

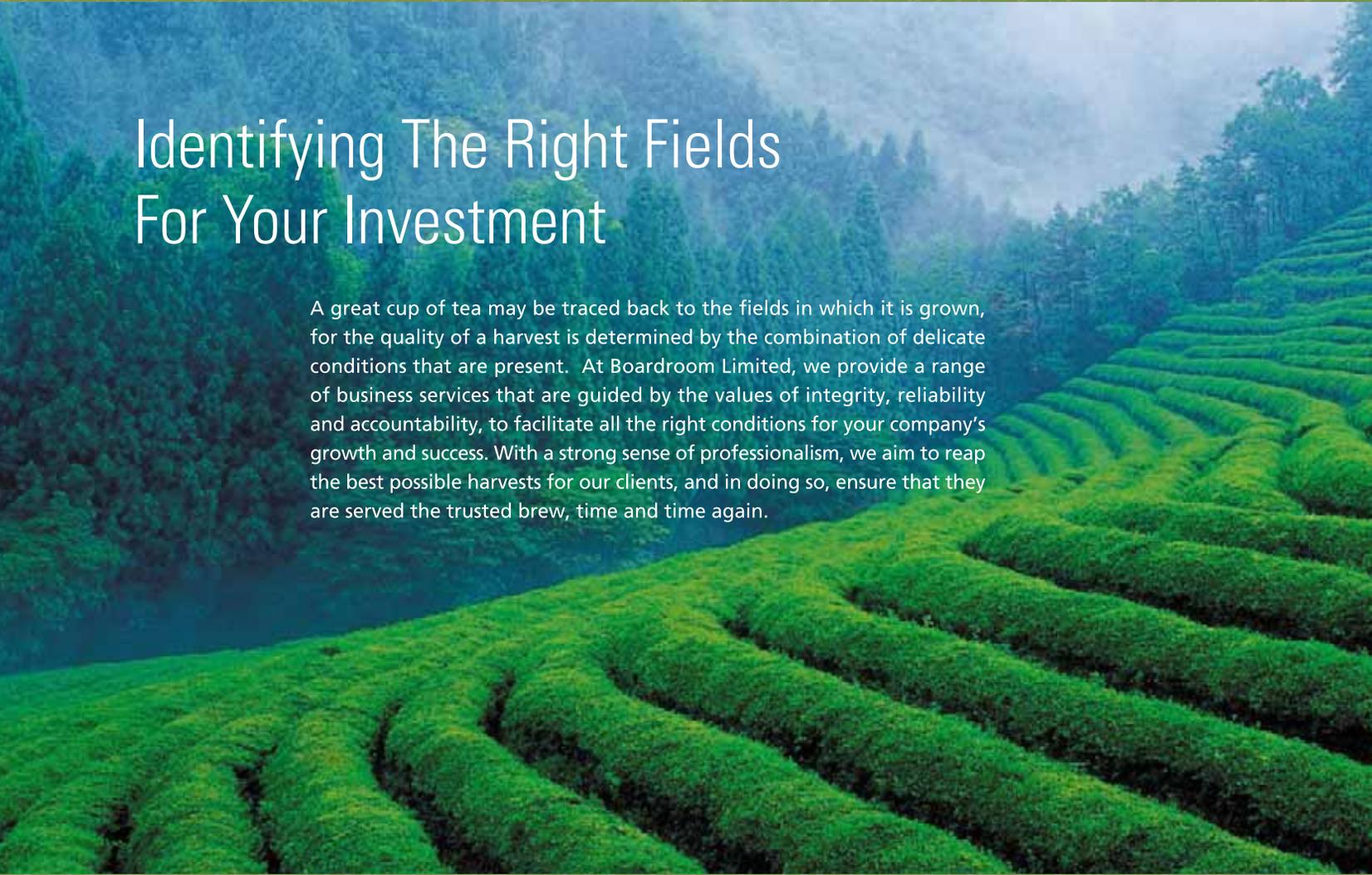
# **BOARDROOM LIMITED**

Annual Report 2007

## The Trusted Brew

Delivering The Right Blend of  
Professional Business Services





# Identifying The Right Fields For Your Investment

A great cup of tea may be traced back to the fields in which it is grown, for the quality of a harvest is determined by the combination of delicate conditions that are present. At Boardroom Limited, we provide a range of business services that are guided by the values of integrity, reliability and accountability, to facilitate all the right conditions for your company's growth and success. With a strong sense of professionalism, we aim to reap the best possible harvests for our clients, and in doing so, ensure that they are served the trusted brew, time and time again.

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## MISSION STATEMENT

We aim to be the company of choice in the provision of professional business and corporate services in Singapore and the Asia Pacific region. Our people are our foremost resource. The recruitment and retention of the right professionals as members of our team is a key success factor in our business. We are committed to strengthening business relationships by ensuring clients of a high level of professionalism and service standards. Our clients are the lifeblood of the Group. In acknowledging this, we will strive to provide them with value-added services that will enable them to benefit from outsourcing to us.



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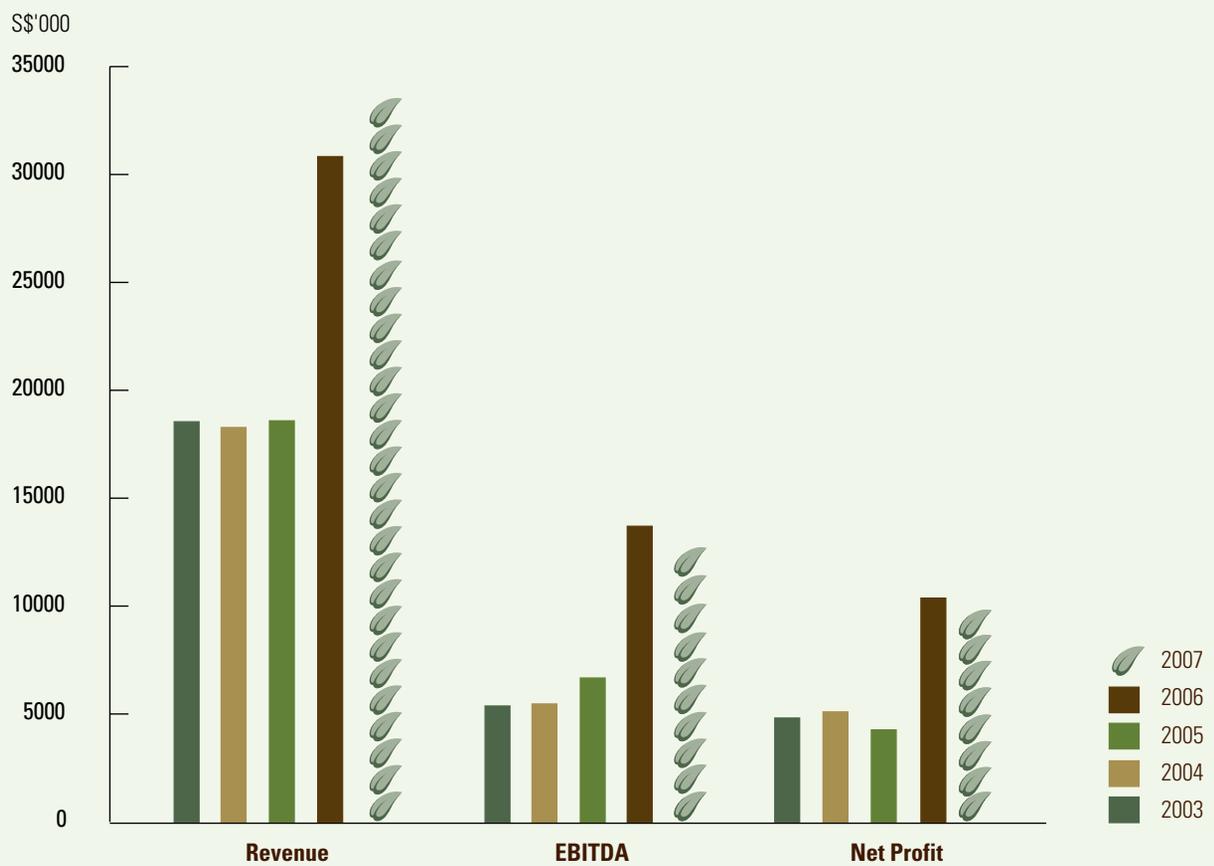
## FINANCIAL HIGHLIGHTS

### BALANCE SHEET HIGHLIGHTS

Year Ended 30 June

	2007 S\$000	2006 S\$000	2005 S\$000	2004 S\$000	2003 S\$000
Revenue	32,976	30,826	18,582	18,272	18,539
Profit Before Tax	11,614	12,702	5,617	6,336	6,324
Net Profit After Tax	9,526	10,367	4,260	5,094	4,810

### SALES REVENUE, EBITDA & NET PROFIT



## BALANCE SHEET HIGHLIGHTS

As at 30 June

	2007 S\$000	2006 S\$000	2005 S\$000	2004 S\$000	2003 S\$000
Total Assets	62,195	57,682	49,321	34,278	31,126
Total Liabilities	9,579	8,866	17,348	4,647	4,898
Total Shareholders' Funds	52,616	48,816	31,973	29,631	26,228
Net Current Assets	16,657	16,904	(72)	24,138	20,283

## KEY FINANCIAL RATIOS

As at 30 June

	2007	2006	2005	2004	2003
EPS (cents)	5.22	5.76	2.97	3.62	3.55
Net Asset Value (cents)	28.71	26.82	22.10	20.88	19.20
Current Ratio	2.76	2.94	0.99	6.31	5.19
Debt-to-Equity	0.18	0.18	0.54	0.16	0.19
Return on Equity (%)	18.1	21.2	13.3	17.2	18.3

## SEGMENTAL RESULTS

Year Ended 30 June

	2007 %	2006 %	2005 %	2004 %	2003 %
<b>Revenue by Business Unit</b>					
Corporate Secretarial	54.7	58.1	48.5	50.6	52.4
Share Registration	12.5	11.3	16.1	14.5	13.3
Clients Accounting	30.6	29.4	35.2	34.9	34.3
Others	2.2	1.2	0.2	0.0	0.0
	100.0	100.0	100.0	100.0	100.0
<b>Revenue by Region</b>					
Singapore	64.7	64.1	94.8	100.0	100.0
Hong Kong	25.2	25.8	3.5	0.0	0.0
Malaysia	10.1	10.1	1.7	0.0	0.0
	100.0	100.0	100.0	100.0	100.0
<b>Profit before tax by Region</b>					
Singapore	54.4	67.4	92.1	100.0	100.0
Hong Kong	34.5	22.8	5.4	0.0	0.0
Malaysia	10.7	8.1	1.8	0.0	0.0
China (Associate)	0.0	1.7	0.7	0.0	0.0
Australia (Associate)	0.4	0.0	0.0	0.0	0.0
	100.0	100.0	100.0	100.0	100.0

## CHAIRMAN'S STATEMENT

Dear Shareholders,

I am happy to report another year of steady financial growth in Boardroom. This growth was underpinned by the regional expansion which we started three years ago.

For the year-ended 30 June 2007, Boardroom's revenue rose 7% to a record S\$33.0 million. Our profit performance this year has likewise been healthy. While the recorded Group net profit after tax may have declined 8% to S\$9.5 million or 5.22 cents per share, this was mainly due to a non-recurring gain of S\$1.8 million in our FY2006 net profit, from the divestment of associated company Talent Shanghai.

**The corporate secretarial business remained our largest revenue contributor at S\$18 million. Our share registration business showed a strong revenue growth of 19%. Revenue from our accountancy business was up 11% to S\$10.1m. Revenue contribution from the "others" business segment rose 98% to S\$0.7m.**

Excluding the non-recurring items, our net profit after tax for FY2007 would have grown approximately 12% over the previous year.

Given this performance, the Board is recommending a final tax-exempt dividend of 1.80 cents per ordinary share. Including the interim tax-exempt dividend of 1.00 cent per ordinary share declared earlier, total dividend for FY2007 will amount to 2.80 cents per ordinary share.

Subject to shareholders' approval of the recommended final dividend at the forthcoming Annual General Meeting, the total amount paid to our shareholders in the form of dividends for FY2007 will be about S\$5.1 million representing approximately 54% of the financial year's net profit.

### **Business Expansion Continues**

In the past year, Boardroom expanded its footprint into Australia. In May 2007, we acquired a 33% stake in Australia-based Registries Limited, a specialist in share registry, voting and communication management.

Registries has a well-established 20-year track record and presently serves more than 250 clients, including a large number of listed and unlisted companies, and investment funds in Australia. Several of these companies, who have been clients of Registries for more than ten years, are household names such as Harvey Norman Holdings Limited, Guinness Peat Group plc and Seven Network Limited.

In November 2006, we started Boardroom Corporate Services (“BCS”) to provide Corporate Communications and Investor Relations consultancy services. BCS has an able team of professionals with expertise in global communications with shareholders, analysts and the media.

### **Strong Performance Across All Business Segments**

Our three main business segments performed well this year.

The corporate secretarial business remained our largest revenue contributor at S\$18.0 million, although the year-on-year increase was a marginal 0.6%. We were however able to maintain our market share in spite of intense competition and pricing pressure from second-tier service providers.

Our share registration business achieved a strong revenue growth of 19% bolstered by the successful expansion of our client base and an increased level of corporate activities.

Revenue from our accountancy business was up 11% to S\$10.1million driven by an increased number of assignments received from existing and new clients.

Revenue contribution from the “others” business segment rose 98% to S\$0.7million on the back of an increased number of assignments from our trade support business in Hong Kong and from our newly established corporate communications and investor relations consultancy business unit.

### **Moving Ahead**

We aim to be the leading name in professional outsourcing services in the Asia-Pacific region. As Boardroom expands its capabilities and geographical reach, there will be opportunities for the Group to provide a comprehensive suite of services across the region. Our new presence in Australia and the setting up of our new corporate services business unit are integral to our regional growth plan to extend our reach and capabilities.

In the coming year, the economic and business outlook in the Asia Pacific region remains positive and the pace of corporate activities should continue to be high. We expect to benefit from the global trend of outsourcing where more business functions are being outsourced. Nonetheless, the business environment remains fiercely competitive; and Boardroom will inevitably face pricing pressure from second-tier service companies, upward pressure on costs from a tightening labour market for experienced and qualified staff, and rising rental rates in all our operating locations.

To grow our revenue and profit in the coming years, we will continue to differentiate ourselves by being more responsive to our clients’ needs, and by expanding our suite of services. We will also continue to increase our presence in the Asia-Pacific region to better serve our clients, as they regionalise their businesses.

### **In Appreciation**

On behalf of your Board, I would like to express my appreciation to our management, staff, business partners and clients for helping to bring about another successful year, and to our shareholders for their continued support.

### **Goh Geok Khim**

Chairman

# Focusing On The Essentials Of Your Business



## YEAR IN REVIEW

At Boardroom Limited, we provide a wide range of financial and business services specifically tailored to meet the needs of your company. By focusing on the essentials of your business, we offer you qualified expertise in all your fields of need, to serve you a perfect brew of applicability and efficacy in the business solutions you adopt.

Boardroom continues to reap results from its strategy of geographical expansion.

For the year in review, Boardroom served an enlarged client base across more regions, building its brand recognition as one of Asia's leading names in professional business outsourcing solutions.

With the growth of its suite of business services, Boardroom has been able to cover more of its clients' needs, and create synergistic benefits for them.

### **Segmental Review – Growth Across All Business Segments**

The year in review saw Boardroom achieving growth across all business segments, which is testament of the Group's ability to provide quality services and professional counsel to its clients. Leveraging the expertise of its team of highly experienced professionals, Boardroom's proposition in helping its clients achieve the highest standards of corporate governance policies, compliance with the latest accounting standards, and increased business process efficiencies has gained good traction among existing and potential clients.

As a result of the expanded client base, revenue for the Group increased 7% to S\$33.0 million. Profit before tax declined 9% to S\$11.6 million. Excluding the one-off gain of S\$1.8 million from the sale of associated company Talent Shanghai in the previous financial year, profit before tax for FY2007 rose 7%.

### **Accounting & Payroll Outsourcing Services**

The Group is one of the leading accounting & payroll outsourcing services providers in Singapore and the region with a 15-year track record in providing quality outsourcing services

to companies of all sizes and needs, that span various industry segments.

By outsourcing their accounting and payroll needs to Boardroom, clients enjoy assurance of compliance with all statutory and commercial regulations, as well as professional counsel on the latest accounting standards.

The accounting & payroll business achieved a healthy growth of 11% in revenue, over the previous year, to S\$10.1 million. This accounted for 31% of total Group revenue.

The demand for accounting & payroll services grew in tandem with the strong economies across Asia as more businesses focused on their core operations and outsourced their back room functions to Boardroom. The tight labour market has also created more opportunities for clients to outsource their accounting and payroll functions to the Group.

In FY2007, several new MNCs were attracted into the Group fold by our comprehensive range of accounting, disbursement and payroll services. Growth also arose from the increased range of services required by existing clients.

## YEAR IN REVIEW



Boardroom will continue to be proactively involved in helping its clients develop cost-effective and efficient solutions. The Group will continue to recruit qualified and skilled accounting professionals to maintain service levels, as well as conduct internal training for employees, so that employees of Boardroom are kept up-to-date on the latest changes in accounting standards and regulations.

### **Corporate Secretarial Services**

The corporate secretarial business helps companies comply with legal and administrative requirements. With a 40-year track record, the Group is one of the leading providers of corporate secretarial services to both public listed and private companies in the Asia Pacific region.

Our pool of professional chartered secretaries provide clients with advisory services on compliance requirements under the respective statutory acts and stock exchange listing rules, which

ensures that our clients achieve the highest standards of reporting, disclosure and compliance in a timely and cost-effective manner.

The corporate secretarial business remained the Group's largest revenue contributor for FY2007, and accounted for 55% of total Group revenue.

Increased corporate restructuring exercises by our corporate secretarial clients in Malaysia also contributed to the Group's revenue in FY2007. A substantial number of these jobs entailed the setting up of new companies and branches, particularly in the retail, property development, construction and oil & gas sectors. This flurry of activities was spurred on by various incentives from the Malaysian Government, which was in accordance to the Ninth Malaysia Plan and Visit Malaysia Year 2007.

For the year in review, the Group added new clients, including a number of newly listed companies, such as Bowsprit Capital Corporation Limited (First REIT), CitySpring Infrastructure, Ogawa World Berhad, Pacific Shipping Trust, Soup Restaurant and Straits Asia Resources Ltd.

Despite the growth in customer base, keen competition from second-tier service providers put strong pressure on overall pricing, which resulted in lower fees. As a result, revenue for FY2007 increased marginally by 0.6% to S\$18 million.

In future, listed companies in Singapore with market capitalisation of S\$75 million and above will be required to report their financial results every quarter, rather than bi-annually. Consequently Boardroom is expected to potentially benefit from this.

The continued rise of Singapore as a major financial centre is expected to augur well for the business. As greater demands for high standards of corporate governance and business administration procedures are being placed on companies, more corporations are expected to seek professional corporate secretarial services that Boardroom provides.

### **Share Registration Services**

The share registration business offers professional and efficient share registration services to companies; helping them maintain accurate shareholder records.

Healthy market conditions have resulted in a larger number of Initial Public Offerings (IPOs) this year. To date, the Group has approximately 55% participation in the IPO share registration market in Singapore – one of the leading financial centres in Asia.

The Group is also the largest share registrar in Singapore, acting as the share registrar or share transfer agent for more than half of the companies listed on the Singapore Exchange Securities Trading Limited.

Revenue for share registration grew a sterling 19% to S\$4.1 million for FY2007, as the Group maintained its leadership position in Singapore as the largest share registrar.

Other than an enlarged client base, Boardroom's share registration business benefited from a higher level of activities by the existing companies under its care, particularly for the REIT industry.

The prospects for future IPOs in Singapore is looking strong, as the Singapore Exchange continues its efforts in attracting more foreign companies to list in Singapore. The expected continued buoyant activities in the capital markets, is likely to generate more business opportunities for Boardroom.

### **Corporate Communications and Investor Relations Consultancy**

Our corporate communications and investor relations division offers specialist consultancy services to companies, helping them achieve fair and accurate disclosure and timely communication flow with the investment community, the media and all other stakeholders.

This business was established in November 2006. The newly set-up team possesses extensive experience across the entire range of industry practice, from equities investment research and analysis, listed companies' shareholder communication, to corporate communication and marketing communications.

With its depth and breadth of experience, this new business is able to provide strategic counsel to listed and private companies, while working with them to drive an effective Investor Relations program.

Our Investor Relations consultants are backed by a strong team of professionals from across Boardroom's existing operations, where clients stand to benefit from the synergies of having a one-stop provider in Boardroom for all their corporate needs.

Since its inception, this new business has successfully worked with over 20 companies from Singapore, Malaysia, Hong Kong and the People's Republic of China (PRC).

### **Trade Support Services**

The trade support business is designed to help clients optimise their shipping operations, while maximising trading profitability. Boardroom can support a whole slew of activities as carried out in a typical goods trading office, where proper facilitation, administration and tracking of shipments are critical in ensuring prompt delivery of our client's goods and merchandise.

The trade support business turned in another year of strong performance, with increased business volume in Hong Kong, as more companies now recognise the efficiencies to be gained from engaging Boardroom in the area of shipping operations support.

Taken together, revenue for the corporate communications and investor relations and trade support business increased 98% to S\$0.7 million for FY2007.

# Providing Our Clients With The Finest Business Consultancy



By setting the pace with a high standard of professional outsourcing services, Boardroom Limited offers you a balanced blend of financial and business consultancy to spearhead the growth of your Company.

## CORPORATE UPDATE

### **Building On Our Leadership Position**

Boardroom continues to build on its leadership position in Singapore as the country's operations remains the largest contributor to Group revenue, with a growth of 7% to S\$33 million for FY2007.

### **Expanding Our Services In Malaysia**

Leveraging its expertise, resources and success in Singapore, the Group expanded its service offerings in Malaysia to include accounting and payroll services for companies looking to outsource these functions for greater operational efficiency.

There is good potential for growth in this segment, and Boardroom will continue to step up its cross-selling and marketing efforts, as part of the Group's regional expansion.

### **Extending the Boardroom Name Into Australia**

In May 2007, Boardroom established its presence in Australia through a subscription of a 33.3% stake in an Australian company, Newreg Pty Ltd ("Newreg"). Newreg was incorporated for the purpose of acquiring a 100% interest in Registries Limited ("Registries").

Registries, which commenced operations in 1983, offers an array of services including IPO processing, takeover processing, employee share plans, ongoing registry management for listed and unlisted entities, as well as processing and logistical support for corporate actions such as Annual General Meetings. Registries recently expanded its services to provide a variety of secure voting services for Board of Directors Elections and Consultative Committee Elections amongst others.

This share subscription will allow Boardroom to further broaden its Asia Pacific footprint, and enable the Group to tap the wealth of experience that the management team of Registries possesses.

### **Strengthening Our Team Of Professionals**

In line with our belief that having the right talent is a key success factor in our business, Boardroom has strengthened the management team with several new appointments to lead new business units, and drive growth in the regional markets.

With the addition of more talent, the enhanced management team will be actively sourcing for new business opportunities, and looking into areas of improvement such as enhancing productivity, improving work processes, and enhancing internal systems and procedure controls.

### **Harnessing the Power of IT**

Boardroom is utilising new technologies to serve our clients, and keep abreast of existing demands and challenges of doing business in today's information age.

During the financial year, Boardroom upgraded its IT systems to serve our clients better. One vital improvement made was the upgrading of the accounting & payroll system, which now allows clients to configure the software to accommodate to their processes, procedures, and preferences. This gives our clients better and faster access to information through the system's new reporting and inquiry tools. It also provides more in-depth information for analysis and strategic planning.

### **Regional Business Awards**

In October 2006, Boardroom was selected by Forbes Asia as one of the '200 Best Companies Under A Billion' in Asia Pacific. The Group was chosen based on a five-year return on capital, sustained growth in sales, return on equity and earnings.

This award is strong recognition of the Group's performance, its leadership and strong direction as provided by the management team.



From left (sitting) : Mr Sim Cheok Lim, Mr Goh Geok Khim, Mrs Elizabeth Sam  
(standing) : Mr Mak Lye Mun, Mr Sebastian Tan Cher Liang, Mr William Wong Tien Leong, Mr Goh Yew Lin

## BOARD OF DIRECTORS

### **Goh Geok Khim**

Chairman and Acting CEO

Mr Goh Geok Khim was appointed Chairman and Non-Executive Director of the Board in November 2004. He is the Chairman and Managing Director of G.K. Goh Holdings Ltd, which owns a 33% stake in Boardroom. Mr Goh is presently assuming the responsibilities of Boardroom's CEO pending the recruitment of a suitable executive for the position.

Mr Goh is also Chairman of the Boards of Temasek Foundation (CLG) Limited, National Museum of Singapore, and Federal Iron Works Sdn Bhd. In addition to these appointments, he is also a member of the National Heritage Board, and a non-executive director of Lam Soon (M) Bhd.

Mr Goh holds a Bachelor of Science degree in Civil Engineering from the University of Colorado.

### **Goh Yew Lin**

Alternate Director to Goh Geok Khim

Mr Goh Yew Lin was appointed Alternate Director to Mr Goh Geok Khim in November 2004. He is an executive director of G.K. Goh Holdings Ltd and also serves on the Boards of Temasek Holdings Pte Ltd and Boyer Allan Management Ltd. Mr Goh is also Chairman of the Yong Siew Toh Conservatory of Music at the National University of Singapore and Deputy Chairman of the Singapore Symphonia Company Ltd.

Mr Goh holds a Bachelor of Science (Economics) degree from the University of Pennsylvania's Wharton School.

### **Sebastian Tan Cher Liang**

Managing Director & Finance Director

Mr Sebastian Tan was appointed Managing Director of Boardroom in January 2003, and named joint-Company Secretary in July 2004. He has served on the Boards of Lim Associates (Pte) Ltd and Ee Peng Liang Consultants Pte Ltd since 1992 and 1994 respectively. Prior to 1992, he was with Ernst & Young.

Mr Tan is also an independent director of Freight Links Express Holdings Limited. In addition, he is a director of D.S. Lee Foundation, a director and Treasurer of the Children's Charities Association, and a trustee of the Kwan Im Thong Hood Cho Temple.

Mr Tan is a member of the Institute of Certified Public Accountants of Singapore and a Fellow of the Association of Chartered Certified Accountants, U.K.

He was conferred the Public Service Medal (PBM) in 1996 for his contribution to charitable causes in Singapore.

### **Mak Lye Mun**

Non-Executive Director

Mr Mak Lye Mun was appointed Non-Executive Director in November 2004. He is the Head of Investment Banking in CIMB-GK Securities Pte. Ltd. Prior to joining CIMB-GK, he was responsible for building and developing the corporate finance business of various financial institutions that he worked for.

In addition to his current board appointment at Boardroom, Mr Mak is also a non-executive director of Tat Hong Holdings Limited.

He holds a Bachelor of Civil Engineering (First Class Honours) degree from the University of Malaya in Malaysia, and a Master of Business Administration degree from the University of Texas at Austin in the United States. Mr Mak is a Chartered Financial Analyst.

## BOARD OF DIRECTORS

### **Sim Cheok Lim**

Independent Director

Appointed as Chairman and Director in August 2000, Mr Sim Cheok Lim stepped down as Chairman in 2005 and was re-elected as an independent non-executive director. He also chairs Boardroom's Audit Committee and is a member of the Nominating Committee.

Mr Sim is also an independent director of JEL Corporation (Holdings) Ltd and Vicom Ltd. He is Singapore's Ambassador (Non-Resident) to Kazakhstan and Uzbekistan. Mr Sim had previously served as Chairman of the Commercial and Industrial Security Corporation (CISCO) and as Marketing Director in the Shell Group of companies.

Mr Sim graduated from the University of Adelaide with a Bachelor of Engineering (First Class Honours) degree, and holds a Diploma in Competitive Marketing Strategies, University of California Berkeley.

Mr Sim is the recipient of the Public Service Star (BBM), the Public Service Medal (PBM) and the Friend of Labour Award.

### **Elizabeth Sam**

Independent Director

Appointed as Non-Executive Director in August 2000, Mrs Elizabeth Sam chairs the Nominating Committee and is a member of the Remuneration Committee. Mrs Sam is a director of SC Global Ltd, AV Jennings Ltd, Kasikorn Bank and Banyan Tree Holdings Ltd.

Mrs Sam has over 40 years of experience in the financial sector, having held senior appointments in the Ministry of Finance, the Monetary Authority of Singapore, Mercantile House Holdings Ltd, and OCBC Bank where she retired as Deputy President. She was a director of the Singapore International Monetary Exchange of Singapore from its reorganization in 1983 till its merger with the Stock Exchange of Singapore, and served 2 three-year terms as Chairman.

Mrs Sam graduated from the University of Singapore with a Bachelor of Arts (Honours) degree in Economics.

She was awarded the Public Service Star (BBM) in 1996 for her contribution to financial centre developments.

### **William Wong Tien Leong**

Independent Director

Appointed Independent Director in January 2005, Mr William Wong chairs the Remuneration Committee and is a member of the Audit Committee. Mr Wong graduated from the National University of Singapore with a law degree and was called to the bar in 1985. He joined Laycock & Ong, one of Singapore's oldest law firms from April 1986 to January 1994. Since February 1994, he has been a partner at Francis Khoo & Lim.

Mr Wong's practice involves corporate commercial matters, which include dealings with lawyers and other professionals in foreign jurisdictions.

## KEY MANAGEMENT

### **Albert Chew**

Group Chief Financial Officer

Mr Albert Chew was appointed the Group Chief Financial Officer in July 2007. He brings with him more than 20 years of experience in the accounting profession. Before joining Boardroom, Mr Chew was the Finance Director of an international apparel company based in Hong Kong for about six years. He was with Ernst & Young Singapore and Sydney for about nine years, and was a (founding) partner of Chew & Chiu Chartered Accountants in Sydney. Mr Chew has a Bachelor of Commerce degree from University of New South Wales, Australia. He is a Fellow of the Institute of Chartered Accountants in Australia, Hong Kong Institute of Certified Public Accountants, Financial Services Institute of Australasia and a member of the Australian Institute of Management.

## SINGAPORE

### ACCOUNTING & PAYROLL OUTSOURCING SERVICES

#### **Robert Baey Cheng Song**

Executive Director, Ee Peng Liang Consultants Pte Ltd

Mr Robert Baey joined Ee Peng Liang Consultants Pte Ltd in 1996 and is currently Executive Director of the accounting & payroll outsourcing business. He is a Fellow of the Chartered Institute of Management Accountants and holds a post-graduate Diploma in Management Studies from the University of Chicago, Graduate School of Business. He brings with him more than 20 years of accounting and finance experience in commercial and industrial companies.

#### **Leong Lai Cheng**

Associate Director, Ee Peng Liang Consultants Pte Ltd

Ms Leong Lai Cheng joined Ee Peng Liang Consultants Pte Ltd as Associate Director in 2006. Prior to joining Boardroom, she was with PricewaterhouseCoopers for 10 years and left as a senior manager in 1998 to be an adjunct lecturer in Ngee Ann Polytechnic and Singapore Polytechnic for eight years. Ms Leong graduated from the National University of Singapore with a Bachelor of Accountancy (Honours) degree and brings with her 18 years of audit, accounting and tax experience.

### CORPORATE SECRETARIAL SERVICES

#### **Tan San-Ju**

Executive Director, Lim Associates (Pte) Ltd

Ms Tan San-Ju is responsible for the corporate secretarial business. She joined Arthur Young in 1988, and following the merger of Arthur Young and Ernst & Whinney, she continued her employment by joining Lim Associates in 1990. She is a Fellow of the Institute of Chartered Secretaries & Administrators (UK) and a member of the Singapore Association of the

Institute of Chartered Secretaries & Administrators (SAICSA). She holds a Practising Certificate from SAICSA and she brings more than 20 years of professional experience to Boardroom.

#### **Lynn Wan**

Associate Director, Lim Associates (Pte) Ltd

Ms Lynn Wan is Associate Director of Lim Associates (Pte) Ltd. Prior to joining Boardroom in 2006, she was with the secretarial arm of one of the big four audit firms. She is a Fellow of the Institute of Chartered Secretaries & Administrators (UK) and a member of the Singapore Association of the Institute of Chartered Secretaries & Administrators (SAICSA). Ms Wan holds a Practising Certificate from SAICSA and brings with her more than 20 years of experience in the industry.

### SHARE AND UNIT TRUST REGISTRATION SERVICES

#### **David Woo Soon Cheong**

Executive Director, Lim Associates (Pte) Ltd

Mr David Woo joined Lim Associates (Pte) Ltd in 1986 and is currently Executive Director of the share registration business. He brings with him more than 20 years of experience in the industry.

#### **Khor Yoke Kean**

Executive Director, Lim Associates (Pte) Ltd

Ms Khor Yoke Kean joined Boardroom in July 2006 and is Executive Director of the share and unit trust registration business. She has more than 15 years of experience in this industry where previously she was with the share registration services division of Tricor Singapore Pte Ltd. Ms Khor is a member of the Singapore Association of the Institute of Chartered Secretaries & Administrators (SAICSA).

### CORPORATE COMMUNICATIONS AND INVESTOR RELATIONS CONSULTANCY

#### **Linda Kwok**

Managing Director, Boardroom Corporate Services Pte Ltd

Ms Linda Kwok was appointed Managing Director of Boardroom Corporate Services Pte Ltd in November 2006. She brings with her a strong background in equity research and research marketing through her 15 years of experience in this industry. Before joining Boardroom, Ms Kwok was Executive Director and Group Head of Research with CIMB-GK Research (formerly known as G. K. Goh Research), where she managed the research teams in Singapore, Malaysia, Hong Kong, Indonesia and Thailand; and worked with listed companies to reach out to investors through international roadshows and conferences. She holds a Bachelor of Arts degree in Statistics from the University of California, Berkeley.

## KEY MANAGEMENT

### **Alvina Tan**

Executive Director, Boardroom Corporate Services Pte Ltd

Ms Alvina Tan was appointed Executive Director of Boardroom Corporate Services Pte Ltd in January 2007. She is one of the pioneers of investor relations in Singapore and possesses extensive experience in this discipline. Before joining Boardroom, Ms Tan was head of Corporate Communications at Venture Corporation Limited, and before that, spent 10 years with Neptune Orient Lines Limited, where her last held position was Director of Investor Relations. She holds a Bachelor of Arts degree with Honours in Philosophy from the National University of Singapore.

## HONG KONG

### **Rena Lim Yi Ping**

Executive Director, Asialink Services (HK) Ltd

Ms Rena Lim was appointed Executive Director of Asialink Services (HK) Ltd in June 2007. Prior to joining Asialink, she worked in Arthur Andersen and Deloitte in Singapore and Hong Kong. Ms Lim has extensive experience in transaction advisory services and has assisted listed companies and international companies by providing specialised transaction support in mergers and acquisitions in Hong Kong, People's Republic of China (PRC), Singapore and other Asia Pacific countries. Ms Lim holds a Bachelor of Commerce from the University of Queensland. She is a member of the Institute of Chartered Accountants in Australia, Australia Institute of Certified Public Accountants and Hong Kong Certified Public Accountants.

### **Eliza Man Lai Chun**

Executive Director, Asialink Services (HK) Ltd

Ms Eliza Man is Executive Director and heads Asialink's Business Services unit in Hong Kong. She is a Fellow of the Institute of Business Administration and holds a post-graduate Diploma in Accountancy. Before joining Asialink, she started her career with Ernst & Whinney and was a senior manager of RSM Nelson Wheeler. She has accumulated over 20 years of working experience in accounting, auditing, payroll and pensions administration services for clients across different industries, including local organisations and international trading and service companies.

## MALAYSIA

### **KUALA LUMPUR**

#### **Samantha Tai Yit Chan**

Managing Director, M&C Services Sdn Bhd

Ms Samantha Tai joined M&C Services Sdn Bhd in 1995 and is the Managing Director of M&C. She is also a director of M&C Services (KL) Sdn Bhd. Before joining M&C, she was with Barbinder & Co. (the secretarial arm of the former Coopers & Lybrand in Singapore) since 1994 and before that, worked in Paramount Corporation Berhad, a company listed on the Bursa Malaysia Securities Berhad. Ms Tai is an Associate of the Institute of Chartered Secretaries and Administrators (ICSA) with a Diploma in Business Management. She has been involved in corporate secretarial work for more than 14 years.

#### **Maggie Saw Bee Lean**

Executive Director, M&C Services (KL) Sdn Bhd

Ms Maggie Saw joined M&C Services Sdn Bhd in 1983 and is currently Executive Director of M&C Services (KL) Sdn Bhd. She started her career with Secco Sdn Bhd (the secretarial arm of Messrs Lim Ali & Co., now part of Ernst & Young) in 1981, and has accumulated over 24 years of working experience in both corporate secretarial and share registration work. She is a Fellow of the Institute of Chartered Secretaries and Administrators (ICSA) with a Diploma in Business Management.

### **PENANG**

#### **Lam Voon Kean**

Managing Director, M&C Services (Penang) Sdn Bhd

Ms Lam Voon Kean is Managing Director of M&C Services (Penang) Sdn Bhd. She joined in 1994, where prior to that she was with KPMG since 1974. Ms Lam did her accountancy articleship with KPMG and her last held position was Senior Audit Manager. She is a Chartered Accountant, and a member of the Malaysian Institute of Accountants and a member of the Malaysian Institute of Certified Public Accountants.

### **JOHOR BAHRU**

#### **Ang Mui Kiow**

Managing Director, M&C Services (Johor) Sdn Bhd

Ms Ang Mui Kiow started her career with KPMG, Johor Bahru in 1984. She joined in May 1990 and is currently the Managing Director of M&C Services (Johor) Sdn Bhd. She is a company secretary licensed by the Companies Commission of Malaysia and holds a Diploma in Business Studies.

## CORPORATE INFORMATION

### Board of Directors

Goh Geok Khim  
Chairman and Acting CEO

Goh Yew Lin  
Alternate Director to Goh Geok Khim

Sebastian Tan Cher Liang  
Managing Director and Finance Director

Mak Lye Mun  
Non-Executive Director

Sim Cheok Lim  
Independent Director

Elizabeth Sam  
Independent Director

William Wong Tien Leong  
Independent Director

### Audit Committee

Sim Cheok Lim (Chairman)  
Mak Lye Mun  
William Wong Tien Leong

### Nominating Committee

Elizabeth Sam (Chairman)  
Goh Geok Khim  
Sim Cheok Lim

### Remuneration Committee

William Wong Tien Leong (Chairman)  
Goh Geok Khim  
Elizabeth Sam

### Company Secretaries

Sebastian Tan Cher Liang  
Tan San-Ju

### Registered Office

3 Church Street #08-01  
Samsung Hub  
Singapore 049483  
Tel: +65 - 6536 5355  
Fax: +65 - 6536 1360  
E-mail: boardroom.sg@boardroomlimited.com  
Website: www.boardroomlimited.com

### Share Registrar

Lim Associates (Pte) Ltd  
3 Church Street #08-01  
Samsung Hub  
Singapore 049483  
Tel: +65 - 6536 5355  
Fax: +65 - 6536 1360

### Auditors

Foo Kon Tan Grant Thornton  
47 Hill Street, #05-01  
Chinese Chamber of Commerce & Industry Building  
Singapore 179365

Audit Partner-In-Charge: Kon Yin Tong  
(Appointed since 22 October 2004)

### Principal Bankers

The Hongkong and Shanghai Banking  
Corporation Limited  
UBS AG

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## CORPORATE GOVERNANCE

The Board continues to uphold the highest standard of corporate governance and ensure compliance with the Code of Corporate Governance.

This report outlines Boardroom's corporate governance practices and activities for the financial year.

### 1. Board Matters

#### a) Board Composition

The Board comprises 3 non-executive independent directors, 1 non-executive director, 2 executive directors, and 1 alternate director.

All newly appointed Directors are briefed by Management on the history and business operations of the Group. The Company will, if necessary, organise briefing sessions or circulate memoranda for Directors to enable them to keep pace with regulatory changes, where such changes have a material bearing on the Group.

The Board is of the opinion that, given the scope and nature of the Group's operations, the present size of the Board is appropriate in facilitating effective decision-making.

The independent and non-executive members of the Board comprise seasoned professionals with management, financial, accounting and industry backgrounds. This enables the management to benefit from their external and objective perspectives of issues that are brought before the Board.

The Managing Director is not subject to retirement by rotation as our success is dependent on his experience and skills.

#### b) Role of the Board of Directors

The Board sets the overall business direction, provides guidance on the Company's strategic plans with particular attention paid to growth and financial performance and oversees the management of the Company. It delegates the formulation of business policies and day-to-day management to the Acting Chief Executive Officer.

The Board meets at least once every quarter, with optional meetings scheduled if there are matters requiring the Board's decision at the relevant times. Board approval is specifically required for major investment or acquisition proposals. The Board also reviews the Group's annual budget.

By strategically expanding its scope of operations, Boardroom Limited seeks to extend its reach throughout the region, to ensure not just continued growth for the Company, but also, ever-greater returns for its investors.

## CORPORATE GOVERNANCE

Management meets on a monthly basis to review and discuss operational matters.

In the course of the year under review, the number of meetings held and attended by each member of the Board and Committees are as follows:

Types of Meetings	Board		Audit Committee		Nominating Committee		Remuneration Committee	
	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended
Goh Geok Khim (Alternate-Goh Yew Lin)	5	5	–	–	2	2	3	3
Mak Lye Mun	5	5	4	4	–	–	–	–
Sim Cheok Lim	5	5	4	4	2	2	–	–
Elizabeth Sam	5	5	–	–	2	2	3	3
William Wong Tien Leong	5	5	4	4	–	–	3	3
Sebastian Tan Cher Liang	5	5	–	–	–	–	–	–

All the Directors also attended one Verification Meeting.

Matters that are specifically reserved for the Board's decision and approval include:

- Financial results announcements;
- Annual report and accounts;
- Dividend payment to shareholders;
- Interested person transactions;
- Corporate strategies and financial restructuring; and
- Transactions of a material nature requiring announcement under the listing rules of the SGX-ST.

### c) Assess to Information

Management provides Board members with complete, adequate and timely information prior to Board meetings and on an on-going basis. In addition, all relevant information on budgets, forecasts, internal financial statements, material events and transactions complete with background and explanations are circulated to directors as and when they arise.

The Directors have separate and independent access to the Company's senior management and the advice and services of the Company Secretaries, who also attend meetings of the Board and Committees. The Company Secretaries are responsible for ensuring that Board procedures are followed. They also ensure that the Company complies with the requirements of all applicable rules and regulations. Directors may, in appropriate circumstances, seek independent professional advice concerning the Company's affairs.

**d) Chairman and Chief Executive Officer**

Mr Goh Geok Khim is the Chairman of the Board and has assumed the responsibilities of the CEO on a temporary basis until a new CEO is recruited.

The Chairman leads Board discussions and deliberation. The Chairman of the Board also ensures that board meetings are held when necessary. He sets the meeting agenda, and ensures that Directors are provided with complete, adequate and timely information. He also assists in ensuring compliance with the Company's guidelines on corporate governance.

The CEO is responsible for the day-to-day management of the affairs of the Group. He also executes the strategic plans set out by the Board and ensures that the Directors are kept updated and informed of the Group's business through management reports.

The Chairman cum CEO's performance, appointment to the Board and remuneration package are reviewed periodically by the NC and RC respectively. The majority of these committee members are independent directors of the Company. Therefore, the Board believes that there are adequate safeguards against an uneven concentration of power and authority in a single individual. The Board is of the view that the current single leadership arrangement works well, in particular it does not hinder the decision-making process of the Company unnecessarily.

For the reasons as stated above, it is not necessary in the circumstances to appoint any lead independent director.

**e) Board Committees**

To assist the Board in the execution of its duties, the Board has delegated specific functions to the Audit Committee, Nominating Committee and Remuneration Committee.

***Audit Committee***

The Audit Committee comprises Sim Cheok Lim, William Wong Tien Leong, both of whom are non-executives and independent, and Mak Lye Mun who is a non-executive director. The Chairman of the Audit Committee is Sim Cheok Lim.

Two members of the Audit Committee have relevant accounting and financial management experience.

The Audit Committee carried out its functions in accordance with the Companies Act, Cap. 50 and its Code of Best Practices. In performing those functions, the Audit Committee:

- a) Reviews the annual audit plan of the Company's external auditors;
- b) Reviews the results of the external auditors' examination and their evaluation of the Group's internal control system;
- c) Nominates external auditors of the Company for re-appointment – the Audit Committee has recommended to the Board of Directors the re-appointment of Foo Kon Grant Thornton as Auditors of the Company;
- d) Reviews the Company's quarterly results announcements, the financial year statements of the Company and the consolidated financial statements of the Group before submission to the Board for approval of release of the results announcements to the SGX-ST;
- e) Approves the internal audit plans and reviews results of internal audits as well as Management's responses to the recommendations of the internal auditors;
- f) Reviews the co-operation given by the Company's officers to the external auditors;
- g) Conducts any other reviews as required by the Listing Manual of the SGX-ST.

## CORPORATE GOVERNANCE

The AC has also put in place a policy, whereby staff of the Group may raise concerns about possible improprieties in matters of financial reporting, fraudulent acts and other matters and ensure that arrangements are in place for independent investigations of such matters and appropriate follow up actions.

The Audit Committee has full access to and co-operation of Management and has full discretion to invite any Director or executive officer to attend the meetings and has been given reasonable resources to enable it to discharge its functions.

The Audit Committee meets with the external auditors, without the presence of the Company's Management, at least once a year.

The Audit Committee confirms that it has undertaken a review of all the non-audit services provided by the Company's auditors during the financial year (S\$15,000) and is satisfied that such services would not, in the AC's opinion, affect the independence of the external auditors.

Minutes of the Audit Committee meetings are circulated to fellow Directors by the Company Secretaries.

### *Nominating Committee*

The Nominating Committee comprises Elizabeth Sam, Sim Cheok Lim and Goh Geok Khim. The Chairman of the Nominating Committee is Elizabeth Sam.

Its primary functions are to evaluate and to review nominations for appointment and re-appointment to the Board and the various Committees, to assess the effectiveness of the Board, to nominate any director for re-election at the Annual General Meeting ("AGM"), having regard to the director's contribution and performance and to determine whether or not a director is independent.

Despite some of the Directors having other board representations, the Nominating Committee is satisfied that these Directors are able to and have adequately carried out their duties as Directors of the Company.

The Nominating Committee has reviewed the independence of Sim Cheok Lim and Elizabeth Sam and is satisfied that there are no relationships which would deem any of them not to be independent.

Key information on directors of the Company can be found on page 12-14 of this Annual Report.

For the year under review, the Nominating Committee evaluated the Board's performance as a whole. Although the Directors are not evaluated individually, the factors taken into consideration for the re-nomination of the Directors for the current year are based on the Directors' attendance at meetings held during the year and the contribution made by the Directors at the meetings.

The Board is of the view that the financial parameters recommended by the Code as performance criteria for the evaluation of Directors' performance may not fully measure the long-term success of the Company and is less appropriate for the Non-Executive Directors and Board's performance as a whole.

### *Remuneration Committee*

The Remuneration Committee comprises William Wong Tien Leong, Goh Geok Khim, and Elizabeth Sam. William Wong Tien Leong is the Chairman of the Committee.

The primary functions of the Remuneration Committee are to review and recommend the remuneration packages of the Executive Directors and Executive Officers, to implement and administer the Boardroom Share Option Scheme and to ensure that a sufficient number of suitable candidates are recruited and/or promoted to leadership positions.

The Remuneration Committee seeks expert advice from external consultants whenever required.

Although the members of the Committee do not participate in any decisions concerning their own remuneration, the Committee had adopted a framework for Directors' Fees and within the framework, the Remuneration Committee had recommended that

Directors' Fees of S\$165,000 be paid quarterly in arrears for year ending 30 June 2008.

Details of remuneration paid to the Directors of the Company are set out on page 62-63 of the Annual Report.

Instead of setting out the names of the top five key executives who are not also directors of the Company, the remuneration in the financial year of key executives are set out below in bands of \$250,000. This is to prevent solicitation of key executives by the Group's competitors.

Remuneration Band	Number of Key Executives
\$500,000 and above	-
\$250,000 to \$499,000	-
Below \$250,000	5

There are no employees who are immediate family members of the Directors and CEO who earn in excess of \$150,000 per year.

#### *Material Contracts*

There is no material contract entered into by the Company and its subsidiary companies involving the interests of the CEO, Director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

## **2. Communication with Shareholders**

The Company does not practice selective disclosure. In line with continuous disclosure obligations of the Company pursuant to the SGX-ST's Listing Rules, the Board's policy is that all shareholders should be equally and timely informed of all major developments that impact the Group.

Information is communicated to shareholders on a timely basis through:

- annual reports that are prepared and issued to all shareholders;
- quarterly financial statements containing a summary of the financial information and affairs of the Group are published through the SGXNET;
- timely announcements of acquisitions etc; and
- notices of and explanatory notes for annual general meetings and extraordinary general meetings.

In addition, shareholders are encouraged to attend the AGM to ensure a high level of accountability. The AGM is the principal forum for dialogue with shareholders.

The notice of the AGM is dispatched to shareholders, together with explanatory notes or a circular on items of special business, at least 14 days before the meeting. The Board welcomes questions from shareholders who have an opportunity to raise issues either informally or formally before or at the AGM. The Chairman of the Audit, Remuneration, and Nominating Committees are normally available at the AGM to answer those questions relating to the work of these committees.

## **3. Dealing with the Company's Securities**

The Company has adopted a code of conduct to provide guidance to its officers with regard to dealings in the Company's securities. The Company has complied with its Best Practices Guide on Securities Transactions which states that Officers of the Company should not deal in the Company's securities on short-term considerations and during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements.

## CORPORATE GOVERNANCE

### 4. Risk Management

The practice of risk management is undertaken by the Company's Executive Directors and senior executives of each business division under the purview of the Board of Directors.

The Group has implemented a Business Continuity Plan which would allow the Group's business and operations to continue at a designated remote command centre in the event of a crisis or disaster.

The Group continues to review on an on-going basis, succession plans and other employee-related issues in an effort to recruit and retain a skilled and experienced workforce necessary for its business.

The Group recognizes the risks associated with changes in laws and regulations and had reviewed its business plans in the light of legal and regulatory changes in the year. The Group will continue to monitor legal and regulatory changes to keep abreast of developments that may have an impact on its business and operations.

The Group's financial risk management is discussed under Note 25 of the Notes to the Financial Statements, on page 67-68 of the Annual Report.

The Board is satisfied with the Group's risk management practices and that the risks facing the Group have been adequately addressed.

### 5. Interested Person Transactions

The Company has adopted an internal policy in respect of any transaction with interested persons and has set out the procedures for review and approval of the Company's interested person transactions.

When a potential conflict of interest arises, the director concerned does not participate in discussions and refrains from exercising any influence over other members of the Board.

In compliance with the SGX-ST listing requirement, the Group confirms that there were interested person transactions during the financial year under review but these were below S\$100,000 in aggregate.

### 6. Internal Audit

The Company has outsourced its internal audit function, the scope of internal audit is to:-

- Review the effectiveness of the Group's material internal controls;
- Provide assurance that key business and operational risks are identified and managed;
- Internal controls are in place and functioning as intended; and
- Operations are conducted in an effective and efficient manner.

Non-compliance and internal control weaknesses noted during internal audits and the recommendations thereof are reported to the AC as part of the review of the Group's internal control system.

The Internal Auditor reports primarily to the AC Chairman and administratively reports to the Finance Director. To ensure the adequacy of the internal audit function, the AC reviews the Internal Auditors' scope of work on an annual basis.

The AC and the Board are satisfied that there are adequate internal controls in the Group.

Dated: 10 October 2007

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## DIRECTORS' REPORT

The directors submit this annual report to the members together with the audited consolidated financial statements of the Group and balance sheet of the Company for the financial year ended 30 June 2007.

### NAMES OF DIRECTORS

The directors in office at the date of this report are:

Goh Geok Khim  
Goh Yew Lin (alternate to Goh Geok Khim)  
Mak Lye Mun  
Sim Cheok Lim  
Elizabeth Sam  
William Wong Tien Leong  
Tan Cher Liang

### ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

During and at the end of the financial year, the Company was not a party to any arrangement the object of which was to enable the directors to acquire benefits through the acquisition of shares in or debentures of the Company or of any other corporate body other than as disclosed in this report.

### DIRECTORS' INTEREST IN SHARES OR DEBENTURES

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act, Cap. 50, the following directors who held office at the end of the financial year were interested in shares and share options of the Company:

Name of director	Number of ordinary shares fully paid					
	As at 1.7.2006	Shares registered in name of director As at 30.6.2007	As at 21.7.2007	As at 1.7.2006	Shares in which director is deemed to have an interest As at 30.6.2007	As at 21.7.2007
Goh Geok Khim	-	-	-	52,875,857	<b>60,178,857</b>	<b>60,178,857</b>
Goh Yew Lin (alternate to Goh Geok Khim)	-	-	-	52,875,857	<b>60,178,857</b>	<b>60,178,857</b>
Tan Cher Liang	1,519,000	<b>1,269,000</b>	<b>1,269,000</b>	-	-	-
Sim Cheok Lim	263,000	<b>263,000</b>	<b>263,000</b>	-	-	-
Elizabeth Sam	350,000	<b>150,000</b>	<b>150,000</b>	-	-	-

## DIRECTORS' REPORT

### DIRECTORS' INTEREST IN SHARES OR DEBENTURES (CONT'D)

	Number of options over ordinary shares in the Company registered in the name of director	
	As at 1.7.2006	As at 30.6.2007 and 21.7.2007
Exercisable at \$0.335 per option between 10.11.2006 and 9.11.2014		
Tan Cher Liang	250,000	-
Exercisable at \$0.41 per option between 21.10.2003 and 20.10.2007		
Sim Cheok Lim	100,000	<b>100,000</b>
Elizabeth Sam	100,000	<b>100,000</b>
Exercisable at \$0.44 per option between 17.10.2004 and 16.10.2008		
Sim Cheok Lim	75,000	<b>75,000</b>
Elizabeth Sam	75,000	<b>75,000</b>
Exercisable at \$0.415 per option between 10.11.2005 and 9.11.2009		
Sim Cheok Lim	120,000	<b>120,000</b>
Elizabeth Sam	120,000	<b>120,000</b>

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or has become entitled to receive a benefit under a contract which is required to be disclosed under Section 201(8) of the Companies Act, Cap. 50.

## DIRECTORS' REPORT

### SHARE OPTIONS GRANTED

- (a) Particulars of the share options pursuant to the Boardroom Share Option Scheme have been set out in the Directors' Report for the financial period ended 30 June 2001.
- (b) No options were granted during the financial year to take up unissued shares of the Company.

Options granted to directors were as follows:

Name of directors	Options granted during the financial year	Aggregate options granted since commencement of the Scheme to 30.6.2007	Aggregate options exercised since commencement of the Scheme to 30.6.2007	Aggregate options outstanding as at 30.6.2007
<b>Executive Directors</b>				
Tan Cher Liang	-	3,250,000	(3,250,000)	-
<b>Non-Executive Directors</b>				
Sim Cheok Lim	-	495,000	(200,000)	295,000
Elizabeth Sam	-	495,000	(200,000)	295,000

- (c) Save as disclosed in (b) above, no employee has received 5 percent or more of the total number of options available under the Scheme.
- (d) No options were granted during the financial year to take up unissued shares of its subsidiaries.
- (e) The Share Option Scheme is administered by a Committee of Directors comprising Goh Geok Khim (Chairman), Elizabeth Sam and William Wong Tien Leong. No controlling shareholder of the Company or his associates is a participant of the Scheme.
- (f) The Scheme is for the employees of the Company and subsidiaries subject to the discretion of the Committee.
- (g) The persons to whom the options have been issued have no right to participate by virtue of the options in any share issue of any other company.
- (h) Pursuant to the rights issue as disclosed in Note 11(a) to the financial statements, the exercise price of the share options were adjusted downwards by 7%.

## DIRECTORS' REPORT

### SHARE OPTIONS EXERCISED

The following shares were issued by the Company by virtue of the exercise of options:

- (i) 20,000 ordinary shares at an exercise price of \$0.39 per share.
- (ii) 68,000 ordinary shares at an exercise price of \$0.33 per share.
- (iii) 998,000 ordinary shares at an exercise price of \$0.335 per share.
- (iv) 180,000 ordinary shares at an exercise price of \$0.355 per share.

No shares were issued by virtue of the exercise of options to take up unissued shares of any subsidiary.

### UNISSUED SHARES UNDER OPTION

At the end of the financial year, unissued ordinary shares under option were as follows:

Date granted	Adjusted exercise price	Number of options outstanding 1.7.2006	Options granted	Options exercised	Options cancelled/lapsed	Number of options outstanding 30.6.2007	Exercise period
24.9.2001	\$0.230	28,000	-	-	-	28,000	24.9.2003 to 23.9.2011
18.7.2002	\$0.390	117,000	-	(20,000)	-	97,000	18.7.2004 to 17.7.2012
21.10.2002	\$0.330	181,000	-	(68,000)	(6,000)	107,000	21.10.2004 to 20.10.2012
21.10.2002	\$0.410	200,000	-	-	-	200,000	21.10.2003 to 20.10.2007
17.10.2003	\$0.355	675,000	-	(180,000)	(232,000)	263,000	17.10.2005 to 16.10.2013
17.10.2003	\$0.440	150,000	-	-	-	150,000	17.10.2004 to 16.10.2008
10.11.2004	\$0.335	2,102,000	-	(998,000)	(398,000)	706,000	10.11.2006 to 9.11.2014
10.11.2004	\$0.415	240,000	-	-	-	240,000	10.11.2005 to 9.11.2009
		3,693,000	-	(1,266,000)	(636,000)	1,791,000	

## **DIRECTORS' REPORT**

### **AUDIT COMMITTEE**

The audit committee comprises the following members:

Sim Cheok Lim (Chairman) (non-executive independent director)

Mak Lye Mun (non-executive director)

William Wong Tien Leong (non-executive independent director)

The audit committee performs the functions set out in Section 201B(5) of the Companies Act, Cap. 50. In performing its functions, the committee reviewed the overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls. The committee also reviewed the financial statements of the Company and the consolidated financial statements of the Group for the financial year ended 30 June 2007 as well as the auditors' report thereon.

The committee recommends to the Board of Directors the nomination of Foo Kon Tan Grant Thornton as external auditors at the forthcoming Annual General Meeting of the Company.

### **AUDITORS**

The auditors, Foo Kon Tan Grant Thornton, Certified Public Accountants, have expressed their willingness to accept re-appointment.

On behalf of the Directors

**GOH GEOK KHIM**

**TAN CHER LIANG**

Dated: 18 September 2007

## **STATEMENT BY DIRECTORS**

The board of directors is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 and Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In the opinion of the directors, the accompanying balance sheets, consolidated income statement, consolidated statement of changes in equity and the consolidated cash flow statement, together with the notes thereon, are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2007 and of the results of the business, changes in equity and cash flows of the Group for the financial year ended on that date and at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Directors

**GOH GEOK KHIM**

**TAN CHER LIANG**

Dated: 18 September 2007

## AUDITORS' REPORT TO THE MEMBERS OF BOARDROOM LIMITED

We have audited the accompanying financial statements of Boardroom Limited ("the Company") and its subsidiaries ("the Group"), which comprise the balance sheets of the Company and the Group as at 30 June 2007, the income statements, statement of changes in equity and cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Directors' responsibility for the financial statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion:

- (a) the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2007 and the results, changes in equity and cash flows of the Group for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in the Republic of Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

### FOO KON TAN GRANT THORNTON

CERTIFIED PUBLIC ACCOUNTANTS

Singapore, 18 September 2007

## BALANCE SHEETS

For the year ended 30 June 2007

	Note	The Company		The Group	
		30 June 2007 \$	30 June 2006 \$	30 June 2007 \$	30 June 2006 \$
<b>Assets</b>					
<b>Non-Current</b>					
Property, plant and equipment	4	190,458	82,408	1,350,416	528,487
Intangible assets	5	183,926	202,287	30,173,922	31,515,013
Interests in subsidiaries	6	25,161,234	5,407,166	-	-
Interests in associate	7	4,533,480	-	4,570,895	-
		30,069,098	5,691,861	36,095,233	32,043,500
<b>Current</b>					
Trade receivables	8	-	-	8,781,577	8,006,652
Unbilled disbursements		-	-	154,717	71,416
Amount owing by subsidiaries	6	9,101,575	29,116,456	-	-
Other receivables and prepayments	9	1,034,553	1,518,602	1,497,661	1,270,336
Cash and cash equivalents	10	9,409,405	10,952,361	15,665,444	16,289,653
		19,545,533	41,587,419	26,099,399	25,638,057
<b>Held under Trust</b>					
Clients' bank account - contra		-	-	13,612,110	11,070,006
Clients' ledger balances - contra		-	-	(13,612,110)	(11,070,006)
		-	-	-	-
<b>Total assets</b>		<b>49,614,631</b>	47,279,280	<b>62,194,632</b>	57,681,557
<b>Equity</b>					
<b>Capital and Reserves</b>					
Share capital	11	32,222,864	31,794,394	32,222,864	31,794,394
Other reserves	12	638,692	692,833	(460,930)	581,124
Retained earnings		14,520,724	12,037,685	20,853,604	16,440,502
<b>Total equity</b>		<b>47,382,280</b>	44,524,912	<b>52,615,538</b>	48,816,020
<b>Liabilities</b>					
<b>Non-Current</b>					
Deferred tax liabilities	13	74,000	74,000	136,497	131,495
<b>Current</b>					
Trade payables	14(a)	682,771	842,294	4,630,333	4,141,107
Other payables	14(b)	-	4,980	35,741	182,102
Disbursements billed in advance		-	-	5,797	147,420
Excess of progress billings over work-in-progress	15	-	-	2,014,195	2,092,064
Amount owing to a subsidiary	6	1,475,580	1,833,094	-	-
Current tax payable		-	-	2,756,531	2,171,349
		2,158,351	2,680,368	9,442,597	8,734,042
<b>Total liabilities</b>		<b>2,232,351</b>	2,754,368	<b>9,579,094</b>	8,865,537
<b>Total equity and liabilities</b>		<b>49,614,631</b>	47,279,280	<b>62,194,632</b>	57,681,557

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

## CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2007

	Note	Year ended 30 June 2007 \$	Year ended 30 June 2006 \$
Revenue	3	<b>32,975,987</b>	30,825,649
Other operating income	16	<b>612,137</b>	587,941
Staff costs	17	<b>(15,571,776)</b>	(14,335,555)
Depreciation and amortisation expenses		<b>(554,423)</b>	(482,789)
Other operating expenses		<b>(5,901,960)</b>	(5,823,247)
Profit on sale of associate		-	1,839,286
Share of associate's profits		<b>54,088</b>	215,948
Finance costs		-	(125,583)
Profit before taxation	18	<b>11,614,053</b>	12,701,650
Taxation	19	<b>(2,088,412)</b>	(2,334,501)
Profit after taxation for the year attributable to shareholders		<b>9,525,641</b>	10,367,149
Basic earnings per share	20	<b>5.22</b>	5.76 cents
Diluted earnings per share	20	<b>5.20</b>	5.73 cents

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2007

	Share capital \$	Exchange translation reserves \$	Share option capital reserve \$	Share premium \$	Total other reserves \$	Retained earnings \$	Total \$
Balance at 1 July 2005	7,232,850	166,653	447,495	13,468,581	14,082,729	10,657,430	31,973,009
Issue of shares from							
Rights Issue [Note 11(a)]	1,808,213	-	-	9,041,062	9,041,062	-	10,849,275
Rights Issue costs [Note 11(a)]	-	-	-	(177,837)	(177,837)	-	(177,837)
Issue of shares on exercise of employees' share options	57,700	-	-	343,595	343,595	-	401,295
Reclassification of share premium account	22,675,401	-	-	(22,675,401)	(22,675,401)	-	-
Issue of shares on exercise of employees' share options	20,230	-	-	-	-	-	20,230
Net profit for the year	-	-	-	-	-	10,367,149	10,367,149
Fair value of employee services received in exchange for grant of share options	-	-	245,338	-	245,338	-	245,338
2005 final dividend of \$0.004 per share less tax of 20% paid	-	-	-	-	-	(581,977)	(581,977)
2005 one-tier tax exempt dividend of \$0.012 per share paid	-	-	-	-	-	(2,182,347)	(2,182,347)
2006 interim one-tier tax exempt dividend of \$0.01 per share paid	-	-	-	-	-	(1,819,753)	(1,819,753)
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	(278,362)	-	-	(278,362)	-	(278,362)
<b>Balance at 30 June 2006</b>	<b>31,794,394</b>	<b>(111,709)</b>	<b>692,833</b>	<b>-</b>	<b>581,124</b>	<b>16,440,502</b>	<b>48,816,020</b>
Issue of shares on exercise of employees' share options	428,470	-	-	-	-	-	428,470
Net profit for the year	-	-	-	-	-	9,525,641	9,525,641
Adjustment to fair value of employee services received in exchange for grant of share options	-	-	(54,141)	-	(54,141)	-	(54,141)
2006 one-tier tax exempt dividend of \$0.018 per share paid	-	-	-	-	-	(3,281,207)	(3,281,207)
2007 interim one-tier tax exempt dividend of \$0.01 per share paid	-	-	-	-	-	(1,831,332)	(1,831,332)
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	(987,913)	-	-	(987,913)	-	(987,913)
<b>Balance at 30 June 2007</b>	<b>32,222,864</b>	<b>(1,099,622)</b>	<b>638,692</b>	<b>-</b>	<b>(460,930)</b>	<b>20,853,604</b>	<b>52,615,538</b>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

## CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2007

	Year ended 30 June 2007 \$	Year ended 30 June 2006 \$
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	11,614,053	12,701,650
Adjustments for:		
Amortisation of intangible assets	49,265	59,583
Depreciation of property, plant and equipment	505,158	423,206
Dividend income	(187)	(267)
Exchange difference	(259,772)	759,403
Fair value of employee services received in exchange for grant of share options	(54,141)	245,338
Impairment of intangible assets	571,173	440,541
Loss on sale of property, plant and equipment	59,071	573
Interest income	(419,536)	(304,542)
Interest expense	-	125,583
Share of associate's profits	(54,088)	(215,948)
Profit on sale of associate	-	(1,839,286)
Operating profit before working capital changes	12,010,996	12,395,834
Increase in operating receivables and prepayments	(1,416,994)	(1,039,158)
Increase/(decrease) in operating payables	584,086	(3,789,609)
(Decrease)/increase in excess of progress billings over work-in-progress	(33,046)	120,840
Cash generated from operations	11,145,042	7,687,907
Income tax paid	(1,546,018)	(1,690,275)
Interest paid	-	(110,315)
Net cash generated from operating activities	9,599,024	5,887,317
<b>Cash Flows from Investing Activities</b>		
Acquisition of property, plant and equipment	(1,407,017)	(316,619)
Acquisition of computer software	(42,450)	(12,749)
Acquisition of associate	(4,533,480)	-
Proceeds from sale of property, plant and equipment	21,912	824
Proceeds from sale of associate	-	3,914,250
Dividend received	187	267
Interest received	462,593	259,356
Net cash (used in)/generated from investing activities	(5,498,255)	3,845,329
<b>Cash Flows from Financing Activities</b>		
Dividends paid	(5,112,539)	(4,584,077)
Proceeds from exercise of employee share options	428,470	421,525
Proceeds from rights issue	-	10,671,438
Term loan from financial institution repaid	-	(5,000,000)
Net cash (used in)/generated from financing activities	(4,684,069)	1,508,886
Net (decrease)/increase in cash and cash equivalents	(583,300)	11,241,532
Cash and cash equivalents at beginning	16,289,653	5,150,159
Exchange loss arising from translation of foreign currencies cash and cash equivalents	(40,909)	(102,038)
Cash and cash equivalents at end (Note 10)	15,665,444	16,289,653

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

## 1 GENERAL INFORMATION

The financial statements of the Company and of the Group for the year ended 30 June 2007 were authorised for issue in accordance with a resolution of the directors on the date of the Statement By Directors.

The Company is a limited liability company and domiciled in the Republic of Singapore.

The registered office is located at 3 Church Street #08-01, Samsung Hub, Singapore 049483.

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are stated in Note 6 to the financial statements.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") including related Interpretations to FRS ("INT FRS") promulgated by the Council on Corporate Disclosure and Governance ("CCDG"). The financial statements have been prepared under the historical cost convention, unless as disclosed in the accounting policies below.

### Interpretations and amendments to published standards effective in 2006

On 1 July 2006, the Company and the Group adopted the new or revised FRS and INT FRS that are mandatory for application on 1 January 2006. This includes the following FRS and INT FRS, which are relevant to the Company and the Group:

FRS 19 (Amendment)	Employee Benefits
FRS 21 (Amendment)	The Effect of Changes in Foreign Exchange Rates
FRS 32 (Amendment)	Financial Instruments: Disclosure and Presentation
FRS 39 (Amendment)	Financial Guarantee Contracts
INT FRS 104	Determining whether an Arrangement contains a Lease

The adoption of the above FRS and INT FRS are not significant and did not result in substantial changes to the Company's and the Group's accounting policies.

### FRS and INT FRS issued and not yet effective

At the date of authorisation of these financial statements, the following significant FRS and INT FRS were issued but not effective:

FRS 1	Presentation of Financial Statements and Amendments Relating to Capital Disclosure
FRS 23 (Amendment)	Borrowing Costs
FRS 32	Financial Instruments: Presentation
FRS 40	Investment Property
FRS 107	Financial Instruments: Disclosures
FRS 108	Operating Segments
INT FRS 107	Applying the Restatement Approach under FRS 29 Financial Reporting in Hyperinflationary Economies
INT FRS 108	Scope of FRS 102
INT FRS 109	Reassessment of Embedded Derivatives
INT FRS 110	Interim Financial Reporting and Impairment
INT FRS 111	FRS 102 - Group and Treasury Share Transactions
INT FRS 112	Service Concession Arrangements

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The directors do not anticipate that the adoption of these FRS and INT FRS in the period of initial application will have a material impact on the financial statements.

#### **Consolidation**

The financial statements of the Group include the financial statements of the Company and its subsidiaries made up to the end of the financial year.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date control is acquired until the date that control ceases.

Information on its subsidiaries is given in Note 6 to the financial statements.

With effect from 1 July 2004, all business combinations are accounted for by applying the acquisition method. For acquisition of subsidiaries which are accounted for under the acquisition method, fair values are assigned to the assets owned by the subsidiaries at the date of acquisition as determined by the directors. Any excess or deficiency of the purchase consideration over the fair values assigned to the net assets acquired is accounted for as goodwill or negative goodwill (see accounting policy on Intangible Assets).

The results of the subsidiaries acquired during the financial year are included in the Group's financial statements from the effective date of acquisition. Inter-company balances, transactions, and resulting unrealised profits or losses are eliminated on consolidation and the consolidated financial statements reflect external transactions only.

Where accounting policies of a subsidiary do not conform with those of the Company, adjustments are made on consolidation when the amounts involved are considered significant to the Group.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the balance sheet.

#### **Significant accounting estimates**

The preparation of the financial statements in conformity with FRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

Significant accounting estimates for the Group include accrual for unbilled revenue earned, allowance for anticipated losses under work-in-progress, impairment losses of goodwill under intangible assets with indefinite useful life, depreciation of property, plant and equipment and income tax.

Accrual for unbilled revenue earned is based on time recorded on an assignment estimated to be recoverable in subsequent financial periods and when there are no significant uncertainties regarding the recovery of the consideration due.

Allowance for anticipated losses under work-in-progress is based on the estimated average percentage of job costs recoverable during the financial year. This allowance is made for losses expected to arise on completion of contract assignment entered into before balance sheet date.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Impairment losses of goodwill under intangible assets with indefinite useful life are based on estimated future cash flows covering an indefinite period. These cash flows projections are based on the net profitability of the acquired businesses. The estimated future cash flows are discounted to their present value using a pre-tax discount rate of about 10% that reflects current market assessments of the time value of money, over a period of 10 years, assuming no growth. The goodwill is allocated to the respective businesses acquired in each of the geographical locations in which the Group operates.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 5 years. The carrying amount of the Company's and Group's property, plant and equipment as at 30 June 2007 was \$190,458 and \$1,350,416 respectively. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Significant judgment is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income tax. There are also claims for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

### **Property, plant and equipment and depreciation**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment, if any.

Subsequent expenditure, if any, relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Company and the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

Depreciation is computed utilising the straight-line method to write off the cost of these assets over their estimated useful lives as follows:

Computers	3 years
Office machinery	5 years
Office furniture	5 years
Office renovation	3 years
Motor vehicles	5 years

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively.

The gain or loss on disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the income statement.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

The carrying amounts of property, plant and equipment are reviewed yearly in order to assess whether their carrying amounts need to be written down to recoverable amounts. Recoverable amount is defined as the higher of value in use and net selling price.

#### **Intangible assets**

Intangible assets are accounted for using the cost model. With the exception of goodwill, capitalised costs are amortised on a straight-line basis over their estimated useful lives as they are considered finite. After initial recognition, they are carried at cost less accumulated amortisation and accumulated impairment losses, if any. In addition, they are subject to impairment provisions. Indefinite life intangible are not amortised but subject to at least an annual impairment testing.

Intangible assets are written off where, in the opinion of the directors, no further future economic benefits are expected to arise.

#### **Goodwill**

Goodwill arising on acquisition represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired.

Goodwill arising on acquisition or purchased goodwill is stated at cost less impairment losses. Goodwill is no longer amortised with effect from 1 July 2004 but is tested at least annually for impairment, more frequently if there are indications of impairment.

#### **Negative goodwill**

Negative goodwill arising on acquisition represents the excess of the fair value of the identifiable net assets acquired over the cost of acquisition. With effect from 1 July 2004, negative goodwill is recognised directly in income statement.

#### **Computer software**

Costs relating to computer software acquired, which are not an integral part of related hardware, are capitalised and amortised on straight-line basis over their useful lives of 3 to 5 years.

#### **Subsidiaries**

A subsidiary is defined as a company in which the investing company has a long-term equity interest of more than 50% or over whose financial and operating policy decisions the Group controls.

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account.

Shares in subsidiaries are stated at cost less allowance for impairment losses on an individual subsidiary basis in the Company's balance sheet.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Associates

An associate is defined as a company, not being a subsidiary, in which the Group has a long-term interest of 20% to 50% of the equity and over whose financial and operating policy the Group exercises significant influence.

Investments in associates at company level are stated at cost less allowance for impairment losses on an individual investment basis.

The Group's share of the post-acquisition results of associates is included in the consolidated income statement using the equity method of accounting. In applying the equity method, unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

When the Group's share of losses of an associate equals or exceeds the carrying amount of an investment, the Group ordinarily discontinues including its share of further losses. The investment is reported at nil value. Additional losses are provided for to the extent that the Group has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the Group has guaranteed or otherwise committed for example, in the forms of loans. When the associate subsequently reports profits, the Group resumes including its share of those profits only after its share of the profits equals the share of net losses recognised.

The Group's share of the net assets and post-acquisition retained profits and reserves of associates is reflected in the book values of the investments in the consolidated balance sheet.

Where accounting policies of an associate do not conform with those of the Group, adjustments are made on consolidation when the amounts involved are considered significant to the Group.

### Related parties

Related parties are entities or businesses in which directors and/or significant shareholders or former shareholders have an interest in.

### Financial assets

The Company and the Group classify its financial assets, other than hedging instruments, into the following categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the financial assets were acquired. The designation of financial assets is re-evaluated and classification may be changed at the reporting date with the exception that the designation of financial assets at fair value through profit or loss is not revocable.

All financial assets are recognised on their trade date - the date on which the Company and the Group commit to purchase or sell the asset. Financial assets are initially recognised at fair value, plus directly attributable transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

Derecognition of financial instruments occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at each balance sheet date whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Non-compounding interest and other cash flows resulting from holding financial assets are recognised in income statement when received, regardless of how the related carrying amount of financial assets is measured.

As at the balance sheet date, the Company and the Group carry loans and receivables on its balance sheet. The Company and the Group have no financial assets to be classified as held-to-maturity or available-for-sale and do not carry any financial assets at fair value through profit or loss.

#### ***Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company and the Group provide money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in income statement. Any reversal shall not result in a carrying amount that exceeds what the amortised cost would have been had any impairment loss not been recognised at the date the impairment is reversed. Any reversal is recognised in the income statement.

Receivables are provided against when objective evidence is received that the Company and the Group will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Loans and receivables include unbilled disbursements, trade and other receivables and related companies balances on the balance sheet.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, bank deposits and any highly liquid investments which are readily convertible to cash and which are subject to an insignificant risk of changes in value, net of any bank overdrafts which are repayable on demand and which form an integral part of the Company's and Group's cash management.

#### **Work-in-progress**

Work-in-progress is stated at cost which includes direct staff costs, project costs and an appropriate proportion of overhead cost less progress billings. Allowance, where necessary, is made for losses expected to arise on completion of contract assignment entered into before balance sheet date. It is classified as a liability when progress billings exceed the work-in-progress.

#### **Financial liabilities**

The Company's and the Group's financial liabilities include borrowings and payables. Financial liabilities are recognised when the Company and the Group become a party to the contractual agreements of the instrument. All interest-related charges, if any, are recognised as an expense in finance costs in the income statement.

Payables which are consideration to be paid in the future for goods and services received, whether or not billed to the Company and the Group, are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method. Payables include trade and other payables, disbursements billed in advance and related companies' balances on the balance sheet.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Interest-bearing loans and borrowings are recognised initially at fair value less any attributable transaction costs. Subsequent to initial recognition, interest-bearing loans and borrowings are stated at amortised cost which is the initial fair value less any principal repayments. The interest expense is chargeable on the amortised cost over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within twelve months after the balance sheet date are included in current borrowings in the balance sheet even though the original terms was for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the balance sheet date and before the financial statements are authorised for issue. Borrowings to be settled within the Group's normal operating cycle are classified as current. Other borrowings due to be settled more than twelve months after the balance sheet date are included in non-current borrowings in the balance sheet.

Dividend distributions to shareholders are included in "current liabilities" when the dividends are payable.

### Income taxes

The liability method of tax effect accounting is adopted by the Company and the Group. Current taxation is provided at the current taxation rate based on the tax payable on the income for the financial year that is chargeable to tax. Deferred taxation is provided at the current taxation rate on all temporary differences existing at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences (unless the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss). Deferred income tax is provided on all temporary differences arising on investments in subsidiaries and associate, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised (unless the deferred tax asset relating to the deductible temporary differences arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss).

The Company and the Group will offset deferred tax assets and deferred tax liabilities when:

- (a) the Company and the Group have a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

The statutory tax rate enacted at the balance sheet date is used to determine deferred income tax.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Group tax relief is available with effect from Year of Assessment 2004 for the Singapore incorporated holding company and all its Singapore incorporated subsidiaries with at least 75% equity ownership, directly or indirectly (excluding any foreign shareholdings in the ownership chain) held by Singapore incorporated companies within the group. Current year unabsorbed losses and capital allowances are available to be set off against taxable profit of profitable subsidiaries within the Group in accordance with the rules.

Loss-carry-back is available with effect from Year of Assessment 2006. Current year unabsorbed capital allowances and trade losses of up to \$100,000 incurred can be carried back and be set off against the assessable income of the year of assessment immediately preceding the year in which the capital allowance or trade loss arose. The loss carry-back will be given on due claim and subject to satisfaction of the substantial shareholding test and same business test.

#### **Provisions**

Provisions are recognised when the Company and the Group have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### **Employee benefits**

##### ***Pension obligations***

The Company and the Group contribute to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees in Singapore. The Company's and the Group's contributions to CPF and similar defined contribution plans, respectively, are charged to the income statement in the period to which the contributions relate.

##### ***Employee leave entitlement***

Employee entitlements to annual leave are recognised when they accrue to employees. The Company and the Group do not allow the accumulation of annual leave. As such any unconsumed leave as at balance sheet date will be forfeited.

##### ***Employee share-based compensation***

The Company operates an equity-settled, share-based compensation plan for executive directors, non-executive directors and full time employees of the Company and its subsidiaries to subscribe for shares in the Company. The fair value of the employee's services received in exchange for the grant of the options is recognised on a straight-line basis over the vesting period as an expense in the income statement with a corresponding increase in share option capital reserve. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets), on the date of grant. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period.

When the options are exercised, equity is increased by the amount of the proceeds received. Share option expenses are not considered significant to the Group.

##### ***Key management personnel***

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors are considered key management personnel.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### **Impairment of non-financial assets**

The carrying amounts of the Company's and the Group's non-financial assets subject to impairment 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.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belongs will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the company at which management controls the related cash flows.

Individual assets or cash-generating units that include goodwill and other intangible assets with an indefinite useful life or those not yet available for use are tested for impairment at least annually, more often if there are indications of impairment. All other individual assets or cash-generating units are tested annually for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to the income statement.

With the exception of goodwill,

- An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.
- An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.
- A reversal of an impairment loss is credited as income in the income statement.

### **Revenue recognition**

Revenue is recognised when the significant risks and rewards of ownership have been transferred and the amount of revenue and the costs of the transaction can be measured reliably. Revenue excludes goods and services tax and is arrived at after deduction of trade discounts, if any.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenue from accounting, secretarial and share registration services is recognised when time is recorded on an assignment. If actual client billing for an assignment differs from the amount of revenue accrued at the end of the year, necessary write-ups/downs will be made against the revenue. Revenue excludes disbursements.

Revenue from trade support and investor relations services is recognised when services are rendered.

Dividend income from investments is recognised when the right to receive the dividend has been established.

Management fee and interest income are recognised on a time apportioned basis.

#### **Operating leases**

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Rentals on operating leases are charged to the income statement on a straight-line basis over the lease term. Lease incentives, if any, are recognised as an integral part of the total lease rentals. Penalty payments on early termination, if any, are recognised in the income statement when incurred.

#### **Functional and presentation currency**

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("the functional currency"). The consolidated financial statements and the financial statements of the Company are presented in Singapore dollars, which is also the functional currency of the Company.

#### **Conversion of foreign currencies**

Monetary assets and liabilities, and non-monetary items carried at fair value in foreign currencies are translated into Singapore dollars at rates of exchange closely approximating those ruling at balance sheet date. Transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates. Exchange differences arising from such transactions are recorded in the income statement in the period in which they arise, or as part of the fair value adjustment in the case of non-monetary items carried at fair value.

Assets and liabilities of foreign subsidiaries and associates are translated at the rate of exchange ruling at the balance sheet date. The income statement of foreign subsidiaries and associates are translated using the average monthly rates. Foreign currency translation adjustments arising are recorded directly in exchange translation reserves.

#### **Segment reporting**

A segment is a distinguishable component of the Group within a particular economic environment (geographical segment) and to a particular industry (business segment) which is subject to risks and rewards that are different from those of other segments.

Inter-segment pricing is determined on an arm's length basis. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items, if any, mainly comprise non-income earning assets and revenue, and corporate assets and expenses including taxation.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Segment information is presented in respect of the Group's geographical and business segments. The primary format, geographical segments and the secondary format, business segments, is based on the Group's management and internal reporting structure. Segment revenue by geographical segments is based on location of customers. The assets and capital expenditure are based on location of these assets. In presenting information on the basis of business segments, segment revenue, assets, liabilities and capital expenditure are based on the nature of the products or services provided by the Group.

#### Financial instruments

Financial instruments carried on the balance sheet include cash and cash equivalents, financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Disclosures on financial risk management objectives and policies are provided in Note 25.

### 3 REVENUE

Revenue of the Group represents fees for services rendered and excludes inter-company transactions. Significant categories of revenue are detailed as follows:

	2007 \$	2006 \$
Accounting	<b>10,104,533</b>	9,076,310
Corporate secretarial	<b>18,019,293</b>	17,910,608
Share registration	<b>4,130,119</b>	3,474,118
Trade support and investor relations	<b>722,042</b>	364,613
	<b>32,975,987</b>	30,825,649

Revenue for the Group excludes applicable goods and services tax.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 4 PROPERTY, PLANT AND EQUIPMENT

	Computers \$	Office machinery \$	Office furniture \$	Office renovation \$	Total \$
The Company					
Cost					
At 1 July 2005	65,720	6,324	43,392	56,095	171,531
Additions	38,291	2,920	-	-	41,211
Disposals	(4,330)	-	-	-	(4,330)
At 30 June 2006	<b>99,681</b>	<b>9,244</b>	<b>43,392</b>	<b>56,095</b>	<b>208,412</b>
Additions	<b>15,405</b>	<b>8,698</b>	<b>86,564</b>	<b>78,325</b>	<b>188,992</b>
Disposals	-	(406)	(43,392)	(56,095)	(99,893)
<b>At 30 June 2007</b>	<b>115,086</b>	<b>17,536</b>	<b>86,564</b>	<b>78,325</b>	<b>297,511</b>
Accumulated depreciation					
At 1 July 2005	32,143	1,800	18,297	15,546	67,786
Depreciation for the year	24,956	1,751	8,393	27,033	62,133
Disposals	(3,915)	-	-	-	(3,915)
At 30 June 2006	<b>53,184</b>	<b>3,551</b>	<b>26,690</b>	<b>42,579</b>	<b>126,004</b>
Depreciation for the year	<b>26,052</b>	<b>2,818</b>	<b>12,137</b>	<b>26,570</b>	<b>67,577</b>
Disposals	-	(263)	(30,171)	(56,094)	(86,528)
<b>At 30 June 2007</b>	<b>79,236</b>	<b>6,106</b>	<b>8,656</b>	<b>13,055</b>	<b>107,053</b>
Net book value					
<b>At 30 June 2007</b>	<b>35,850</b>	<b>11,430</b>	<b>77,908</b>	<b>65,270</b>	<b>190,458</b>
At 30 June 2006	46,497	5,693	16,702	13,516	82,408

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 4 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Computers \$	Office machinery \$	Office furniture \$	Office renovation \$	Motor vehicles \$	Total \$
The Group						
Cost						
At 1 July 2005	1,324,009	207,395	326,183	1,178,289	71,332	3,107,208
Exchange difference						
on translation	(6,249)	(2,920)	(3,461)	(3,606)	(2,063)	(18,299)
Additions	137,344	37,279	53,627	71,105	17,264	316,619
Disposals	(146,831)	(3,027)	-	-	-	(149,858)
At 30 June 2006	1,308,273	238,727	376,349	1,245,788	86,533	3,255,670
Exchange difference						
on translation	<b>5,921</b>	<b>3,348</b>	<b>1,483</b>	<b>3,638</b>	<b>2,356</b>	<b>16,746</b>
Additions	<b>135,348</b>	<b>76,313</b>	<b>583,691</b>	<b>593,931</b>	<b>17,734</b>	<b>1,407,017</b>
Disposals	<b>(147,446)</b>	<b>(124,067)</b>	<b>(286,303)</b>	<b>(1,145,865)</b>	<b>(35,468)</b>	<b>(1,739,149)</b>
<b>At 30 June 2007</b>	<b>1,302,096</b>	<b>194,321</b>	<b>675,220</b>	<b>697,492</b>	<b>71,155</b>	<b>2,940,284</b>
Accumulated depreciation						
At 1 July 2005	1,046,004	171,771	215,654	985,436	49,506	2,468,371
Exchange difference						
on translation	(6,209)	(2,691)	(2,310)	(3,063)	(1,661)	(15,934)
Depreciation for the year	164,297	18,692	59,339	169,280	11,598	423,206
Disposals	(146,414)	(2,046)	-	-	-	(148,460)
At 30 June 2006	1,057,678	185,726	272,683	1,151,653	59,443	2,727,183
Exchange difference						
on translation	<b>6,069</b>	<b>2,634</b>	<b>1,745</b>	<b>3,381</b>	<b>1,864</b>	<b>15,693</b>
Depreciation for the year	<b>195,184</b>	<b>19,463</b>	<b>90,191</b>	<b>186,334</b>	<b>13,986</b>	<b>505,158</b>
Disposals	<b>(164,075)</b>	<b>(98,258)</b>	<b>(220,171)</b>	<b>(1,140,194)</b>	<b>(35,468)</b>	<b>(1,658,166)</b>
<b>At 30 June 2007</b>	<b>1,094,856</b>	<b>109,565</b>	<b>144,448</b>	<b>201,174</b>	<b>39,825</b>	<b>1,589,868</b>
Net book value						
<b>At 30 June 2007</b>	<b>207,240</b>	<b>84,756</b>	<b>530,772</b>	<b>496,318</b>	<b>31,330</b>	<b>1,350,416</b>
At 30 June 2006	250,595	53,001	103,666	94,135	27,090	528,487

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 5 INTANGIBLE ASSETS

	Computer software \$
The Company	
Cost	
At 1 July 2005	292,369
Additions	4,689
At 30 June 2006	<b>297,058</b>
Additions	<b>19,000</b>
<b>At 30 June 2007</b>	<b>316,058</b>
Accumulated amortisation	
At 1 July 2005	57,302
Amortisation for the year	37,469
At 30 June 2006	<b>94,771</b>
Amortisation for the year	<b>37,361</b>
At 30 June 2007	<b>132,132</b>
Net book value	
<b>At 30 June 2007</b>	<b>183,926</b>
At 30 June 2006	202,287

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 5 INTANGIBLE ASSETS (CONT'D)

	Goodwill on consolidation \$	Computer software \$	Total \$
The Group			
Cost			
At 1 July 2005	34,415,451	499,230	34,914,681
Exchange difference on translation	(1,474,003)	-	(1,474,003)
Additions	-	12,749	12,749
Disposals	(405,600)	-	(405,600)
At 30 June 2006	<b>32,535,848</b>	<b>511,979</b>	<b>33,047,827</b>
Exchange difference on translation	<b>(759,639)</b>	-	<b>(759,639)</b>
Additions	-	<b>42,450</b>	<b>42,450</b>
<b>At 30 June 2007</b>	<b>31,776,209</b>	<b>554,429</b>	<b>32,330,638</b>
Accumulated amortisation and impairment losses			
At 1 July 2005	818,439	218,041	1,036,480
Exchange difference on translation	(3,790)	-	(3,790)
Amortisation for the year	-	59,583	59,583
Impairment loss	440,541	-	440,541
At 30 June 2006	<b>1,255,190</b>	<b>277,624</b>	<b>1,532,814</b>
Exchange difference on translation	<b>3,464</b>	-	<b>3,464</b>
Amortisation for the year	-	<b>49,265</b>	<b>49,265</b>
Impairment loss	<b>571,173</b>	-	<b>571,173</b>
<b>At 30 June 2007</b>	<b>1,829,827</b>	<b>326,889</b>	<b>2,156,716</b>
Net book value			
<b>At 30 June 2007</b>	<b>29,946,382</b>	<b>227,540</b>	<b>30,173,922</b>
At 30 June 2006	31,280,658	234,355	31,515,013

Impairment losses of goodwill under intangible assets with indefinite useful life are based on estimated future cash flows covering an indefinite period. These cash flows projections are based on the net profitability of the acquired businesses. The estimated future cash flows are discounted to their present value using a pre-tax discount rate of about 10% that reflect current market assessments of the time value of money. The goodwill at carrying value is allocated to the Hong Kong, Singapore and Malaysian acquired businesses at \$21,249,999, \$3,000,000 and \$5,696,383 respectively.

Impairment loss is recognised for the amount by which the goodwill's carrying amount exceeds its recoverable amount.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 6 SUBSIDIARIES

	2007 \$	2006 \$
The Company		
Unquoted equity investments, at cost	<b>25,161,234</b>	5,407,166
Loan to subsidiaries - non interest-bearing	<b>6,395,222</b>	27,327,340
Amount owing by subsidiaries (non-trade)	<b>2,706,353</b>	1,789,116
	<b>9,101,575</b>	29,116,456

The amount owing by/to subsidiaries, representing advances, is unsecured, interest-free and repayable on demand.

The loan to subsidiaries is unsecured and repayable on demand.

The subsidiaries as at 30 June 2007 are:

Name	Country of incorporation/principal place of business	Cost of investment		Percentage of equity held		Principal activities
		2007 \$	2006 \$	2007	2006	
* Lim Associates (Private) Limited	Singapore	<b>4,258,312</b>	4,261,643	<b>100%</b>	100%	Secretarial and share registration services
* Ee Peng Liang Consultants Pte Ltd	Singapore	<b>1,152,919</b>	1,145,521	<b>100%</b>	100%	Accounting services
* Boardroom Corporate Services Pte Ltd	Singapore	<b>1</b>	-	<b>100%</b>	-	Investor relations services
@Boardroom China Limited	British Virgin Islands/ Hong Kong	<b>1</b>	1	<b>100%</b>	100%	Investment holding
# AsiaLink Services (HK) Limited	Hong Kong	<b>19,750,000</b>	-	<b>100%</b>	100%	Corporate secretarial, accounting, payroll and trade support services
# M&C Boardroom Malaysia Sdn Bhd	Malaysia	<b>1</b>	1	<b>100%</b>	100%	Investment holding
# M&C Services Sdn Bhd <sup>(1)</sup>	Malaysia	-	-	<b>100%</b>	100%	Corporate secretarial services
# M&C Services (KL) Sdn Bhd <sup>(1)</sup>	Malaysia	-	-	<b>100%</b>	100%	Corporate secretarial services
# M&C Services (Johor) Sdn Bhd <sup>(1)</sup>	Malaysia	-	-	<b>100%</b>	100%	Corporate secretarial services
# M&C Services (Penang) Sdn Bhd <sup>(1)</sup>	Malaysia	-	-	<b>100%</b>	100%	Corporate secretarial services
		<b>25,161,234</b>	5,407,166			

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 6 SUBSIDIARIES (CONT'D)

- @ Not required to be audited by the law in the country of incorporation  
 \* Audited by Foo Kon Tan Grant Thornton  
 # Audited by member firm of Grant Thornton International  
 (1) Subsidiary of M&C Boardroom Malaysia Sdn Bhd

### 7 ASSOCIATE

	The Company		The Group	
	2007 \$	2006 \$	2007 \$	2006 \$
Unquoted equity investments, at cost	<b>4,533,480</b>	-	<b>4,533,480</b>	-
Share of post acquisition profits	-	-	<b>37,415</b>	-
	<b>4,533,480</b>	-	<b>4,570,895</b>	-

The summarized information of associate is as follows:

	2007 \$	2006 \$
- Assets	<b>28,045,319</b>	-
- Liabilities	<b>14,349,153</b>	-
- Revenue	<b>1,820,000</b>	-
- Net profit after taxation	<b>112,245</b>	-

The Group's share of post-acquisition profits for the year and the related share of taxation of associate as at 30 June 2007 are \$54,088 and \$16,673 respectively, which are based on the management accounts of Newreg Pty Ltd.

The associate is:

Name	Country of incorporation	Percentage of equity held		Principal activities
		2007	2006	
Newreg Pty Ltd	Australia	<b>33 1/3%</b>	-	Investment holding
<u>Held by Newreg Pty Ltd</u>				
Registries Limited	Australia	<b>33 1/3%</b>	-	Share registration services

The purpose for the interest in Newreg Pty Ltd was to acquire 100% interest in Registries Limited. Newreg Pty Ltd is newly incorporated. Newreg Pty Ltd is audited by PKF (Australia).

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 8 TRADE RECEIVABLES

The Group

Trade receivables are stated after allowance for impairment of trade debts of \$660,834 (2006 - \$738,405).

Trade receivables are normally on a 90 days payment terms. The Group does not identify any specific concentrations of credit risk as the amounts resemble a large number of receivables spread over a number of clients.

Trade receivables are denominated in the following currencies:

	2007 \$	2006 \$
The Group		
Singapore dollar	<b>6,151,579</b>	5,255,782
Hong Kong dollar	<b>1,469,848</b>	1,848,953
Malaysia ringgit	<b>1,160,150</b>	901,917
	<b>8,781,577</b>	8,006,652

### 9 OTHER RECEIVABLES AND PREPAYMENTS

	The Company		The Group	
	2007 \$	2006 \$	2007 \$	2006 \$
Staff loans	-	5,000	<b>800</b>	5,000
Sundry receivables	<b>7,772</b>	750	<b>302,830</b>	106,853
Management fee receivable from subsidiaries	<b>255,079</b>	718,611	-	-
Prepayments	<b>54,868</b>	41,411	<b>170,209</b>	110,322
Deposits	<b>509,074</b>	560,267	<b>648,317</b>	729,525
Interest receivable	<b>2,129</b>	45,185	<b>2,129</b>	45,185
Tax recoverable	<b>205,631</b>	147,378	<b>373,376</b>	273,451
	<b>1,034,553</b>	1,518,602	<b>1,497,661</b>	1,270,336

Staff loans are unsecured, interest-free and repayable within the next 12 months.

### 10 CASH AND CASH EQUIVALENTS

	The Company		The Group	
	2007 \$	2006 \$	2007 \$	2006 \$
Fixed deposits	<b>9,045,958</b>	10,750,804	<b>12,298,895</b>	13,521,295
Cash and bank balances	<b>363,447</b>	201,557	<b>3,366,549</b>	2,768,358
	<b>9,409,405</b>	10,952,361	<b>15,665,444</b>	16,289,653

Fixed deposits are placed with financial institutions and earned interest at the rates ranging from 1.89% to 3.54% (2006 - 1.8125% to 3.50%) per annum, with a maturity of up to 6 months.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 10 CASH AND CASH EQUIVALENTS (CONT'D)

Cash and cash equivalents are denominated in the following currencies:

	The Company		The Group	
	2007 \$	2006 \$	2007 \$	2006 \$
Singapore dollar	<b>9,409,405</b>	10,952,361	<b>10,803,736</b>	12,605,260
Hong Kong dollar	-	-	<b>3,033,820</b>	2,128,429
Malaysia ringgit	-	-	<b>1,827,888</b>	1,555,964
	<b>9,409,405</b>	10,952,361	<b>15,665,444</b>	16,289,653

### 11 SHARE CAPITAL

The Company and The Group	2007 Number of shares	2006	2007 \$	2006 \$
Issued and fully paid:				
Balance at beginning	<b>182,031,250</b>	144,657,000	<b>31,794,394</b>	7,232,850
Issue of ordinary shares at a premium of \$0.25 per share from Rights Issue (a)	-	36,164,250	-	1,808,213
Issued and fully paid pursuant to options exercised at a premium of:				
- \$0.250 per share	-	60,000	-	3,000
- \$0.180 per share	-	38,000	-	1,900
- \$0.280 per share	-	13,000	-	650
- \$0.305 per share	-	1,043,000	-	52,150
	<b>182,031,250</b>	181,975,250	<b>31,794,394</b>	9,098,763
Transfer from share premium			-	22,675,401
Issued and fully paid pursuant to options exercised at an exercise price of:				
- \$0.355 per share	<b>180,000</b>	46,000	<b>63,900</b>	16,330
- \$0.390 per share	<b>20,000</b>	10,000	<b>7,800</b>	3,900
- \$0.330 per share	<b>68,000</b>	-	<b>22,440</b>	-
- \$0.335 per share	<b>998,000</b>	-	<b>334,330</b>	-
Balance at end	<b>183,297,250</b>	182,031,250	<b>32,222,864</b>	31,794,394

- (a) On 11 July 2005, 36,164,250 new ordinary shares of par value of \$0.05 each in the capital of the Company were allotted. The new ordinary shares is in relation to the rights issue on the basis of one rights shares for every four existing shares of par value of \$0.05 each in the capital of the Company held by the shareholders ("Rights Issue"). Exercise prices for employee share options have been adjusted downwards by 7% accordingly.
- (b) 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 shareholders' meetings. All shares rank equally with regard to the Company's residual assets.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 11 SHARE CAPITAL (CONT'D)

The Company operates the Boardroom Share Option Scheme (the "Scheme"). Particulars of the Scheme have been set out in the Directors' Report for the financial period ended 30 June 2001 as well as in the Directors' Report for the current year. Information with respect to outstanding share options granted under the Scheme is as follows:

The Company and The Group	2007	2006
	Number of options	
Balance at beginning	<b>3,693,000</b>	5,227,000
Exercised	<b>(1,266,000)</b>	(1,210,000)
Cancelled/lapsed	<b>(636,000)</b>	(324,000)
Balance at end	<b>1,791,000</b>	3,693,000

Details of share options granted and cancelled/lapsed during the financial year are as follows:

Exercise period	Exercise price*	Granted		Cancelled/Lapsed	
		2007	2006	2007	2006
		Number of options			
18.7.2004 to 17.7.2012	\$0.390	-	-	-	10,000
21.10.2004 to 20.10.2012	\$0.330	-	-	<b>6,000</b>	5,000
17.10.2005 to 16.10.2013	\$0.355	-	-	<b>232,000</b>	67,000
10.11.2006 to 9.11.2014	\$0.335	-	-	<b>398,000</b>	242,000
		-	-	<b>636,000</b>	324,000

Details of share options exercised during the financial year are as follows:

Exercise period	Exercise price*	Number of options exercised	
		2007	2006
17.8.2002 to 16.8.2010	\$0.300	-	60,000
24.9.2003 to 23.9.2011	\$0.230	-	38,000
18.7.2004 to 17.7.2012	\$0.390	<b>20,000</b>	10,000
21.10.2004 to 20.10.2012	\$0.330	<b>68,000</b>	13,000
17.10.2005 to 16.10.2013	\$0.355	<b>180,000</b>	1,089,000
10.11.2006 to 9.11.2014	\$0.335	<b>998,000</b>	-
		<b>1,266,000</b>	1,210,000
Aggregate proceeds of shares issued (\$)		<b>\$428,470</b>	\$421,525

\* Pursuant to the Rights Issue on 11 July 2005, the exercise price of the share options were adjusted downwards by 7%.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 11 SHARE CAPITAL (CONT'D)

Terms of share options outstanding as at 30 June 2007 are as follows:

Exercise period	Adjusted exercise price	Number outstanding	Number exercisable	Proceeds if exercised
24.9.2003 to 23.9.2011	\$0.230	28,000	28,000	\$ 6,440
18.7.2004 to 17.7.2012	\$0.390	97,000	97,000	\$ 37,830
21.10.2004 to 20.10.2012	\$0.330	107,000	107,000	\$ 35,310
21.10.2003 to 20.10.2007	\$0.410	200,000	200,000	\$ 82,000
17.10.2005 to 16.10.2013	\$0.355	263,000	263,000	\$ 93,365
17.10.2004 to 16.10.2008	\$0.440	150,000	150,000	\$ 66,000
10.11.2006 to 9.11.2014	\$0.335	706,000	706,000	\$236,510
10.11.2005 to 9.11.2009	\$0.415	240,000	240,000	\$ 99,600
		1,791,000	1,791,000	\$657,055

### 12 OTHER RESERVES (NON-DISTRIBUTABLE)

	The Company		The Group	
	2007 \$	2006 \$	2007 \$	2006 \$
Share option capital reserve	<b>638,692</b>	692,833	<b>638,692</b>	692,833
Exchange translation reserves	-	-	<b>(1,099,622)</b>	(111,709)
	<b>638,692</b>	692,833	<b>(460,930)</b>	581,124

Share option capital reserve refers to capital reserve on the grant of the options in exchange for employee services. The reserve is made up of cumulative services received from employees of the Company and the Group and recorded on grant of equity-settled share options by the Company. It is not available for distribution as dividend as it is capital in nature.

Exchange translation reserves arise from the translations of foreign subsidiaries' and associate's assets and liabilities.

### 13 DEFERRED TAX LIABILITIES

	The Company		The Group	
	2007 \$	2006 \$	2007 \$	2006 \$
Balance at beginning	<b>74,000</b>	74,000	<b>131,495</b>	2,326
Charged to income statement (Note 19)	-	-	<b>4,662</b>	129,169
Exchange difference on translation	-	-	<b>340</b>	-
Balance at end	<b>74,000</b>	74,000	<b>136,497</b>	131,495

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 13 DEFERRED TAX LIABILITIES (CONT'D)

The balance comprises tax on:

	Interest receivable \$	Excess of net book value over tax written down value of qualifying property, plant and equipment \$	Total \$
The Company			
Balance at 1 July 2006	17,000	57,000	74,000
Charged/(credited) to income statement	-	-	-
Balance at 30 June 2007	<b>17,000</b>	<b>57,000</b>	<b>74,000</b>
The Group			
Balance at 1 July 2006	17,000	114,495	131,495
Charged to income statement	-	4,662	4,662
Exchange difference on translation	-	340	340
Balance at 30 June 2007	<b>17,000</b>	<b>119,497</b>	<b>136,497</b>

### 14(a) TRADE PAYABLES

Trade payables are denominated in the following currencies:

	The Company		The Group	
	2007 \$	2006 \$	2007 \$	2006 \$
Singapore dollar	<b>682,771</b>	842,294	<b>3,530,597</b>	3,061,463
Hong Kong dollar	-	-	<b>639,570</b>	490,284
Malaysia ringgit	-	-	<b>460,166</b>	589,360
	<b>682,771</b>	842,294	<b>4,630,333</b>	4,141,107

Trade payables are generally on a 30 days credit terms.

### 14(b) OTHER PAYABLES

	The Company		The Group	
	2007 \$	2006 \$	2007 \$	2006 \$
Amount due to related parties	-	-	-	120,807
Sundry payables	-	4,980	<b>35,741</b>	61,295
	-	4,980	<b>35,741</b>	182,102

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 15 EXCESS OF PROGRESS BILLINGS OVER WORK-IN-PROGRESS

The Group	2007 \$	2006 \$
Work-in-progress	<b>1,353,984</b>	2,103,247
Allowance for anticipated losses	<b>(343,273)</b>	(735,564)
	<b>1,010,711</b>	1,367,683
Progress billings	<b>(3,024,906)</b>	(3,459,747)
	<b>(2,014,195)</b>	(2,092,064)

### 16 OTHER OPERATING INCOME

The Group	2007 \$	2006 \$
Interest income - fixed deposits	<b>419,536</b>	304,542
Gross dividend from quoted equity investments	<b>187</b>	267
Other income	<b>192,414</b>	283,132
	<b>612,137</b>	587,941

### 17 STAFF COSTS

The Group	2007 \$	2006 \$
Directors' remuneration other than fees (key management)		
- directors of the Company		
- Salaries and related expenses	<b>1,235,200</b>	1,254,575
- CPF contributions	<b>16,660</b>	25,620
- Grant of share options	<b>(59,050)</b>	54,305
- directors of the subsidiaries		
- Salaries and related expenses	<b>1,679,839</b>	899,870
- CPF contributions	<b>52,134</b>	19,889
- Grant of share options	<b>4,396</b>	16,749
Staff costs		
- Salaries and related expenses	<b>11,843,095</b>	11,132,351
- CPF contributions or other defined contribution plans	<b>798,989</b>	757,912
- Grant of share options	<b>513</b>	174,284
	<b>15,571,776</b>	14,335,555

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 18 PROFIT BEFORE TAXATION

The Group	Note	2007 \$	2006 \$
Profit before taxation has been arrived at			
after charging:			
Allowance for impairment of trade debts		<b>419,580</b>	280,474
Amortisation of intangible assets	5	<b>49,265</b>	59,583
Auditors' remuneration			
- auditors of the company			
- audit fee		<b>76,000</b>	66,000
- non-audit fee (tax-compliance)		<b>15,000</b>	-
- auditors of subsidiaries		<b>43,096</b>	49,132
Bad debts written off - trade		<b>100,702</b>	374,111
Depreciation of property, plant and equipment	4	<b>505,158</b>	423,206
Directors' fee		<b>155,500</b>	202,247
Impairment of intangible assets	5	<b>571,173</b>	440,541
Interest expense - term loan		-	125,583
Loss on sale of property, plant and equipment		<b>59,071</b>	573
Operating lease rentals of office premises and equipment		<b>1,379,462</b>	1,177,596
and crediting:			
Reversal of allowance for impairment of trade debts		<b>192,495</b>	868,976
Bad debts recovered - trade		<b>20,485</b>	28

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 19 TAXATION

The Group	2007 \$	2006 \$
Current taxation	<b>2,106,570</b>	2,140,338
Deferred taxation (Note 13)	<b>4,662</b>	129,169
	<b>2,111,232</b>	2,269,507
Overprovision of current taxation in respect of prior years	<b>(39,493)</b>	(11,110)
Share of associate's taxation	<b>16,673</b>	76,104
	<b>2,088,412</b>	2,334,501

The tax expense on the results of the financial year for the Group varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on the Group's profits as a result of the following differences:

Profit before taxation and share of associate's profits	<b>11,559,965</b>	12,485,702
Tax at statutory rate of 18% (2006 - 20%)	<b>2,080,794</b>	2,497,140
Tax effect on non-taxable income	<b>(172,925)</b>	(401,438)
Tax effect on non-deductible expenses	<b>256,293</b>	251,112
Singapore statutory stepped income exemption	<b>(82,350)</b>	(31,500)
Deferred tax assets on temporary differences not recognised	<b>48,012</b>	2,848
Difference in foreign tax rates	<b>50,020</b>	(48,655)
Others	<b>(68,612)</b>	-
	<b>2,111,232</b>	2,269,507

### 20 EARNINGS PER SHARE

The earnings per share is calculated based on the Group profit after taxation of \$9,525,641 (2006 - \$10,367,149) on the weighted average number of ordinary shares in issue of 182,560,164 (2006 - 180,077,530) shares during the financial year.

Diluted earnings per share was calculated on the Group profit after taxation of \$9,525,641 (2006 - \$10,367,149) divided by 183,010,236 (2006 - 180,912,646) ordinary shares. The ordinary shares were calculated based on the assumption that the holders of the exercisable share options exercised their subscription rights at the respective exercise prices.

### 21 DIVIDEND

At the Annual General Meeting to be held, a final one-tier tax exempt dividend of \$0.018 per share amounting to \$3,299,351 will be proposed based on 183,297,250 number of ordinary shares in issue. These financial statements do not reflect these dividends payable, which will be accounted for in shareholder's equity as distribution of retained earnings in the financial year ending 30 June 2008.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 22 DISCLOSURE OF DIRECTORS' REMUNERATION

The following number of directors of the Company in remuneration bands is disclosed in compliance with paragraph 4 of Appendix 11 of the SGX-ST Listing Manual:

Number of directors	2007	2006
\$750,000 and above	-	-
\$500,000 to \$749,999	<b>1</b>	2
\$250,000 to \$499,999	<b>2</b>	-
below \$250,000	<b>5</b>	6
	<b>8</b>	8

\$500,000 to \$749,999	Tan Cher Liang	
	2007 %	2006 %
Fee	-	-
Salary	<b>53</b>	41
Bonus	-	3
Allowance	<b>1</b>	1
Leave entitlement	-	-
Profit share	<b>44</b>	52
CPF contributions	<b>2</b>	3
Notice in lieu	-	-
Ex-gratia payment	-	-
	<b>100</b>	100

\$250,000 to \$499,999	Goh Geok Khim		Thomas Yeoh Eng Leong (resigned on 23.9.2006)	
	2007 %	2006 %	2007 %	2006 %
Fee	<b>2</b>	100	-	-
Salary	<b>51</b>	-	<b>20</b>	45
Bonus	-	-	-	4
Allowance	-	-	<b>9</b>	8
Leave entitlement	-	-	-	-
Profit share	<b>46</b>	-	-	42
CPF contributions	<b>1</b>	-	<b>1</b>	1
Notice in lieu	-	-	<b>30</b>	-
Ex-gratia payment	-	-	<b>40</b>	-
	<b>100</b>	100	<b>100</b>	100

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 22 DISCLOSURE OF DIRECTORS' REMUNERATION (CONT'D)

Below \$250,000

	Sim Cheok Lim		Elizabeth Sam		William Wong Tien Leong	
	2007 %	2006 %	2007 %	2006 %	2007 %	2006 %
Fee	<b>100</b>	100	<b>100</b>	100	<b>100</b>	100
Salary	-	-	-	-	-	-
Bonus	-	-	-	-	-	-
Allowance	-	-	-	-	-	-
Profit share	-	-	-	-	-	-
CPF contributions	-	-	-	-	-	-
Notice in lieu	-	-	-	-	-	-
	<b>100</b>	100	<b>100</b>	100	<b>100</b>	100

	Goh Yew Lin		Mak Lye Mun	
	2007 %	2006 %	2007 %	2006 %
Fee	-	-	<b>100</b>	100
Salary	-	-	-	-
Bonus	-	-	-	-
Allowance	-	-	-	-
Profit share	-	-	-	-
CPF contributions	-	-	-	-
Notice in lieu	-	-	-	-
	-	-	<b>100</b>	100

### 23 STATEMENT OF OPERATIONS BY SEGMENT

The Group

(a) Geographical Segments

Segmentation of revenue, expenses, assets and liabilities is based on the geographical area in which the customers, assets and liabilities are located.

(b) Segment revenue and expense

All segment revenue and expenses are directly attributable to the segments.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 23 STATEMENT OF OPERATIONS BY SEGMENT (CONT'D)

(c) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating receivables, unbilled disbursements, staff loans, property, plant and equipment and intangible assets, net of allowances and provisions.

Segment liabilities include all operating liabilities and consist principally of operating payables and excess of billings over work-in-progress.

Segment assets and liabilities exclude deferred tax assets, provision for taxation and deferred tax liabilities.

Segment accounting policies are the same as the policies included in Note 2.

2007	Singapore \$	Malaysia \$	Hong Kong \$	Australia \$	Elimination \$	Consolidated \$
<b>Revenue</b>						
External sales	21,343,760	3,328,197	8,304,030	-	-	32,975,987
<b>Results</b>						
Profit before taxation	6,312,543	1,245,680	4,001,742	54,088	-	11,614,053
Income taxes	1,250,498	166,110	655,131	16,673	-	2,088,412
Profit for the year attributable to shareholders	5,062,045	1,079,570	3,346,611	37,415	-	9,525,641
<b>Other information</b>						
Segment assets	27,253,962	9,169,385	25,889,415	-	(118,130)	62,194,632
Unallocated corporate assets						-
Consolidated total assets						62,194,632
Segment liabilities	4,033,606	817,440	2,093,099	-	(258,079)	6,686,066
Unallocated corporate liabilities						2,893,028
Consolidated total liabilities						9,579,094
Capital expenditure						
- property, plant and equipment	1,266,799	86,267	53,951	-	-	1,407,017
- intangible assets	42,450	-	-	-	-	42,450
Depreciation and amortisation expenses	448,279	81,061	25,083	-	-	554,423
Allowance for impairment of debts - trade	281,626	59,887	78,067	-	-	419,580
Impairment of intangible assets	571,173	-	-	-	-	571,173
Loss on disposal of property, plant and equipment	59,071	-	-	-	-	59,071

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 23 STATEMENT OF OPERATIONS BY SEGMENT (CONT'D)

2006	Singapore \$	Malaysia \$	Hong Kong \$	China \$	Elimination \$	Consolidated \$
<b>Revenue</b>						
External sales	19,741,632	3,125,268	7,958,749	-	-	30,825,649
<b>Results</b>						
Profit before taxation	8,561,801	1,032,691	2,891,210	215,948	-	12,701,650
Income taxes	1,482,033	270,402	505,962	76,104	-	2,334,501
Profit for the year attributable to shareholders	7,079,768	762,289	2,385,248	139,844	-	10,367,149
<b>Other information</b>						
Segment assets	23,803,400	8,340,108	26,234,854	-	(696,805)	57,681,557
Unallocated corporate assets						-
Consolidated total assets						57,681,557
Segment liabilities	4,170,261	1,116,179	1,994,863	-	(718,610)	6,562,693
Unallocated corporate liabilities						2,302,844
Consolidated total liabilities						8,865,537
<b>Capital expenditure</b>						
- property, plant and equipment	206,245	91,717	18,657	-	-	316,619
- intangible assets	12,749	27,273	(2,369)	-	-	37,653
Depreciation and amortisation expenses	390,619	82,791	9,379	-	-	482,789
Allowance for impairment of debts - trade	146,596	49,143	84,735	-	-	280,474
Impairment of intangible assets	440,541	-	-	-	-	440,541
Loss on disposal of property, plant and equipment	367	206	-	-	-	573

#### The Group

##### (d) Business segments

The Group is a professional business services group and the core services provided are corporate secretarial, share registration and accounting.

#### Corporate secretarial

The Group provides secretarial services mainly to private limited companies and to public listed corporations. Services under Corporate Secretarial include acting as company secretary and providing corporate secretarial consultancy, advisory, assistance and support.

#### Share registration

Services are provided predominantly to public listed corporations. Under Share Registration, the services provided include acting as share registrar, share transfer agent and warrant agent.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 23 STATEMENT OF OPERATIONS BY SEGMENT (CONT'D)

#### Accounting

Services rendered include book-keeping, preparation of financial statements, payroll and payment processing and Goods and Services Tax accounting.

Segment accounting policies are the same as the policies included in Note 2.

#### Others

Other services represent income from trade support and investor relations.

	Corporate secretarial \$	Share registration \$	Accounting \$	Others \$	Elimination \$	Consolidated \$
<b>2007</b>						
Revenue	<b>18,019,293</b>	<b>4,130,119</b>	<b>10,104,533</b>	<b>722,042</b>	-	<b>32,975,987</b>
Segment assets	<b>26,199,274</b>	<b>1,580,818</b>	<b>11,318,047</b>	<b>7,549,178</b>	<b>(118,130)</b>	<b>46,529,187</b>
Unallocated corporate assets						<b>15,665,445</b>
Consolidated total assets						<b>62,194,632</b>
<b>2006</b>						
Revenue	17,910,608	3,474,118	9,076,310	364,613	-	30,825,649
Segment assets	26,091,104	1,088,431	11,655,286	3,253,889	(696,805)	41,391,905
Unallocated corporate assets						16,289,652
Consolidated total assets						57,681,557

It is not practical to allocate capital expenditures among the secondary segments. Primary segment information has been shown above.

### 24 OPERATING LEASE COMMITMENTS

At the balance sheet date, the Company and the Group were committed to making the following rental payments in respect of operating lease of office premises and office equipment with an original term of more than one year.

	The Company		The Group	
	2007 \$	2006 \$	2007 \$	2006 \$
Not later than one year	<b>1,664,167</b>	412,190	<b>1,894,260</b>	792,974
Later than one year and not later than five years	<b>2,753,391</b>	-	<b>2,921,881</b>	320,912
Later than five years	-	-	-	-

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 24 OPERATING LEASE COMMITMENTS (CONT'D)

The leases on the Group's office equipment on which rentals are payable will expire between 31 March 2010 and 30 November 2011, subject to an option to renew and the current rent payable on all leases range from \$767 per month to \$1,142 per month which are subject to revision on renewal.

The lease on the Group's office premises for which rentals are payable will expire between 31 December 2009 and 14 July 2010.

The Company recharges monthly rental for office premises ranging from \$6,351 to \$43,433 to its subsidiaries.

The total of future minimum sublease payments expected to be received by the Company from its subsidiaries at balance sheet date is \$3,804,084.

### 25 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's and the Group's risk management policies and guidelines are summarised below:

The Company and the Group do not hold or issue derivative financial instruments for trading or hedging purposes. The Company's and the Group's exposure to financial risks associated with financial instruments held in the normal course of business include:

#### 25.1 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group's operational activities are carried out in Singapore dollars, Malaysia ringgit and Hong Kong dollars. The Group's exposure to risk arising from movements in foreign currencies exchange rates is not significant as each entity's transactions are mainly transacted and settled in their respective local currency.

#### 25.2 Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Company and the Group have no exposure to movements in market interest rates other than the fixed deposits placed with financial institutions which earn interest at the rates ranging from 1.89% to 3.54% (2006 - 1.8125% to 3.5000%) per annum and the borrowings from a financial institution which were at an effective interest of Nil% (2006 - 3.745%) per annum.

#### 25.3 Price risk

Price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The Company's and the Group's exposure to price risks is not significant.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

### 25 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### 25.4 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Management has a credit control policy in place. The credit risk and amount outstanding is monitored on an ongoing basis. With this credit control policies and collection procedures in place, the credit risk is mitigated substantially. The Company and the Group do not require collateral from customers.

Cash is held with financial institutions of good standing.

At balance sheet date, other than balances with subsidiaries, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial assets in the balance sheet.

#### 25.5 Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company and the Group ensure that there are adequate funds to meet all their obligations in a timely and cost-effective manner.

#### 25.6 Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount.

The Company and the Group is currently not exposed to cash flow risk. The borrowings from a financial institution bore interest at the effective rate of Nil% (2006 - 3.745%) per annum.

The Company and the Group maintain a sufficient level of cash to meet their working capital requirements.

### 26 FINANCIAL INSTRUMENTS

#### Fair values

The carrying amounts of the financial assets and financial liabilities as reflected in the balance sheet approximate their respective fair values.

The Company and the Group do not anticipate that the carrying amounts recorded at balance sheet date would be significantly different from the values that would be eventually received or settled.

## STATISTICS OF SHAREHOLDINGS

As at 18 September 2007

### DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 - 999	9	1.34	1,405	0.00
1,000 - 10,000	351	52.39	1,530,000	0.83
10,001 - 1,000,000	296	44.18	22,237,619	12.12
1,000,001 and above	14	2.09	159,717,226	87.05
<b>TOTAL</b>	<b>670</b>	<b>100.00</b>	<b>183,486,250</b>	<b>100.00</b>

### TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	CIMB-GK Securities Pte. Ltd.	60,178,857	32.80
2	Citibank Nominees Singapore Pte Ltd	37,247,284	20.30
3	Seapac Investment Pte Ltd	22,616,612	12.33
4	HSBC (Singapore) Nominees Pte Ltd	10,760,000	5.86
5	Wong Chau Yuen	5,001,000	2.73
6	Glen Holdings Pte Ltd	4,778,000	2.60
7	Jen Shek Voon	4,381,711	2.39
8	Hong Leong Finance Nominees Pte Ltd	3,550,537	1.94
9	Merrill Lynch (Singapore) Pte Ltd	2,988,363	1.63
10	Tan Sai Gek @ Ng Sai Gek	2,282,701	1.24
11	Ong Eng Teong	1,846,161	1.01
12	DBS Vickers Securities (S) Pte Ltd	1,610,000	0.88
13	Tan Cher Liang	1,269,000	0.69
14	Yvonne Choo Mrs Yvonne Goh	1,207,000	0.66
15	Chia Kee Koon	973,000	0.53
16	DBS Nominees Pte Ltd	830,250	0.45
17	DB Nominees (S) Pte Ltd	826,250	0.45
18	Yeo Seng Kia	678,000	0.37
19	Tan Eng Heng	606,000	0.33
20	Teh Cheong Hua	595,000	0.32
	<b>Total</b>	<b>164,225,726</b>	<b>89.51</b>

## STATISTICS OF SHAREHOLDINGS

As at 18 September 2007

### SHAREHOLDERS' INFORMATION

Class of equity securities	Number of equity securities	Voting Rights
Ordinary	183,486,250	One vote per share

### SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
G.K. Goh Holdings Limited (3)	-	-	60,178,857	32.80
GKG Investment Holdings Pte Ltd (4)	-	-	60,178,857	32.80
Goh Geok Khim (1)	-	-	60,178,857	32.80
Goh Yew Lin (2)	-	-	60,178,857	32.80
Salacca Pte Ltd	60,178,857	32.80	-	-
Seapac Investment Pte Ltd	22,616,612	12.33	-	-
Third Avenue Management LLC (5)	-	-	21,839,784	11.90

### NOTES:

- (1) Mr Goh Geok Khim is deemed to have an interest in the shares which GKG Investment Holdings Pte Ltd ("GKGI") has an interest by virtue of his holding not less than 20% of the voting shares in GKGI.
- (2) Mr Goh Yew Lin is deemed to have an interest in the shares which GKGI has an interest by virtue of his holding not less than 20% of the voting shares in GKGI.
- (3) G.K. Goh Holdings Limited, which is the holding company of Salacca Pte Ltd, is deemed to have an interest in the shares in which Salacca Pte Ltd has an interest in.
- (4) GKGI as the ultimate holding company of G.K. Goh Holdings Limited is deemed to have an interest in the shares in which G.K. Goh Holdings Limited has an interest in.
- (5) Third Avenue Management LLC is deemed to have an interest in 21,839,784 shares held by Citibank Nominees Singapore Pte Ltd.

As at 18 September 2007, 42.05% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of SGX-ST which requires that at least 10% of the equity securities (excluding preference shares and convertible equity securities) in a class that is listed to be in the hands of the public.

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Boardroom Limited ("the Company") will be held at Peach Garden @ 33, 65 Chulia Street #33-01, OCBC Centre, Singapore 049513 on 26 October 2007 at 9.30 a.m. for the following purposes:

### AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and the Audited Accounts of the Company for the year ended 30 June 2007 together with the Auditors' Report thereon. **(Resolution 1)**
2. To declare a final (one-tier) tax exempt dividend of 1.8 Singapore cents per ordinary share for the year ended 30 June 2007. [2006: A final (one-tier) tax-exempt dividend of 1.8 Singapore cents per ordinary share] **(Resolution 2)**
3. To re-elect Mrs Elizabeth Sam retiring pursuant to Article 110 of the Article of Association of the Company. **(Resolution 3)**

Mrs Sam will, upon re-election as a Director of the Company, remain as Chairman of the Nominating Committee and a member of the Remuneration Committee and will be considered independent.

4. To re-appoint the following Directors, each of whom will retire and seek re-appointment under Section 153(6) of the Companies Act, Cap. 50, to hold office from the date of this Annual General Meeting until the next Annual General Meeting of the Company:-
  - a) Mr Goh Geok Khim **(Resolution 4)**
  - b) Mr Sim Cheok Lim **(Resolution 5)**[See Explanatory Note (i)]

Mr Goh will, upon re-appointment as a Director of the Company, remain as a member of the Nominating Committee and Remuneration Committee and will be considered non-independent.

Mr Sim will, upon re-appointment as a Director of the Company, remain as Chairman of the Audit Committee and a member of the Nominating Committee and will be considered independent.

5. To approve the payment of Directors' fees of S\$165,000 for the year ending 30 June 2008 to be paid quarterly in arrears. [2007: S\$203,000] **(Resolution 6)**
6. To re-appoint Foo Kon Tan Grant Thornton as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 7)**
7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

## NOTICE OF ANNUAL GENERAL MEETING

### AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. **Authority to issue shares up to 50 per centum (50%) of the issued shares in the capital of the Company**

That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company (“shares”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the issued shares in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed twenty per centum (20%) of the issued shares in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued shares and Instruments shall be based on the number of issued shares in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
  - (a) new shares arising from the conversion or exercise of the Instruments or any convertible securities;
  - (b) new shares arising from exercising share options or vesting of share awards outstanding and subsisting at the time of the passing of this Resolution; and
  - (c) any subsequent consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Articles of Association of the Company; and

## NOTICE OF ANNUAL GENERAL MEETING

- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force (i) until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments.

[See Explanatory Note (ii)]

**(Resolution 8)**

### 9. **Authority to issue shares under the Boardroom Share Option Scheme**

That pursuant to Section 161 of the Companies Act, Cap. 50, the Directors of the Company be authorised and empowered to offer and grant options under the Boardroom Share Option Scheme ("the Scheme") and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Scheme shall not exceed fifteen per centum (15%) of the issued shares in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iii)]

**(Resolution 9)**

By Order of the Board

Tan Cher Liang  
Tan San-Ju  
Secretaries  
Singapore, 10 October 2007

## NOTICE OF ANNUAL GENERAL MEETING

### EXPLANATORY NOTES:

- (i) The effect of the Ordinary Resolutions 4 and 5 proposed in item 4 above, are to re-appoint Directors of the Company who are over 70 years of age.
- (ii) The Ordinary Resolution 8 in item 8 above, if passed, will empower the Directors of the Company from the date of this Meeting until the date of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding, in total, 50% of the issued shares in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to existing shareholders of the Company.

For determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company will be calculated based on the issued shares in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent consolidation or subdivision of shares.

- (iii) The Ordinary Resolution 9 in item 9 above, if passed, will empower the Directors of the Company, from the date of this Meeting until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted or to be granted under the Scheme up to a number not exceeding in total (for the entire duration of the Scheme) fifteen per centum (15%) of the issued shares in the capital of the Company from time to time.

### NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a Member of the Company.
2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 3 Church Street #08-01 Samsung Hub, Singapore 049483 not less than forty-eight (48) hours before the time appointed for holding the Meeting.

**BOARDROOM LIMITED**  
**[Company Registration No. 200003902Z]**  
(Incorporated In The Republic of Singapore)

**IMPORTANT:**

1. For investors who have used their CPF monies to buy Boardroom Limited's shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

**PROXY FORM**

*(Please see notes overleaf before completing this Form)*

I/We, \_\_\_\_\_  
of \_\_\_\_\_  
being a member/members of Boardroom Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (the "Meeting") of the Company to be held on 26 October 2007 at 9.30 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

**(Please indicate your vote "For" or "Against" with a tick [✓] within the box provided.)**

No.	Resolutions relating to:	For	Against
1	Directors' Report and Audited Accounts for the year ended 30 June 2007		
2	Payment of proposed a final (one-tier) tax-exempt dividend		
3	Re-election of Mrs Elizabeth Sam as a Director		
4	Re-appointment of Mr Goh Geok Khim as a Director		
5	Re-appointment of Mr Sim Cheok Lim as a Director		
6	Approval of Directors' fees amounting to S\$165,000		
7	Re-appointment of Messrs Foo Kon Tan Grant Thornton as Auditors		
8	Authority to issue new shares		
9	Authority to issue shares under the Boardroom Share Option Scheme		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2007

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature of Shareholder(s)  
or, Common Seal of Corporate Shareholder



## NOTES:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 3 Church Street #08-01 Samsung Hub, Singapore 049483 not less than 48 hours before the time appointed for the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

## GENERAL:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.





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Company Registration No. 200003902Z