tax on the number of shares in issue adjusted for the effect of dilutive potential ordinary shares. The total number of shares amounted to 183,892,397 (31 March 2007 – 182,852,003).

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-:**

- (a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	GROUP		COMPANY	
	31 MAR 2008	30 JUN 2007	31 MAR 2008	30 JUN 2007
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	28.39 cents	28.71 cents	24.15 cents	25.85 cents

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### **Revenue**

Group revenue for the three months ended 31 March 2008 ("3Q08") was \$9.0 million, an increase of 11.5% compared to the same period in the previous year. Revenue for the nine months ended 31 March 2008 increased 15.8% to \$27.0 million.

The increase in revenue was due mainly to the growth in the number of clients across all of the Group's various business units.

#### **Staff Cost**

Staff cost increased 22.5% and 20.2% for 3Q08 and nine months ended 31 March 2008 respectively, mainly due to wage adjustments across the board, additional management and manpower resources employed to support the increase in business activities, and the establishment of an in-house administrative function in Hong Kong which was previously outsourced to a third-party.

#### **Operating Expenses**

Higher operating and rental costs associated with increased business volume in 3Q08 were offset by lower professional charges, and the absence of additional expenses incurred in 3Q07 arising from the relocation of the Group's Singapore office. As a result, overall operating expenses fell 10.1%.

Operating expenses for the nine months ended 31 March 2008 registered a 2.7% decline compared to the same period a year ago, due to the above factors, as well as a S\$37,000 write back in provision for doubtful debts for the current financial period versus a provisional charge of \$190,000 for the corresponding period in 2007.

#### **Foreign Exchange**

The Group incurred a S\$163,000 foreign exchange translation loss in the nine months ended 31 March 2008 compared to an S\$83,000 gain for the corresponding period the year before, due to the continued appreciation of the Singapore dollar against the Hong Kong dollar and Malaysian ringgit.

#### **Associate Company**

The loss derived from associate company of approximately \$22,000 in 3Q08 was attributed to the Group's share of post-acquisition loss from Newreg Pty Limited. For the nine months ended 31 March 2008 however, the Group recorded a profit of \$211,000 from this associate company.

#### **Income Tax**

The effective income tax increased slightly for 3Q08 and nine months ended 31 March 2008, mainly due to under-provision of income tax in the previous years amounted to \$277,000.

#### **Profit after tax**

In view of the above, the Group profit after tax for 3Q08 was comparable to 3Q07. However profit after tax of \$6.9 million for the nine months ended 31 March 2008 reflected a 15.8% increase compared to the corresponding period in 2007.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Despite the declining economic outlook in 2008, the Group expects revenue across all its business units to grow as a result of the increase in the number of clients.

Costs will continue to come under pressure due to the tight labour market for experienced and qualified staff and the inflationary environment. To meet this challenge, Management will continue to be vigilant and cost conscious, to ensure that the Group remains competitive.

The Group's investment in Newreg Pty Ltd, an associate company in Australia, is also expected to contribute positively for the financial year.

Barring any unforeseen circumstances, the Group expects FY08 to be another profitable year.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

None.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been declared for the current financial period.

**13. Confirmation By The Board Pursuant To Rule 705(4)**

We, Goh Geok Khim and Tan Cher Liang, being two directors of Boardroom Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial statements for the third quarter ended 31 March 2008 to be false or misleading in any material aspect.

On behalf of the Board of Directors.

**BY ORDER OF THE BOARD**

**Tan Cher Liang**  
**Managing Director**  
9 May 2008