

MASNET No. 54 OF 31.08.2001  
Announcement No. 54

## BOARDROOM LIMITED

### Full Year Financial Statement And Dividend Announcement

Full-year financial statement on consolidated results for the period from 5 May 2000 (date of incorporation) to 30 June 2001.

These figures have not been audited.

		Group			Company		
		S\$'000		%	S\$'000		%
		Latest year	Previous year	Change	Latest year	Previous year	Change
1.(a)	Turnover	18,517	16,117	14.9	0	0	0
1.(b)	Investment income	0	0	0	5,500	0	NM
1.(c)	Other income including interest income	334	0	NM	2,266	0	NM
2.(a)	Operating profit before income tax, minority interests, extraordinary items, interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss) and exceptional items	6,644	5,847	13.6	5,655	0	NM
2.(b)(i)	Interest on borrowings	0	0	0	0	0	0
2.(b)(ii)	Depreciation and amortisation	346	210	64.8	2	0	NM
2.(b)(iii)	Foreign exchange gain/(loss)	0	0	0	0	0	0
2.(c)	Exceptional items	0	0	0	0	0	0
2.(d)	Operating profit before income tax, minority interests and extraordinary items but after interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss) and exceptional items	6,298	5,637	11.7	5,653	0	NM

		Group			Company		
		S\$'000		%	S\$'000		%
		Latest year	Previous year	Change	Latest year	Previous year	Change
2.(e)	Income derived from associated companies	0	0	0	0	0	0
2.(f)	Less income tax	1,403	1,429	-1.8	1,385	0	NM
2.(g)(i)	Operating profit after tax before deducting minority interests	4,895	4,208	16.3	4,268	0	NM
2.(g)(ii)	Less minority interests	0	0	0	0	0	0
2.(h)	Operating profit after tax attributable to members of the company	4,895	4,208	16.3	4,268	0	NM
2.(i)(i)	Extraordinary items	0	0	0	0	0	0
2.(i)(ii)	Less minority interests	0	0	0	0	0	0
2.(i)(iii)	Extraordinary items attributable to members of the company	0	0	0	0	0	0
2.(i)(iv)	Transfer to/from Exchange Reserve	0	0	0	0	0	0
2.(i)(v)	Transfer to Capital Reserve	0	0	0	0	0	0
2.(i)(vi)	Transfer to Reserve Fund	0	0	0	0	0	0
2.(j)	Operating profit after tax and extraordinary items attributable to members of the company	4,895	4,208	16.3	4,268	0	NM

**Notes:**

1. As the Company was incorporated on 5 May 2000, no comparative figures are available.
2. The financial statement on consolidated results for the period ended 30 June 2000 has been prepared on a proforma Group basis, as if the Group structure had been in existence throughout the period under review although the Group's restructuring was only undertaken in August 2000.
3. The increase in depreciation and amortisation was due to the purchase of new equipment and fittings during the period to replace old equipment and for expansion.
4. The effective tax rate for the period ended 30 June 2001 is lower than the statutory tax rate due to a write-back of an overprovision in tax in respect of the prior years.

Group Figures

		Latest year	Previous year
3.(a)	Operating profit [2(g)(i) above] as a percentage of turnover [1(a) above]	26.44%	26.11%
3.(b)	Operating profit [2(h) above] as a percentage of issued capital and reserves at end of year	23.99%	78.52%
3.(c)	Earnings per ordinary share for the year based on 2(h) above :-		
	(i) Based on existing issued share capital	4.90 cents	4.21 cents
	(ii) On a fully diluted basis	4.65 cents	0
3.(d)	Earnings per share based on 2(j) above:-		
	(i) Based on existing issued share capital	4.90 cents	4.21 cents
	(ii) On a fully diluted basis	4.65 cents	0
3.(e)	Net tangible asset backing per ordinary share	15.11 cents	5.36 cents

Notes:

- For item 3(c)(i) and 3(d)(i), earnings per share for June 2001 is based on weighted average share capital of 100,000,010 shares of \$0.05 each. Earnings per share for June 2000 is based on the pre-invitation share capital of 100,000,000 shares of \$0.05 each.
- For item 3(c)(ii) and 3(d)(ii), earnings per share on a fully diluted basis for June 2001 is calculated based on weighted average share capital of 100,000,010 shares and 5,280,000 options granted to employees.

		Group			Company		
		S\$'000		%	S\$'000		%
		Latest year	Previous year	Change	Latest year	Previous year	Change
4.(a)	Sales reported for first half year	8,617	7,389	16.6	0	0	0
4.(b)	Operating profit [2(g)(i) above] reported for first half year	2,360	2,017	17.0	4,159	0	NM
4.(c)	Sales reported for second half year	9,900	8,728	13.4	0	0	0
4.(d)	Operating profit [2(g)(i) above] reported for second half year	2,535	2,191	15.7	109	0	NM

5.(a) Amount of any adjustment for under or overprovision of tax in respect of prior years

Overprovision of tax in respect of prior years - \$85,427

5.(b) Amount of any pre-acquisition profits

NIL

5.(c) Amount of profits on any sale of investments and/or properties

**Item 5c Table**

Sale of investments/properties	\$Profit/(Loss)
NIL	

5.(d) Any other comments relating to Paragraph 5

NIL

6. Segmental Results

**By Business Segments**

	TURNOVER		PROFIT BEFORE TAX	
	S\$'000		S\$'000	
	FY 2001	FY 2000	FY 2001	FY 2000
Corporate Secretarial	9,469	8,478	4,365	3,875
Share Registration	5,076	4,375	833	759
Accountancy	3,972	3,264	1,039	1,003
Others	0	0	61	0
<b>TOTAL</b>	<b>18,517</b>	<b>16,117</b>	<b>6,298</b>	<b>5,637</b>

Our businesses are carried out in Singapore.

7.(a) Review of the performance of the company and its principal subsidiaries

The Group achieved a 14.9% growth in turnover for the year from \$16.1 million to \$18.5 million.

Group operating profit before tax rose 11.7% from \$5.6 million to \$6.3 million. This increase was due principally to the higher turnover achieved and the interest income received on proceeds from the Company's Initial Public Listing (IPO). There was an increase in operating costs as additional staff were recruited to support the growth in turnover. The Group also leased additional office space and strengthened its IT capabilities.

Turnover of the Corporate Secretarial business rose 11.6% due to an increase in client base as well as a higher level of corporate activities of some clients which resulted in higher value-added billings. Profit before tax of this business grew 12.6%, enjoying the benefits of improved work processes and economies of scale.

Turnover of the Share Registration business increased 16.0 % as the Group continued its leading position with a success rate of 62.5% on the total number of IPO 's launched during the financial period. The business achieved a 9.7% growth in profit before tax. This lower profit margin was attributed mainly to competitive pricing to expand market share and higher operating costs.

Turnover of the Accounting business registered an increase of 21.7% reflecting the growing trend for outsourcing. Profit before tax increased by 3.6% as a result of higher operating and staff costs.

Group operating profit after tax rose 16.3% from \$4.2 million to \$4.9 million was due to a write-back of an overprovision in tax in respect of prior years and a lower corporate tax rate.

7.(b) A statement by the Directors of the Company on whether "any item or event of a material or unusual nature which would have affected materially the results of operations of the Group and Company has occurred between the date to which the report refers and the date on which the report is issued". If none, to include a negative statement.

In the opinion of the Director, no item, transaction or event of a material and unusual nature has arisen between the end of the full financial year and the date of this announcement which would substantially affect the results of the operations of the Group and of the Company.

8. Commentary on current year prospects

The current economic slowdown in Singapore is expected to affect the number of IPO's and the level of corporate activities of clients. These factors are likely to adversely affect the Group's performance in the current financial year.

However, the Group's leading position in the share registration and corporate secretarial businesses coupled with the growing trend for outsourcing are mitigating factors. The Group will also focus on further increasing its operational efficiencies and containing operating costs to realise greater economies of scale.

The Group is continuously identifying and evaluating opportunities for expansion in similar or complementary businesses.

Barring unforeseen circumstances, the Directors expect the Group's results in the current financial

year to be profitable.

9. Dividend

**(a) Present Period**

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Rate	2.5 cents per share less tax
Par value of shares	\$0.05 per shares
Tax Rate	24.5%

(b) Any dividend declared for the previous corresponding period? None

**(c) Total Annual Dividend**

	Latest Year (S\$'000)	Previous Year (S\$'000)
Ordinary	2,548	0
Preference	0	0
Total:	2,548	0

(d) Date payable

To be announced later.

(e) Books closing date

To be announced later.

(f) Any other comments relating to Paragraph 9

NIL

10. Balance sheet

	GROUP		COMPANY	
	S\$'000		S\$'000	
	30 June 2001	30 June 2000	30 June 2001	30 June 2000

<b>Non-Current Assets</b>				
Property, plant and equipment	818	524	47	0
Deferred expenditure	0	95	0	0
Interest in subsidiaries	0	0	5,000	0
Staff loan	93	0	3	0
	911	619	5,050	0
<b>Current Assets</b>				
Trade receivables	5,389	4,459	0	0
Unbilled disbursement	513	149	0	0
Other receivables	228	5,535	632	0
Cash and cash equivalents	20,078	1,471	19,182	0
	26,208	11,614	19,814	0
Less:				
<b>Current Liabilities</b>				
Trade payables	2,269	2,714	580	0
Other payables	127	264	70	0
Excess of progress billings over work-in-progress	94	196	0	0
Amount owing to subsidiaries (non-trade)	0	0	2,133	0
Provision for directors' fee	109	0	109	0
Provision for taxation	1,457	1,558	0	0
Proposed dividend	2,548	2,086	2,548	0
	6,604	6,818	5,440	0
Net Current (Liabilities)/Assets	19,604	4,796	14,374	0
Deferred taxation	(113)	(56)	(8)	0
<b>Net Assets</b>	<b>20,402</b>	<b>5,359</b>	<b>19,416</b>	<b>0</b>
<b>Financed By:</b>				
Share Capital	6,750	5,000	6,750	0
Reserves	13,652	359	12,666	0
<b>Shareholders' Interest</b>	<b>20,402</b>	<b>5,359</b>	<b>19,416</b>	<b>0</b>

**Notes:**

1. The financial position of the Group as at 30 June 2000 has been prepared on a proforma Group basis, as if the Group structure had been in existence as at 30 June 2000 although the Group's restructuring was only undertaken in August 2000.

11. Details of any changes in the company's issued share capital

The Company was incorporated on 5 May 2000 with an issued and paid-up share capital of \$2 divided into 2 shares of \$1 each.

On 15 August 2000, the Company sub-divided each share of \$1 each into 20 shares of \$0.05 each. It then issued 99,999,960 new shares of \$0.05 each pursuant to a Restructuring Exercise as described in the Company's Prospectus dated 24 August 2000.

On 31 August 2000, the Company issued 35,000,000 new shares of S\$0.05 each for cash at a premium of \$0.34 each in its initial public offering.

12. Comparative figures of the group's borrowings and debt securities

(a) Amount repayable in one year or less, or on demand

As at 30/06/2001		As at 31/12/2000	
Secured	Unsecured	Secured	Unsecured
NIL	NIL	NIL	NIL

(b) Amount repayable after one year

As at 30/06/2001		As at 31/12/2000	
Secured	Unsecured	Secured	Unsecured
NIL	NIL	NIL	NIL

(c) Any other comments relating to Paragraph 12

NIL

**BY ORDER OF THE BOARD**

Yvonne Choo  
Company Secretary  
31/08/2001