

**BOARDROOM LIMITED**  
(Registration No. 200003902Z)

**SECOND QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2012**

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

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

**STATEMENT OF COMPREHENSIVE INCOME**

	GROUP					
	S\$'000		%	S\$'000		%
	2nd Qtr 1 Oct 2012 to 31 Dec 2012	2nd Qtr 1 Oct 2011 to 31 Dec 2011 (Restated)	Increase/ (Decrease)	Year to Date 1 Jul 2012 to 31 Dec 2012	Year to Date 1 Jul 2011 to 31 Dec 2011 (Restated)	Increase/ (Decrease)
Corporate Secretarial Fees	5,247	5,124	2.4%	9,420	9,192	2.5%
Share Registration Fees	7,766	7,463	4.1%	14,600	13,344	9.4%
Accountancy Fees	3,167	2,947	7.5%	6,553	6,030	8.7%
Others	0	0	NM	0	123	-100.0%
<b>Total Revenue</b>	<b>16,180</b>	<b>15,534</b>	<b>4.2%</b>	<b>30,573</b>	<b>28,689</b>	<b>6.6%</b>
Other income	72	89	-19.1%	153	149	2.7%
Staff Cost	(8,947)	(8,535)	4.8%	(17,892)	(16,223)	10.3%
Operating Expenses	(2,746)	(2,653)	3.5%	(5,882)	(5,301)	11.0%
Interest on Borrowings	(90)	(105)	-14.3%	(188)	(203)	-7.4%
Depreciation and Amortisation	(813)	(824)	-1.3%	(1,637)	(1,633)	0.2%
Impairment of Goodwill	0	(800)	NM	0	(800)	NM
Gain / (Loss) on Foreign Exchange	33	(25)	-232.0%	64	(255)	-125.1%
<b>Profit Before Tax</b>	<b>3,689</b>	<b>2,681</b>	<b>37.6%</b>	<b>5,191</b>	<b>4,423</b>	<b>17.4%</b>
Less: Income Tax	(888)	(826)	7.5%	(1,272)	(1,368)	-7.0%
<b>Profit After Tax</b>	<b>2,801</b>	<b>1,855</b>	<b>51.0%</b>	<b>3,919</b>	<b>3,055</b>	<b>28.3%</b>
<b>Other Comprehensive Income</b>						
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	(468)	1,977	-123.7%	(1,577)	815	-293.5%
<b>Total Comprehensive Income for the Period</b>	<b>2,333</b>	<b>3,832</b>	<b>-39.1%</b>	<b>2,342</b>	<b>3,870</b>	<b>-39.5%</b>
<b>PROFIT AFTER TAX ATTRIBUTABLE TO:</b>						
Owners of the Parent	2,886	1,986	45.3%	4,103	3,318	23.7%
Non-Controlling Interests	(85)	(131)	-35.1%	(184)	(263)	-30.0%
<b>Profit After Tax</b>	<b>2,801</b>	<b>1,855</b>	<b>51.0%</b>	<b>3,919</b>	<b>3,055</b>	<b>28.3%</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>						
Owners of the Parent	2,419	3,972	-39.1%	2,525	4,143	-39.1%
Non-Controlling Interests	(86)	(140)	-38.6%	(183)	(273)	-33.0%
<b>Total Comprehensive Income for the Period</b>	<b>2,333</b>	<b>3,832</b>	<b>-39.1%</b>	<b>2,342</b>	<b>3,870</b>	<b>-39.5%</b>

NM: Not Meaningful

**Notes:**

The results for 2Q12 and 1H12 have been restated to include the amortisation and the corresponding reduction in income tax from the finalisation of the Purchase Price Allocation (PPA) exercise in accordance with FRS 103R Business Combinations for the acquisition of Newreg Pty Ltd in FY11. The amortisation charge for 2Q12 has been restated by \$469,000 and by \$931,000 for 1H12. The income tax for 2Q12 has been restated by \$113,000 and by \$224,000 for 1H12.

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

**STATEMENT OF FINANCIAL POSITION**

	Note	GROUP		COMPANY	
		S\$'000		S\$'000	
		31 DEC 2012	30 JUN 2012	31 DEC 2012	30 JUN 2012
<b>NON-CURRENT ASSETS</b>					
Property, Plant & Equipment		2,221	2,587	393	396
Computer Software		150	201	100	134
Interest in Subsidiaries		0	0	85,203	85,203
Intangible Assets	1	79,169	81,729	0	0
Deferred Income Tax Assets		105	636	0	0
		<b>81,645</b>	<b>85,153</b>	<b>85,696</b>	<b>85,733</b>
<b>CURRENT ASSETS</b>					
Trade Receivables		9,841	10,799	0	0
Unbilled Disbursements		105	91	0	0
Other Receivables		2,702	3,112	1,440	1,764
Loans to Subsidiaries		0	0	1,373	1,357
Amount due from Subsidiaries (non-trade)		0	0	3,286	3,337
Work-In-Progress		29	0	0	0
Cash & Cash Equivalents		6,163	9,599	1,498	2,876
		<b>18,840</b>	<b>23,601</b>	<b>7,597</b>	<b>9,334</b>
Less:					
<b>CURRENT LIABILITIES</b>					
Trade Payables		8,280	9,545	669	1,075
Disbursements Billed in Advance		49	78	0	0
Term Loan - Current Portion		3,000	3,000	3,000	3,000
Revolving Credit Facility		6,500	7,000	6,500	7,000
Other Payables		1,451	1,566	6	4
Amount owing to Subsidiaries (non-trade)		0	0	409	8,341
Derivative Liabilities		0	265	0	265
Excess of Progress Billings over Work-In-Progress		0	1,736	0	0
Provision for Taxation		1,063	881	201	151
		<b>20,343</b>	<b>24,071</b>	<b>10,785</b>	<b>19,836</b>
Net Current Liabilities		(1,503)	(470)	(3,188)	(10,502)
Term Loan		(5,750)	(7,250)	(5,750)	(7,250)
Provision for Employees Benefits		(410)	(373)	0	0
Other Payables		0	(807)	0	0
Deferred Taxation		(7,940)	(8,868)	(89)	(90)
<b>NET ASSETS</b>		<b>66,042</b>	<b>67,385</b>	<b>76,669</b>	<b>67,891</b>
<b>FINANCED BY:</b>					
<b>Equity attributable to owners of the parent</b>					
Share Capital		32,584	32,584	32,584	32,584
Reserves		34,064	35,224	44,085	35,307
		66,648	67,808	76,669	67,891
<b>Non-Controlling Interests</b>		(606)	(423)	0	0
<b>TOTAL EQUITY</b>		<b>66,042</b>	<b>67,385</b>	<b>76,669</b>	<b>67,891</b>

**Notes:**

- Intangible Assets represent goodwill arising from acquisitions of Arthur Andersen's Corporate Secretarial and Accounting Business, Chorpee Corporate Services Pte Ltd, Hong Kong, Malaysian, Australian and China subsidiaries. Any excess of the consideration over the fair value of the net assets as at the date of the acquisition represents goodwill.

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

As at 31/12/2012		As at 30/06/2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	9,500	NIL	10,000

**Amount repayable after one year**

As at 31/12/2012		As at 30/06/2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	5,750	NIL	7,250

**Details of any collateral**

NIL

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

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	GROUP			
	S\$'000			
	2nd Qtr 1 Oct 2012 to 31 Dec 2012	2nd Qtr 1 Oct 2011 to 31 Dec 2011 (Restated)	Year to Date 1 Jul 2012 to 31 Dec 2012	Year to Date 1 Jul 2011 to 31 Dec 2011 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit Before Tax	3,689	2,681	5,191	4,423
Adjustments for:				
- Depreciation and Amortisation	813	824	1,637	1,633
- Impairment of Goodwill	0	800	0	800
- Exchange Difference	(105)	(49)	(270)	150
- Interest Income	(19)	(4)	(38)	(8)
- Interest On Borrowings	90	105	188	203
- Share Based Payment	84	13	155	(360)
Operating Profit Before Working Capital Changes	4,552	4,370	6,863	6,841
Decrease in Operating Receivables	626	220	1,122	991
Increase / (Decrease) in Operating Payables	40	654	(2,182)	(1,812)
Decrease in Excess of Progress Billings over Work-In-Progress	(1,955)	(2,338)	(1,726)	(1,995)
Cash Generated from Operations	3,263	2,906	4,077	4,025
Interest Paid	(107)	(122)	(207)	(194)
Payment of Income Tax	(848)	(922)	(1,253)	(1,618)
<b>Net Cash Generated from Operating Activities</b>	<b>2,308</b>	<b>1,862</b>	<b>2,617</b>	<b>2,213</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisition of Property, Plant and Equipment	(129)	(107)	(310)	(247)
Acquisition of Computer Software	(19)	(1)	(22)	(66)
Acquisition of Subsidiaries	0	0	0	(1,311)
Interest Received	19	4	38	8
<b>Net Cash Used in Investing Activities</b>	<b>(129)</b>	<b>(104)</b>	<b>(294)</b>	<b>(1,616)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from Exercise of Employee Share Options	0	5	0	5
Dividends Paid	(3,685)	(3,685)	(3,685)	(3,685)
Repayment of Borrowings	(1,250)	(750)	(2,000)	(1,500)
Proceeds from Loans & Borrowings	0	2,500	0	2,500
<b>Net Cash Used in Financing Activities</b>	<b>(4,935)</b>	<b>(1,930)</b>	<b>(5,685)</b>	<b>(2,680)</b>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(2,756)</b>	<b>(172)</b>	<b>(3,362)</b>	<b>(2,083)</b>
Cash and Cash Equivalents at beginning	8,938	5,685	9,599	7,669
Exchange (Loss) / Gain Arising from Translation of Foreign Currency Cash & Cash Equivalents	(19)	114	(74)	41
<b>CASH AND CASH EQUIVALENTS AT END (31 DECEMBER)</b>	<b>6,163</b>	<b>5,627</b>	<b>6,163</b>	<b>5,627</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.

## STATEMENT OF CHANGES IN EQUITY

GROUP	Attributable to Owners of the Parent						Non-Controlling Interests	Total
	Share Capital	Exchange Translation Reserve	Premium paid on acquisition of Non-Controlling Interests	Capital Reserve	Retained Earnings			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
<b>Balance at 1 July 2012</b>	<b>32,584</b>	<b>(3,051)</b>	<b>(10,809)</b>	<b>(468)</b>	<b>49,552</b>	<b>(423)</b>	<b>67,385</b>	
Total Comprehensive Income for the period	-	(1,121)	-	10	1,217	(97)	9	
<b>Balance at 30 September 2012</b>	<b>32,584</b>	<b>(4,172)</b>	<b>(10,809)</b>	<b>(458)</b>	<b>50,769</b>	<b>(520)</b>	<b>67,394</b>	
Total Comprehensive Income for the period	-	(476)	-	9	2,886	(86)	2,333	
2012 final tax-exempt dividend of S\$0.020 per share	-	-	-	-	(3,685)	-	(3,685)	
<b>Balance at 31 December 2012</b>	<b>32,584</b>	<b>(4,648)</b>	<b>(10,809)</b>	<b>(449)</b>	<b>49,970</b>	<b>(606)</b>	<b>66,042</b>	
<b>Balance at 30 June 2011 as previously reported</b>	<b>32,579</b>	<b>(2,355)</b>	<b>(11,133)</b>	<b>(99)</b>	<b>48,786</b>	<b>97</b>	<b>67,875</b>	
Prior Year Adjustment (Note)	-	(32)	324	-	(1,282)	-	(990)	
<b>Balance at 1 July 2011 as restated</b>	<b>32,579</b>	<b>(2,387)</b>	<b>(10,809)</b>	<b>(99)</b>	<b>47,504</b>	<b>97</b>	<b>66,885</b>	
Total Comprehensive Income for the period	-	(1,194)	-	33	1,332	(133)	38	
Share option expenses	-	-	-	(380)	-	-	(380)	
<b>Balance at 30 September 2011 as restated</b>	<b>32,579</b>	<b>(3,581)</b>	<b>(10,809)</b>	<b>(446)</b>	<b>48,836</b>	<b>(36)</b>	<b>66,543</b>	
Total Comprehensive Income for the period	-	2,018	-	(32)	1,986	(140)	3,832	
Share option expenses	-	-	-	(12)	-	-	(12)	
Issue of shares (under Boardroom Share Option Scheme)	5	-	-	-	-	-	5	
2011 final tax-exempt dividend of S\$0.020 per share	-	-	-	-	(3,685)	-	(3,685)	
<b>Balance at 31 December 2011 as restated</b>	<b>32,584</b>	<b>(1,563)</b>	<b>(10,809)</b>	<b>(490)</b>	<b>47,137</b>	<b>(176)</b>	<b>66,683</b>	

**Note:**

Included in the Intangibles Assets, Deferred Taxation and Reserves as at 31 December 2011 was a prior year adjustment in respect of the acquisition of Newreg Pty Ltd in FY2011. The goodwill arising from this acquisition had not been finalised by the date of issue of the financial statements for the financial year ended 30 June 2011. The Purchase Price Allocation (PPA) exercise in accordance with FRS 103R Business Combinations was completed in FY2012. The provisional Goodwill total has been revised for the recognition of the customer relationships and architecture of the proprietary system software.

COMPANY	Share Capital	Exchange Translation Reserve	Premium paid on acquisition of Non- Controlling Interests	Capital Reserve	Retained Earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000

<b>Balance at 1 July 2012</b>	32,584	0	0	634	34,674	67,892
Total Comprehensive Income for the period	-	-	-	-	10,757	10,757
<b>Balance at 30 September 2012</b>	32,584	0	0	634	45,431	78,649
Total Comprehensive Income for the period	-	-	-	-	1,705	1,705
2012 final tax-exempt dividend of S\$0.020 per share	-	-	-	-	(3,685)	(3,685)
<b>Balance at 31 December 2012</b>	32,584	0	0	634	43,451	76,669

<b>Balance at 1 July 2011</b>	32,579	0	0	634	36,803	70,016
Total Comprehensive Income for the period	-	-	-	-	619	619
<b>Balance at 30 September 2011</b>	32,579	0	0	634	37,422	70,635
Total Comprehensive Income for the period	-	-	-	-	408	408
Issue of shares (under Boardroom Share Option Scheme)	5	-	-	-	-	5
2011 final tax-exempt dividend of S\$0.020 per share	-	-	-	-	(3,685)	(3,685)
<b>Balance at 31 December 2011</b>	32,584	0	0	634	34,145	67,363

- 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, no ordinary shares were allotted pursuant to the exercise of share options granted under the Boardroom Share Option Scheme. The Company's share capital as at 31 December 2012 and 30 September 2012 was \$32,584,103.75.

As at 31 December 2012, there were 381,000 (as at 31 December 2011: 479,000) 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 December 2012 and 31 December 2011.

- 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 December 2012 and 30 June 2012 was 184,265,250.

- 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.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the financial year ended 30 June 2012, except as disclosed in Note 5.

**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.**

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised standards and Interpretations of FRS (INT FRS) that are effective for annual periods beginning on or after 1 July 2012. The adoption of these standards and interpretations does not have any effect on the financial performance or position of the Group and the Company.

Prior year adjustment in accordance with FRS 103R Business Combinations

The financial statements for FY2011 have been restated to reflect the effects of the retrospective adjustment of the goodwill arising from the finalisation of the fair values of the assets and liabilities, relating to the acquisition of Newreg Pty Ltd, which were acquired during the financial year ended 30 June 2011. In accordance with FRS 103R Business Combinations, the adjustments arising from the finalisation of such provisional purchase price allocation, which are to be made within twelve months from the date of acquisition, are made retrospectively.

The goodwill arising from this acquisition had not been finalised by the date of issue of the financial statements for the financial year ended 30 June 2011. The Purchase Price Allocation (PPA) exercise in accordance with FRS 103R Business Combinations was completed in FY2012. The provisional Goodwill total has been revised for the recognition of the customer relationships and architecture of the proprietary system.

Consequently, the results for 2Q12 and 1H12 have been restated to include the amortisation and the corresponding reduction in income tax from the finalisation of the Purchase Price Allocation (PPA) exercise in accordance with FRS 103R Business Combinations. The amortisation charge for 2Q12 has been restated by \$469,000 and by \$931,000 for 1H12. The income tax for 2Q12 has been restated by \$113,000 and by \$224,000 for 1H12. The prior year adjustment was also included in the Intangibles Assets, Deferred Taxation and Reserves in the Statement of Financial Position as at 31 December 2011.

**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 DEC 2012	31 DEC 2011 (Restated)
Earnings per ordinary share for the period attributable to owners of the parent after deducting any provision for preference dividends :-		
(a) Based on weighted average number of ordinary shares on issue; and	2.23 cents	1.80 cents
(b) On a fully diluted basis	2.23 cents	1.80 cents

**Notes:**

- The earnings per share is calculated on the profit after tax attributable to owners of the parent on the weighted average number of shares in issue of 184,265,250 (31 December 2011 – 184,255,333).
- The diluted earnings per share is calculated on the profit after tax attributable to owners of the parent on the number of shares in issue adjusted for the effect of dilutive potential ordinary shares. The total number of shares amounted to 184,412,356 (31 December 2011 – 184,423,407).

**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 DEC 2012	30 JUN 2012	31 DEC 2012	30 JUN 2012
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	36.17 cents	36.80 cents	41.61 cents	36.84 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.**

## **REVIEW OF PERFORMANCE OF THE GROUP**

### Review of 3 months to 31 December 2012

The Group's revenue for the three months ended 31 December 2012 ("2Q13") amounted to \$16.2 million (2Q12: \$15.5 million). It registered an increase of 4.2% compared to 2Q12. All business units recorded increased revenue due mainly to higher revenue contributions from increased clientele secured, new service offerings and revenue contribution from the acquired Australian subsidiary, CRA Plan Manager Pty Ltd on 30 September 2011.

The Group's profit before tax for 2Q13 amounted to \$3.7 million (2Q12: \$2.7 million), an increase of 37.6% compared to 2Q12. However, total comprehensive income was lower at \$2.3 million (2Q12: \$3.8 million).

The higher net profit before tax resulted largely from two major factors:

1. In 2Q12, an impairment loss of \$0.8 million was made to partially write-down the carrying amount of goodwill arising from the Group's investment in China; and
2. Increased contribution of \$141,000 from increased revenue (\$646,000) after deducting higher staff cost (\$412,000) and operating expenses (\$93,000).

Depreciation and amortisation charge for 2Q13 amounted to \$813,000 (2Q12: \$824,000). The depreciation and amortisation charge for 2Q12 has been restated to include the \$469,000 amortisation charge from the finalisation of the Purchase Price Allocation (PPA) exercise in accordance with FRS 103R Business Combinations for the acquisition of Boardroom Pty Ltd in FY11. For the same reason, an amortisation of \$453,000 has been included in 2Q13.

Income tax for 2Q13 increased by 7.5% compared to 2Q12 mainly due to higher taxable profit. The income tax for 2Q12 has been restated to include the reduction of tax amounted to \$113,000 relating to the above amortisation charge from the finalisation of the PPA exercise. Similarly, a reduction of tax of \$119,000 was adjusted in 2Q13.

The Group's net profit after tax for 2Q13 amounted to \$2.8 million (2Q12: \$1.9 million).

Other comprehensive loss for 2Q13 arose from the translation of financial statements of foreign subsidiaries. The translation losses for 2Q13 arose largely from the weakening of Australian dollar against the Singapore dollar.

### Review of 6 months to 31 December 2012

The Group's revenue for the six months ended 31 December 2012 ("1H13") amounted to \$30.6 million (1H12: \$28.7 million). It registered an increase of 6.6% compared to 1H12. All business units recorded increased revenue except for investor relations and communication and communications consultancy business which ceased in September 2011. The higher revenue contribution was due to increased clientele secured, new service offerings, recovery of the IPO market and revenue contribution from the acquired Australian subsidiary, CRA Plan Manager Pty Ltd on 30 September 2011.

Our business in China continues to grow and evolve. Revenue for 1H13 has increased by 27.7% compared to 1H12. The operations are strategically positioned to benefit from the growth in business activity.

Staff cost increased by 10.3% to \$17.9 million (1H12: \$16.2 million). The higher staff cost in 1H13 mainly due to the inclusion of CRA Plan Manager Pty Ltd, an increase in headcount in existing offices to support the increased activities and the tight labor market.

Operating expenses increased by 11.0% to \$5.9 million (1H12: \$5.3 million). The higher operating expenses due mainly to the inclusion of CRA Plan Manager Pty Ltd, an increase in the provision for doubtful debts and the IT expenses as the Group is enhancing its capacity and capability to be more relevant to the changes in product offerings.

Interest on borrowings decreased by 7.4% resulted from the scheduled loan repayments. The outstanding bank borrowings at 31 December 2012 was \$15.3 million (31 December 2011: \$18.8 million).

Depreciation and amortisation charge for 1H13 amounted to \$1.6 million (1H12: \$1.6 million). The depreciation and amortisation charge for 1H12 has been restated to include the \$931,000 amortisation charge from the finalisation of the Purchase Price Allocation (PPA) exercise in accordance with FRS 103R Business Combinations for the acquisition of Boardroom Pty Ltd in FY11. For the same reason, an amortisation of \$915,000 has been included in 1H13.

The Group recorded a slight gain on foreign exchange of \$64,000 in 1H13 compared to a loss of \$255,000 in 1H12. The Company has a hedging policy to hedge the Group's foreign currency exposure. The loss incurred in 1H12 was largely due to the mark to market unrealised loss of Australian dollar forward contracts for one year for Singapore dollar. Since then, the strengthening of Singapore dollar against Australian dollar in 1H13 had reduced due to the reversal of some of the above mark to market realised losses on these forward contracts. As at 31 December 2012, there were no outstanding forward contracts.

The Group's profit before tax for 1H13 amounted to \$5.2 million (1H12: \$4.4 million), an increase of 17.4% compared to 1H12.

Income tax for 1H13 decreased by 7.0% due to lower taxable profit. The income tax for 1H12 has been restated to include the reduction of tax amounted to \$224,000 relating to the above amortisation charge from the finalisation of the PPA exercise. Similarly, a reduction of tax of \$257,000 was adjusted in 1H13.

Other comprehensive loss for 1H13 arose from the translation of financial statements of foreign subsidiaries. The translation losses for 1H13 arose largely from the weakening of Australian dollar and Hong Kong dollar against the Singapore dollar.

#### Balance Sheets

##### Net Current Liabilities Position of the Company/Group

The net current liabilities of the Company and the Group arose as a result of certain short-term bank borrowings taken to fund the acquisition of Newreg Pty Ltd.

##### Amount owing to Subsidiaries at Company Level

The reduction in amount owing to Subsidiaries by the Company was due to repayments made by the Company during the period.

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

As disclosed in the 1<sup>st</sup> Quarter 2013 Financial Results announcement dated 7 November 2012, the Group's performance for the 2<sup>nd</sup> Quarter 2013 was in line with the statement (Paragraph 10) of the Company's announcement dated 7 November 2012.

#### **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 an improvement in business sentiment, the Group still expects the uncertainties in global economic conditions, increasing staff and operating costs, and continued volatility in foreign currencies will continue to cloud the market outlook.

Nevertheless, the Group expects FY2013 to be satisfactory. The business will take advantage of our expanded regional footprint and service offerings to leverage our strengths across the various countries in which we operate and better collaboration with our partners. In addition, the Group continues to implement cost saving measures to mitigate the rising costs and to sharpen our competencies to navigate through this uncertain environment.

China remains a strategic part of our Asia Pacific strategy and though we have encountered some headwinds in the short-term, we remain confident of China's strategic importance to the Group's growth strategy.

There is an existing Put and Call Option between the Company and LSC Management Consultants Pte Limited (LSC) in respect of the remaining 40% equity interest in Boardroom China Holdings Pte Ltd owned by LSC. The Option Period commences from 1 September 2012 until either the Company or LSC ceases to be a shareholder of Boardroom China Holdings Pte Ltd. The fair value of this option shall be not less than \$1.05 million.

**11. Dividend****(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.00 cent per ordinary share
Tax Rate	Tax-exempt one-tier

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

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

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.00 cent per ordinary share
Tax Rate	Tax-exempt one-tier

**(c) Date payable**

15 March 2013

**(d) Books closure date**

Notice is hereby given that the Register of Members and Register of Transfer Books of the Company will be closed on 25 February 2013 for the preparation of dividend warrants.

Registrable Transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00pm on 22 February 2013 will be registered before entitlements to the dividend are determined.

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

Not applicable.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have an interested person transaction mandate. There were interested person transactions during the financial period under review but these were less than \$100,000 in aggregate.

**14. Negative Confirmation By The Board Pursuant To Rule 705(5).**

We, Kim Teo Poh Jin 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 our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial statements for the second quarter ended 31 December 2012 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Kim Teo Poh Jin  
Chief Executive Officer

Tan Cher Liang  
Managing Director

**BY ORDER OF THE BOARD**

**Tan Cher Liang**  
**Managing Director**  
5 February 2013