

BOARDROOM LIMITED

(Registration No. 200003902Z)

FIRST QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2012

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

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

STATEMENT OF COMPREHENSIVE INCOME

	GROUP		
	S\$'000		%
	1st Qtr 1 Jul 2012 to 30 Sep 2012	1st Qtr 1 Jul 2011 to 30 Sep 2011 (Restated)	Increase/ (Decrease)
Corporate Secretarial Fees	4,173	4,068	2.6%
Share Registration Fees	6,834	5,881	16.2%
Accountancy Fees	3,386	3,083	9.8%
Others	0	123	-100.0%
Total Revenue	14,393	13,155	9.4%
Other income	81	60	35.0%
Staff Cost	(8,945)	(7,688)	16.4%
Operating Expenses	(3,136)	(2,648)	18.4%
Interest on Borrowings	(98)	(98)	0.0%
Depreciation and Amortisation	(824)	(809)	1.9%
Gain / (Loss) on Foreign Exchange	31	(230)	-113.5%
Profit Before Tax	1,502	1,742	-13.8%
Less: Income Tax	(384)	(542)	-29.2%
Profit After Tax	1,118	1,200	-6.8%
Other Comprehensive Income			
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	(1,109)	(1,162)	-4.6%
Total Comprehensive Income for the Period	9	38	-76.3%
PROFIT AFTER TAX ATTRIBUTABLE TO:			
Owners of the Parent	1,217	1,332	-8.6%
Non-Controlling Interests	(99)	(132)	-25.0%
Profit After Tax	1,118	1,200	-6.8%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of the Parent	106	171	-38.0%
Non-Controlling Interests	(97)	(133)	-27.1%
Total Comprehensive Income for the Period	9	38	-76.3%

NM: Not Meaningful

Notes:

The results for 1Q12 have been restated to include the amortisation and the corresponding reduction in income tax from the finalisation of the Purchase Price Allocation (PPA) exercise in accordance with FRS 103R Business Combinations for the acquisition of Newreg Pty Ltd in FY11. The amortisation charge and income tax for 1Q12 have been restated by \$462,000 and \$111,000 respectively.

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

STATEMENT OF FINANCIAL POSITION

	Note	GROUP		COMPANY	
		S\$'000		S\$'000	
		30 SEP 2012	30 JUN 2012	30 SEP 2012	30 JUN 2012
NON-CURRENT ASSETS					
Property, Plant & Equipment		2,425	2,587	407	396
Computer Software		163	201	115	134
Interest in Subsidiaries		0	0	85,203	85,203
Intangible Assets	1	80,140	81,729	0	0
Deferred Income Tax Assets		97	636	0	0
		82,825	85,153	85,725	85,733
CURRENT ASSETS					
Trade Receivables		10,130	10,799	0	0
Unbilled Disbursements		109	91	0	0
Other Receivables		3,152	3,112	1,660	1,764
Loans to Subsidiaries		0	0	1,365	1,357
Amount due from Subsidiaries (non-trade)		0	0	4,882	3,337
Cash & Cash Equivalents		8,938	9,599	2,458	2,876
		22,329	23,601	10,365	9,334
Less:					
CURRENT LIABILITIES					
Trade Payables		7,442	9,545	497	1,075
Disbursements Billed in Advance		81	78	0	0
Term Loan - Current Portion		3,000	3,000	3,000	3,000
Revolving Credit Facility		7,000	7,000	7,000	7,000
Other Payables		1,410	1,566	6	4
Amount owing to Subsidiaries (non-trade)		0	0	36	8,341
Derivative Liabilities		89	265	89	265
Excess of Progress Billings over Work-In-Progress		1,927	1,736	0	0
Provision for Taxation		988	881	224	151
		21,937	24,071	10,852	19,836
Net Current Assets / (Liabilities)		392	(470)	(487)	(10,502)
Term Loan		(6,500)	(7,250)	(6,500)	(7,250)
Provision for Employees Benefits		(395)	(373)	0	0
Other Payables		(800)	(807)	0	0
Deferred Taxation		(8,128)	(8,868)	(89)	(90)
NET ASSETS		67,394	67,385	78,649	67,891
FINANCED BY:					
Equity attributable to owners of the parent					
Share Capital		32,584	32,584	32,584	32,584
Reserves		35,330	35,224	46,065	35,307
		67,914	67,808	78,649	67,891
Non-Controlling Interests		(520)	(423)	0	0
TOTAL EQUITY		67,394	67,385	78,649	67,891

Notes:

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

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

As at 30/09/2012		As at 30/06/2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	10,000	NIL	10,000

Amount repayable after one year

As at 30/09/2012		As at 30/06/2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	6,500	NIL	7,250

Details of any collateral

NIL

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP	
	S\$'000	
	1st Qtr 1 Jul 2012 to 30 Sep 2012	1st Qtr 1 Jul 2011 to 30 Sep 2011 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	1,502	1,742
Adjustments for:		
- Depreciation and Amortisation	824	809
- Exchange Difference	(165)	199
- Interest Income	(19)	(4)
- Interest On Borrowings	98	98
- Share Based Payment	71	(373)
Operating Profit Before Working Capital Changes	2,311	2,471
Decrease in Operating Receivables	496	771
Decrease in Operating Payables	(2,222)	(2,466)
Increase in Excess of Progress Billings over Work-In-Progress	229	343
Cash Generated from Operations	814	1,119
Interest Paid	(100)	(72)
Payment of Income Tax	(405)	(696)
Net Cash Generated from Operating Activities	309	351
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(181)	(140)
Acquisition of Computer Software	(3)	(65)
Acquisition of Subsidiaries	0	(1,311)
Interest Received	19	4
Net Cash Used in Investing Activities	(165)	(1,512)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Borrowings	(750)	(750)
Net Cash Used in Financing Activities	(750)	(750)
Net Decrease in Cash and Cash Equivalents	(606)	(1,911)
Cash and Cash Equivalents at beginning	9,599	7,669
Exchange Loss Arising from Translation of Foreign Currency Cash & Cash Equivalents	(55)	(73)
CASH AND CASH EQUIVALENTS AT END (30 SEPTEMBER)	8,938	5,685

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

STATEMENT OF CHANGES IN EQUITY

GROUP	Attributable to Owners of the Parent						Non-Controlling Interests	Total
	Share Capital	Exchange Translation Reserve	Premium paid on acquisition of Non-Controlling Interests	Capital Reserve	Retained Earnings			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		

Balance at 1 July 2012	32,584	(3,051)	(10,809)	(468)	49,552	(423)	67,385
Total Comprehensive Income for the period	-	(1,121)	-	10	1,217	(97)	9
Balance at 30 September 2012	32,584	(4,172)	(10,809)	(458)	50,769	(520)	67,394

Balance at 30 June 2011 as previously reported	32,579	(2,355)	(11,133)	(99)	48,786	97	67,875
Prior Year Adjustment (Note)	-	(32)	324	-	(1,282)	-	(990)
Balance at 1 July 2011 as restated	32,579	(2,387)	(10,809)	(99)	47,504	97	66,885
Total Comprehensive Income for the period	-	(1,194)	-	33	1,332	(133)	38
Share option expenses	-	-	-	(380)	-	-	(380)
Balance at 30 September 2011 as restated	32,579	(3,581)	(10,809)	(446)	48,836	(36)	66,543

Note:

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

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

Balance at 1 July 2012	32,584	0	0	634	34,674	67,892
Total Comprehensive Income for the period	-	-	-	-	10,757	10,757
Balance at 30 September 2012	32,584	0	0	634	45,431	78,649

Balance at 1 July 2011	32,579	0	0	634	36,803	70,016
Total Comprehensive Income for the period	-	-	-	-	619	619
Balance at 30 September 2011	32,579	0	0	634	37,422	70,635

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

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

As at 30 September 2012, there were 381,000 (as at 30 September 2011: 496,000) unissued ordinary shares under exercisable options granted and unexercised under the Boardroom Share Option Scheme. There were no shares held as treasury shares as at 30 September 2012 and 30 September 2011.

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

The total number of issued shares excluding treasury shares as at 30 September 2012 and 30 June 2012 was 184,265,250.

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

Nil.

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

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

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

Not applicable.

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

Yes.

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

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

Prior year adjustment in accordance with FRS 103R Business Combinations

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

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

Consequently, the results for 1Q12 have been restated to include the amortisation and the corresponding reduction in income tax from the finalisation of the Purchase Price Allocation (PPA) exercise in accordance with FRS 103R Business Combinations. The amortisation charge and income tax for 1Q12 have been restated by \$462,000 and \$111,000 respectively. The prior year adjustment was also included in the Intangibles Assets, Deferred Taxation and Reserves in the Statement of Financial Position as at 30 September 2011.

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

	GROUP	
	30 SEP 2012	30 SEP 2011 (Restated)
Earnings per ordinary share for the period attributable to owners of the parent after deducting any provision for preference dividends :-		
(a) Based on weighted average number of ordinary shares on issue; and	0.66 cents	0.72 cents
(b) On a fully diluted basis	0.66 cents	0.72 cents

Notes:

- The earnings per share is calculated on the profit after tax attributable to owners of the parent on the weighted average number of shares in issue of 184,265,250 (30 September 2011 – 184,248,250).
- The diluted earnings per share is calculated on the profit after tax attributable to owners of the parent on the number of shares in issue adjusted for the effect of dilutive potential ordinary shares. The total number of shares amounted to 184,410,217 (30 September 2011 – 184,425,570).

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial year.**

	GROUP		COMPANY	
	30 SEP 2012	30 JUN 2012	30 SEP 2012	30 JUN 2012
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	36.86 cents	36.80 cents	42.68 cents	36.84 cents

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

REVIEW OF PERFORMANCE OF THE GROUP

Review of 3 months to 30 September 2012

The Group's revenue for the three months ended 30 September 2012 ("1Q13") amounted to \$14.4 million (1Q12: \$13.2 million). It registered an increase of 9.4% compared to 1Q12. All business units recorded increased revenue except for investor relations and communications consultancy business which ceased in September 2011.

Revenue from Share Registration business for 1Q13 increased by 16.2% to \$6.8 million, due mainly to revenue contribution from the acquired Australian subsidiary, CRA Plan Manager Pty Ltd, on 30 September 2011 and the recovery of the IPO market.

Revenue from Corporate Secretarial and Accounting also recorded an increase of 2.6% and 9.8% respectively, due mainly to higher revenue contributions from increased clientele secured and new service offerings.

Our business in China continues to grow and evolve. Revenue has increased by 38.1% during the period and the operations are strategically positioned to benefit from the growth in business activity.

The Group's net profit before tax for 1Q13 amounted to \$1.5 million (1Q12: \$1.7 million). A decrease of 13.8% compared to 1Q12. Total comprehensive income was also lowered at \$9,000 (1Q12: \$38,000).

Despite an increase in Group's revenue, the lower profits resulted largely from two major factors:

1. Staff cost increased 16.4% to \$8.9 million (1Q12: \$7.7 million). The higher staff cost in 1Q13 due mainly to the inclusion of CRA Plan Manager Pty Ltd, an increase in headcount in existing offices to support the increased activities and the tight labor market; and
2. Operating expenses increased by 18.4% to \$3.1 million (1Q12: \$2.6 million). The higher operation expenses due mainly to the inclusion of the CRA Plan Manager Pty Ltd and an increase in the provision for doubtful debts.

Depreciation and amortisation charge for 1Q13 amounted to \$824,000 (1Q12: \$809,000). The depreciation and amortisation charge for 1Q12 has been restated to include the \$462,000 amortisation charge from the finalisation of the Purchase Price Allocation (PPA) exercise in accordance with FRS 103R Business Combinations for the acquisition of Boardroom Pty Ltd in FY11. For the same reason, an amortisation of \$462,000 has been included in 1Q13.

The Group recorded a slight gain on foreign exchange of \$31,000 in 1Q13 compared to a loss of \$230,000 in 1Q12. The Company has a hedging policy to hedge the Group's foreign currency exposure. The loss incurred in 1Q12 was due mainly to the mark to market unrealized loss of Australian dollar forward contracts for one year for Singapore dollar. Since then, the strengthening of Singapore dollar against Australian dollar at the end of 1Q13 had reduced due to the reversal of some of the above mark to market realized/unrealized losses on these forward contracts.

The Group's net profit after tax for 1Q13 amounted to \$1.1 million (1Q12: \$1.2 million).

Income tax for 1Q13 decreased by 29.2% compared to 1Q12 due mainly to lower profit. The income tax for 1Q12 has been restated to include the reduction of tax amounted to \$111,000 relating to the above amortisation charge from the finalisation of the PPA exercise. Similarly, a reduction of tax of \$138,000 was adjusted in 1Q13.

Other comprehensive loss for 1Q13 and 1Q12 was due to net foreign currency translation loss in the financial accounts of our overseas subsidiaries resulting from the strengthening of Singapore dollar against Australian dollar and Hong Kong dollar.

The profit after tax attributable to the shareholders of the Company for 1Q13 decreased by 8.6% compared to 1Q12.

Balance Sheets

Net Current Liabilities Position of the Company

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

Term Loan

The reduction of \$750,000 in term loan was due to a monthly repayment of \$250,000 to our bankers

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

As disclosed in the Full Year 2012 Financial Results announcement dated 8 August 2012, the Group's performance for the 1st Quarter 2013 was in line with the statement (Paragraph 10) of the Company's announcement dated 8 August 2012.

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

The Group expects the uncertainties in global economic conditions, increasing staff and operating costs, and continued volatility in foreign currencies will continue to cloud the market outlook.

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

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

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

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared for the current financial period.

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

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

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

We, Kim Teo Poh Jin and Tan Cher Liang being two directors of Boardroom Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial statements for the first quarter ended 30 September 2012 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Kim Teo Poh Jin
Chief Executive Officer

Tan Cher Liang
Managing Director

BY ORDER OF THE BOARD

Tan Cher Liang
Managing Director
7 November 2012