

BOARDROOM LIMITED

(Registration No. 200003902Z)

FOURTH QUARTER FINANCIAL STATEMENT ANNOUNCEMENT FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2018

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), 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.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | GROUP | | | | | |
|--|--|---|----------------|--|---|---------------|
| | S\$'000 | | % | S\$'000 | | % |
| | 4th Qtr 1 Oct 2018 to 31 Dec 2018 | 4th Qtr 1 Oct 2017 to 31 Dec 2017 (Restated*) | | 12M18 1 Jan 2018 to 31 Dec 2018 | 12M17 1 Jan 2017 to 31 Dec 2017 (Restated*) | |
| Corporate Secretarial Fees | 8,717 | 6,570 | 32.7% | 28,527 | 22,726 | 25.5% |
| Share Registry Fees | 13,712 | 13,073 | 4.9% | 45,736 | 42,856 | 6.7% |
| Accounting & Payroll Fees | 4,649 | 3,489 | 33.2% | 17,328 | 15,092 | 14.8% |
| Total Revenue | 27,078 | 23,132 | 17.1% | 91,591 | 80,674 | 13.5% |
| Other Income | 237 | 635 | -62.7% | 1,360 | 1,136 | 19.7% |
| Employee Benefits Expense | (14,658) | (10,716) | 36.8% | (48,754) | (43,129) | 13.0% |
| Operating Expenses | (7,946) | (6,948) | 14.4% | (27,418) | (23,189) | 18.2% |
| Impairment of goodwill | - | (61) | NM | - | (61) | NM |
| Interest on Bank Borrowings | (649) | (62) | 946.8% | (1,051) | (245) | 329.0% |
| Depreciation & Amortisation | (1,434) | (769) | 86.5% | (3,843) | (2,831) | 35.7% |
| Gain/(Loss) on Foreign Exchange | (2,169) | (46) | 4615.2% | (2,634) | (50) | 5168.0% |
| Share of associate's profit, net of tax | (12) | - | NM | 5 | - | NM |
| Profit Before Tax | 447 | 5,165 | -91.3% | 9,256 | 12,305 | -24.8% |
| Less: Income Tax Expense | (81) | (86) | -5.8% | (2,306) | (1,732) | 33.1% |
| Profit After Tax | 366 | 5,079 | -92.8% | 6,950 | 10,573 | -34.3% |
| Other Comprehensive Income: | | | | | | |
| Items that may be classified subsequently to profit or loss | | | | | | |
| Foreign Currency Translation Gain/(Loss) | 895 | (1,163) | -177.0% | (1,118) | (1,842) | -39.3% |
| Cash flow hedges | (247) | - | NM | (247) | - | NM |
| Other Comprehensive Income/(Loss) for the Period | 648 | (1,163) | -155.7% | (1,365) | (1,842) | -25.9% |
| Total Comprehensive Income/(Loss) for the Period | 1,014 | 3,916 | -74.1% | 5,585 | 8,731 | -36.0% |
| PROFIT AFTER TAX ATTRIBUTABLE TO: | | | | | | |
| Owners of the Parent | 366 | 5,079 | -92.8% | 6,950 | 10,573 | -34.3% |
| Non-Controlling Interests | - | - | NM | - | - | NM |
| Profit After Tax | 366 | 5,079 | -92.8% | 6,950 | 10,573 | -34.3% |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: | | | | | | |
| Owners of the Parent | 1,014 | 3,916 | -74.1% | 5,585 | 8,731 | -36.0% |
| Non-Controlling Interests | - | - | NM | - | - | NM |
| Total Comprehensive Income for the Period | 1,014 | 3,916 | -74.1% | 5,585 | 8,731 | -36.0% |

NM : Not Meaningful

* : The comparative figures for the financial period ended 31 December 2017 have been restated to take into account the retrospective adjustments arising from the adoption of SFRS(I) 15 – Revenue From Contracts with Customers.

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

STATEMENT OF FINANCIAL POSITION

| | Note | GROUP | | COMPANY | |
|--|------|----------------|----------------------------|---------------|---------------|
| | | S\$'000 | | S\$'000 | |
| | | 31 Dec 2018 | 31 Dec 2017 (Restated*) | 31 Dec 2018 | 31 Dec 2017 |
| NON-CURRENT ASSETS | | | | | |
| Property, plant and equipment | | 2,693 | 2,859 | 507 | 489 |
| Computer software | | 7,577 | 5,789 | 106 | 236 |
| Investments in subsidiaries | | - | - | 64,677 | 86,493 |
| Intangible assets | 1 | 111,332 | 63,696 | - | - |
| Investment in associate | 2 | 3,159 | - | - | - |
| Deferred tax assets | | 805 | 299 | 9 | 9 |
| | | 125,566 | 72,643 | 65,299 | 87,227 |
| CURRENT ASSETS | | | | | |
| Trade and other receivables | | 23,832 | 20,402 | 887 | 1,736 |
| Contract assets | | 1,835 | 1,696 | - | - |
| Amounts due from subsidiaries (non-trade) | | - | - | 70,417 | 4,272 |
| Short-term investments | | 935 | - | - | - |
| Tax recoverable | | 364 | - | - | - |
| Cash and cash equivalents | | 24,622 | 20,899 | 4,202 | 4,037 |
| | | 51,588 | 42,997 | 75,506 | 10,045 |
| Less: | | | | | |
| CURRENT LIABILITIES | | | | | |
| Trade and other payables | | 20,030 | 15,301 | 2,049 | 1,550 |
| Bank borrowings | 3 | 10,800 | 1,500 | 10,800 | 1,500 |
| Contract liabilities | | 4,421 | 3,966 | - | - |
| Derivative liabilities | | 109 | - | 109 | - |
| Amount due to subsidiaries (non-trade) | | - | - | 396 | 30 |
| Income tax payable | | 1,241 | 275 | 81 | 105 |
| | | 36,601 | 21,042 | 13,435 | 3,185 |
| Net current assets | | 14,987 | 21,955 | 62,071 | 6,860 |
| Bank borrowings | 3 | (37,450) | (7,000) | (37,450) | (7,000) |
| Provision for employees benefits | | (234) | (254) | - | - |
| Deferred tax liabilities | | (7,563) | (5,261) | - | - |
| NET ASSETS | | 95,306 | 82,083 | 89,920 | 87,087 |
| FINANCED BY: | | | | | |
| Equity attributable to owners of the parent | | | | | |
| Share capital | 4 | 50,034 | 37,554 | 50,034 | 37,554 |
| Reserves | | 45,272 | 44,529 | 39,886 | 49,533 |
| TOTAL EQUITY | | 95,306 | 82,083 | 89,920 | 87,087 |

* : The comparative figures for the financial period ended 31 December 2017 have been restated to take into account the retrospective adjustments arising from the adoption of SFRS(I) 15 – Revenue From Contracts with Customers.

Notes:

- Intangible Assets represent primarily goodwill arising from acquisitions in Hong Kong, Malaysia and Australia subsidiaries. Any excess of the consideration over the fair value of the net assets as at the date of the acquisition represents goodwill.
- Investment in associate represents investment made in Australia to acquire Definitiv Group.
- Bank borrowings increased from \$8.5 million as at 31 December 2017 to \$48.3 million as at 31 December 2018 mainly due to drawdown of new loan facility for the acquisition of Malaysian Issuing House Sdn Bhd, Symphony Share Registrars Sdn Bhd, Symphony Corporatehouse Sdn Bhd and Sky Corporate Services Sdn Bhd ("the Symphony companies")
- 16,000,000 new ordinary shares were issued as part of the purchase consideration for the acquisition of the Symphony companies. In accordance to SFRS(I) 3 Business Combinations, these shares were fair valued at \$0.78 per share based on the last traded share price as at 28 August 2018 which was the completion date of the acquisition.

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

| As at 31 Dec 2018 | | As at 31 Dec 2017 | |
|-------------------|-----------|-------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| NIL | 10,800 | NIL | 1,500 |

Amount repayable after one year

| As at 31 Dec 2018 | | As at 31 Dec 2017 | |
|-------------------|-----------|-------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| NIL | 37,450 | NIL | 7,000 |

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 | | | |
| | 4th Qtr 1 Oct 2018 to 31 Dec 2018 | 4th Qtr 1 Oct 2017 to 31 Dec 2017 | 12M18 1 Jan 2018 to 31 Dec 2018 | 12M17 1 Jan 2017 to 31 Dec 2017 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit before tax | 447 | 5,165 | 9,256 | 12,305 |
| Adjustments for: | | | | |
| Depreciation & amortisation | 1,434 | 769 | 3,843 | 2,831 |
| Loss from disposal of property, plant and equipment | 28 | 2 | 28 | 2 |
| Allowance for impairment of trade receivables | 396 | 210 | 475 | 637 |
| Impairment of Goodwill | - | 61 | - | 61 |
| Exchange differences | 1,587 | (8) | 2,413 | 16 |
| Interest income | (224) | (69) | (798) | (246) |
| Interest expense | 649 | 62 | 1051 | 245 |
| Share of associates' loss/(profits) | 12 | - | (5) | - |
| Operating profit before working capital changes | 4,329 | 6,192 | 16,263 | 15,851 |
| Increase in operating receivables and prepayments | (623) | (2,440) | (806) | (4,287) |
| Increase in operating payable | 2,778 | 1,597 | 1,689 | 1,829 |
| Increase in contract liabilities | 520 | 772 | 337 | 198 |
| Cash generated from operations | 7,004 | 6,121 | 17,483 | 13,591 |
| Interest expense paid | (414) | (44) | (817) | (227) |
| Income tax paid | (960) | (724) | (2,032) | (1,924) |
| Net cash generated from operating activities | 5,630 | 5,353 | 14,634 | 11,440 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Acquisition of property, plant and equipment | (916) | (1,039) | (1,320) | (1,729) |
| Acquisition of computer software | (413) | (612) | (1,812) | (1,745) |
| Acquisition of an associate | (49) | - | (3,283) | - |
| Acquisition of subsidiaries (note A) | - | - | (39,920) | (1,921) |
| Proceeds from sale of property, plant and equipment | 2 | - | 2 | - |
| Interest received | 224 | 69 | 798 | 246 |
| Net cash used in investing activities | (1,152) | (1,582) | (45,535) | (5,149) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Dividends paid | - | - | (4,842) | (3,873) |
| Repayment of bank borrowings | (1,337) | (750) | (2,701) | (1,500) |
| Proceeds from bank borrowings (note B) | - | - | 42,451 | - |
| Net cash (used in) / generated from financing activities | (1,337) | (750) | 34,908 | (5,373) |
| Net increase in cash and cash equivalents | 3,141 | 3,021 | 4,007 | 918 |
| Cash and cash equivalents at beginning of the period | 21,598 | 17,947 | 20,899 | 20,185 |
| Exchange loss arising from translation of foreign currencies cash and cash equivalents | (117) | (69) | (284) | (204) |
| CASH AND CASH EQUIVALENTS AT PERIOD END | 24,622 | 20,899 | 24,622 | 20,899 |

Note A:**Acquisition of Subsidiaries**

The Group acquired a few subsidiaries. The fair value of the identifiable assets acquired and liabilities assumed of the subsidiaries as at acquisition date were as follows:

| | Fair value Recognised on Acquisition S\$,000 |
|--|---|
| Property, plant & equipment | 477 |
| Intangible assets | 13,038 |
| Short-term investments | 940 |
| Trade and other debtors | 3,527 |
| Cash and bank balances | 3,634 |
| Deferred tax asset | 293 |
| | 21,909 |
| | |
| Trade and other payables | (2,825) |
| Provision for tax | 12 |
| Deferred tax liabilities | (3,202) |
| | (6,015) |
| | |
| Total identifiable net assets at fair value | 15,894 |
| Goodwill arising from acquisition | 40,140 |
| | 56,034 |
| | |
| CONSIDERATION TRANSFERRED FOR THE ACQUISITION | |
| Cash and Share-based payment | 56,034 |
| | |
| EFFECT OF THE ACQUISITION ON CASH FLOWS | |
| Consideration settled in cash | 43,554 |
| Cash and bank balances of subsidiary acquired | (3,634) |
| CASH OUTFLOW ON ACQUISITION | 39,920 |

Note B:**Proceeds from bank borrowings**

This is drawdown of new loan facility for acquisition of the Symphony companies.

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

| GROUP | Attributable to Owners of the Parent | | | | | |
|---|--------------------------------------|------------------------------|---|---------------------|-------------------|---------|
| | Share capital | Exchange translation reserve | Premium paid on acquisition of non-controlling interest | Hedge reserve - OCI | Retained earnings | Total |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Balance as at 1 January 2018, as previously reported | 37,554 | (13,479) | (12,569) | - | 70,577 | 82,083 |
| Effect of transition to SFRS(I)s | - | 17,713 | - | - | (17,713) | - |
| Balance as at 1 January 2018, restated | 37,554 | 4,234 | (12,569) | - | 52,864 | 82,083 |
| Total comprehensive income for the period | - | (2,013) | - | - | 6,584 | 4,571 |
| 2017 final tax-exempt cash dividend of S\$0.025 per share | - | - | - | - | (4,842) | (4,842) |
| Issue of ordinary shares related to business combinations | 12,480 | - | - | - | - | 12,480 |
| Balance as at 30 September 2018 | 50,034 | 2,221 | (12,569) | - | 54,606 | 94,292 |
| Total comprehensive income for the period | - | 895 | - | (247) | 366 | 1,014 |
| Balance as at 31 December 2018 | 50,034 | 3,116 | (12,569) | (247) | 54,972 | 95,306 |

| | | | | | | |
|---|--------|----------|----------|---|----------|---------|
| Balance as at 1 January 2017, as previously reported | 37,554 | (11,637) | (12,569) | - | 63,877 | 77,225 |
| Effect of transition to SFRS(I)s | - | 11,637 | - | - | (11,637) | - |
| Balance as at 1 January 2017, restated | 37,554 | - | (12,569) | - | 52,240 | 77,225 |
| Total comprehensive income for the period | - | (679) | - | - | 5,494 | 4,815 |
| 2016 final tax-exempt cash dividend of S\$0.020 per share | - | - | - | - | (3,873) | (3,873) |
| Balance as at 30 September 2017 | 37,554 | (679) | (12,569) | - | 53,861 | 78,167 |
| Total comprehensive income for the period | - | (1,163) | - | - | 5,079 | 3,916 |
| Balance as at 31 December 2017 | 37,554 | (1,842) | (12,569) | - | 58,940 | 82,083 |

| COMPANY | Share capital | Exchange translation reserve | Premium paid on acquisition of non-controlling interest | Hedge reserve - OCI | Retained earnings | Total |
|---|---------------|------------------------------|---|---------------------|-------------------|---------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Balance as at 1 January 2018 | 37,554 | - | - | - | 49,533 | 87,087 |
| Effect of transition to SFRS(I)s | - | - | - | - | (6,076) | (6,076) |
| Total comprehensive income for the period | - | - | - | - | (477) | (477) |
| 2017 final tax-exempt cash dividend of S\$0.025 per share | - | - | - | - | (4,842) | (4,842) |
| Issue of ordinary shares related to business combinations | 12,480 | - | - | - | - | 12,480 |
| Balance as at 30 September 2018 | 50,034 | - | - | - | 38,138 | 88,172 |
| Total comprehensive income for the period | - | - | - | (247) | 1,995 | 1,748 |
| Balance as at 31 December 2018 | 50,034 | - | - | (247) | 40,133 | 89,920 |

| | | | | | | |
|---|--------|---|---|---|---------|---------|
| Balance as at 1 January 2017 | 37,554 | - | - | - | 46,514 | 84,068 |
| Total comprehensive income for the period | - | - | - | - | 2,163 | 2,163 |
| 2016 final tax-exempt cash dividend of S\$0.020 per share | - | - | - | - | (3,873) | (3,873) |
| Balance as at 30 September 2017 | 37,554 | - | - | - | 44,804 | 82,358 |
| Total comprehensive income for the period | - | - | - | - | 4,729 | 4,729 |
| Balance as at 31 December 2017 | 37,554 | - | - | - | 49,533 | 87,087 |

- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 year, 16,000,000 new ordinary shares were issued as part of the purchase consideration for the acquisition of Malaysian Issuing House Sdn Bhd, Symphony Share Registrars Sdn Bhd, Symphony Corporatehouse Sdn Bhd and Sky Corporate Services Sdn Bhd ("the Symphony companies"). In accordance to SFRS(I) 3 Business Combinations, these shares were fair valued at \$0.78 per share based on the last traded share price as at 28 August 2018 which was the completion date of the acquisition. Accordingly, the Company's share capital increased from \$37,553,746 as at 30 June 2018 to \$50,033,746 as at 30 September 2018. The Company's share capital remains unchanged at \$50,033,746 as at 31 December 2018.

The Company no longer has any share option scheme. There were no shares held as treasury shares as at 31 December 2018 and 31 December 2017.

- 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.**

During the financial year, 16,000,000 new ordinary shares were issued as part of the purchase consideration for the acquisition of the Symphony companies. The total number of issued shares excluding treasury shares increased from 193,660,184 as at 31 December 2017 to 209,660,184 as at 31 December 2018.

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

There are no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period.

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

There are no sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period.

- 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).**

There is no auditors' report as these figures have not been audited nor reviewed by the Company's auditors.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the financial year ended 31 December 2017, except as disclosed in paragraph 5.

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

Singapore-incorporated companies listed on the Singapore Exchange are required to apply a new financial reporting framework identical to the IFRS, Singapore Financial Reporting Standards (International) (SFRS(I)s), for annual periods beginning on or after 1 January 2018.

The Group has adopted SFRS(I)s on 1 January 2018 and has prepared its first set of financial information under SFRS(I) for the quarter ended 31 March 2018.

In adopting SFRS(I), the Group is required to apply all of the specific transition requirements in SFRS(I) 1 First-time Adoption of IFRS. In addition, the Group has concurrently applied SFRS(I) 15 Revenue from Contracts with Customers and SFRS(I) 9 Financial Instruments, which are relevant to its operations and effective for annual periods beginning on or after 1 January 2018.

The adoption of these amendments did not have any significant impact on the financial performance or position of the Group except for the following:

a) Application of SFRS(I) 1 First Time Adoption of SFRS(I)

The Group has elected to set the cumulative exchange differences for all foreign operations to be zero as at the date of transition to SFRS(I) on 1 January 2017. As a result, exchange translation reserve and retained earnings as at 1 January 2017 was increased/reduced by \$11,637,000 respectively.

b) Adoption of SFRS(I) 15 Revenue from Contracts with Customers

In accordance with the requirements of SFRS(I) 1, the Group adopted SFRS(I) 15 retrospectively. The Group does not expect any significant impact to arise from the SFRS(I) 15 application with the exception of disbursements. Disbursements are expenses that are incurred by the Group while performing work for the customers. The customer will reimburse the Group for some or all of the disbursements. Under SFRS(I) 15, the Group is the principal in these situations because it controls the specified good or service before it transfers to the customer and recognises the reimbursements as disbursements revenue on a gross basis.

On the adoption of SFRS(I) 15, the Group recorded an adjustment to increase revenue, with a corresponding increase in other operating expenses for the financial year ended 31 December 2018. Same adjustments have been recorded to restate revenue and other operating expenses for the financial year ended 31 December 2017. No impact on the profit before tax and profit after tax for the both financial years upon the adoption of the standard.

c) Adoption of SFRS(I) 9 Financial Instruments

SFRS(I) 9 introduces new requirements for recognition, classification and measurement of financial assets, impairment of financial assets and hedge accounting from 1 January 2018. Boardroom Limited previously classified the Australian Dollar denominated redeemable preference shares issued by Boardroom Holdings Australia Pty Ltd as part of its cost of investment in the subsidiary. The cost of investment was held at historical cost. On the adoption of the SFRS(I) 9, the cost of investment has been reclassified as a financial asset at amortised cost and revalued at closing rates at prevailing reporting dates. As a result, a revaluation loss of \$6m was recognized and adjusted directly to the opening retained earnings as at 1 January 2018 at Boardroom Limited company level. At Group level, the impact of translation of Boardroom Holdings Australia Pty Ltd will result in the same amount of \$6 million gain recognized in foreign currency translation reserve.

For the current financial year ended 31 December 2018, an unrealised revaluation loss of \$2.1 million has been recognised in the statements of comprehensive income of the Group and the Company.

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

| | GROUP | |
|---|-------------|-------------|
| | 31 Dec 2018 | 31 Dec 2017 |
| 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 | 3.49 cents | 5.46 cents |
| (b) On a fully diluted basis | 3.49 cents | 5.46 cents |

Notes:

1. 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 198,993,517 (31 December 2017 – 193,660,184).
2. 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 weighted average number of shares amounted to 198,993,517 (31 December 2017 – 193,660,184).

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

| | GROUP | | COMPANY | |
|---|-------------|-------------|-------------|-------------|
| | 31 Dec 2018 | 31 Dec 2017 | 31 Dec 2018 | 31 Dec 2017 |
| Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on | 45.46 cents | 42.39 cents | 42.89 cents | 44.97 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

3 months to 31 December 2018

The Group's revenue for the three months ended 31 December 2018 ("4Q18") totaled \$27.1 million compared to previous corresponding three months ended 31 December 2017 ("4Q17") of \$23.1 million. The \$4.0 million or equivalent to 17.1% increase was due to higher revenue of approximately \$4.4 million in constant currency terms, offset by a \$410,000 negative foreign exchange impact. Total revenue contribution from the acquisitions in Australia and Malaysia was approximately 92.5% (\$3.7 million) of the total \$4.0 million increase.

Other income decreased to \$237,000 (4Q17: \$635,000) mainly because there is no grant income received from the Singapore statutory board, Spring Singapore in Q418.

Total expenses increased by \$8.3 million or 44.4%. In constant currency terms, our total expenses increased \$8.5 million or 45.6%, offset by \$238,000 or 1.3% favorable foreign currency exchange impact. Approximately \$3.0 million or 36.7% of the total expense increase of \$8.3 million was attributed to the Australia and Malaysia's post acquisitions consolidated cost. The balance \$5.3 million variance is due to total non-recurring costs relating to Symphony's acquisition, unrealized foreign exchange arising from revaluation of AUD denominated redeemable preference shares (approximately \$2.1 million), higher loan interest expense, staff costs, computer cost, depreciation & amortisation, and professional fees.

If we were to add back the significant non-recurring cost relating to the compliance of SFRS(I) 9 and Symphony related one-time costs, the Group's normalised profit before tax for 4Q18 is approximately \$3.2 million, a decrease of 37.2% partly due to the higher financing cost of approximately \$580,000 as a result of the new bank loan facility as compared to 4Q17. Similarly, the Group's normalised net profit after tax for 4Q18 would be approximately \$3.2 million, a decrease of 37.3% as compared to 4Q17's \$5.1 million. The business is still robust with overall cash flows from operations increasing by 14.4% from \$6.1 million in Q417 to \$7.0 million in Q418.

Other comprehensive gain of \$648,000 for 4Q18 (4Q17: \$1.2 million loss) arose from the translation of financial statements of foreign subsidiaries.

12 months to 31 December 2018

The Group's revenue for the twelve months ended 31 December 2018 ("12M18") totaled \$91.6 million compared to previous corresponding restated twelve months ended 31 December 2017 ("12M17") of \$80.7 million. The \$10.9 million or equivalent to 13.5% increase was due to higher revenue of approximately \$12.6 million in constant currency term, offset by a \$1.6 million negative foreign exchange impact. Total revenue contribution from the acquisitions in Australia and Malaysia was approximately 50.5% (\$5.5 million) of the total \$10.9 million increase.

Other income for 12M18 increased by 19.7% to \$1.4 million (12M17: \$1.1 million) mainly due to higher interest income.

Total expenses increased by \$14.2 million or 20.4%. In constant currency terms, our total expenses increased \$15.4 million or 22.2%, offset by \$1.2 million or 1.8% favorable foreign currency exchange impact. Approximately \$4.4 million or 31.0% of the total expense increase of \$14.2 million was attributed to the Australia and Malaysia's post acquisitions consolidated costs. The balance \$9.8 million variance is due to total non-recurring costs relating to Symphony's acquisition (approximately \$1.0 million), unrealized foreign exchange loss arising from revaluation of AUD denominated preference shares (approximately \$2.1 million), higher loan interest expense, staff costs, computer cost, depreciation & amortisation and professional fees.

If we were to add back the significant non-recurring cost relating to the compliance of SFRS(I) 9 and Symphony related one-time costs, the Group's normalised profit before tax for 12M18 would have been flat at approximately \$12.3 million compared to 12M17. Total interest expense from the new bank loan facility is approximately \$770,000. Similarly, the Group's normalised net profit after tax for 12M18 is approximately \$10.0 million, a decrease of 5.7% as compared to 12M17's \$10.6 million. Overall the business remains healthy with cash flows from operations increasing by 28.6% from \$13.6 million in 12M17 to \$17.5 million in 12M18.

Other comprehensive loss of \$1.4 million for 12M18 (12M17: \$1.8 million loss) arose from the translation of financial statements of foreign subsidiaries.

Statement of Financial Position

Non-current assets

Increase in intangible assets from \$63.7 million as at 31 December 2017 to \$111.3 million as at 31 December 2018 was mainly due to the customer relationships and goodwill arising from the acquisition of Corporate Counsel by Boardroom Australia and the Symphony companies by Boardroom Malaysia.

Net Current Assets Position of the Group

The Group reported a lower net current assets position of \$15.0 million as at 31 December 2018, compared to \$22.0 million as at 31 December 2017 mainly due to higher bank borrowings.

Term loan

Bank borrowings increased from \$8.5 million as at 31 December 2017 to \$48.25 million as at 31 December 2018 mainly due to drawdown of new loan facility for the acquisition of the Symphony companies.

Dividend

The Board is recommending a reduction in the dividend to 2.0 cents per share, from 2.5 cents in 2018. This is to conserve capital following the increase in bank borrowings noted above.

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

None.

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.

Boardroom's core businesses are expected to grow steadily in the year ahead. The acquisitions made in 2018 in Malaysia and Australia will contribute to revenue growth and help to broaden the depth and geographical reach of the Group's service offerings.

Competition will remain keen, putting some pressure on margins. We will continue to press forward in differentiating Boardroom from the rest of the corporate services sector by focusing on service quality and technological innovation.

Notwithstanding heightened geopolitical tensions and macroeconomic risks, we remain cautiously optimistic about Boardroom's prospects in 2019.

11. Dividend

(a) Current Financial Period Reported On

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

| | |
|--------------------------------------|------------------------------|
| Name of Dividend | Final Tax Exempt Dividend |
| Dividend Type | Cash |
| Dividend Amount per Share (in cents) | 2.0 cents per ordinary share |
| Tax Rate | Tax-exempt one-tier |

(b) Corresponding Period of the Immediately Preceding Financial Year

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

| | |
|--------------------------------------|------------------------------|
| Name of Dividend | Final Tax Exempt Dividend |
| Dividend Type | Cash |
| Dividend Amount per Share (in cents) | 2.5 cents per ordinary share |
| Tax Rate | Tax-exempt one-tier |

(c) Date payable

To be fixed later.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

Not applicable.

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

The Group does not have an interested person transaction mandate.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENTS

(This part is not applicable to Q1, Q2, Q3, Q4, Q5 or Half Year Results)

14. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

SEGMENTED REVENUE AND RESULTS

| BY GEOGRAPHICAL SEGMENTS | Singapore S\$'000 | Australia S\$'000 | Hong Kong S\$'000 | Malaysia S\$'000 | China S\$'000 | TOTAL GROUP S\$'000 |
|--------------------------|----------------------|----------------------|----------------------|---------------------|------------------|---------------------------|
|--------------------------|----------------------|----------------------|----------------------|---------------------|------------------|---------------------------|

| | | | | | | |
|------------------------------|------------|--------------|--------------|--------------|-------------|--------------|
| 2018 REVENUE | | | | | | |
| External Sales | 31,025 | 35,194 | 11,307 | 12,463 | 1,602 | 91,591 |
| 2018 RESULTS | | | | | | |
| Profit before taxation | 774 | 4,654 | 2,353 | 1,554 | (79) | 9,256 |
| Income taxes | (371) | (1,219) | (213) | (503) | - | (2,306) |
| Profit After Taxation | 403 | 3,435 | 2,140 | 1,051 | (79) | 6,950 |

| | | | | | | |
|--------------------------------|--------------|--------------|------------|--------------|--------------|---------------|
| 2017 REVENUE (Restated) | | | | | | |
| External Sales | 29,923 | 33,082 | 8,931 | 7,105 | 1,633 | 80,674 |
| 2017 RESULTS | | | | | | |
| Profit before taxation | 6,062 | 3,925 | 955 | 1,586 | (223) | 12,305 |
| Income taxes | (397) | (1,032) | 33 | (336) | - | (1,732) |
| Profit After Taxation | 5,665 | 2,893 | 988 | 1,250 | (223) | 10,573 |

15. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable

16. **A breakdown of the total amount dividend (in dollar value) for the issuer's latest full year and its previous full year.**

| | Latest Full Year (12 months basis) | Previous Full Year (12 months basis) |
|---------------|---------------------------------------|---|
| Ordinary | 4,193K | 4,842K |
| Preference | 0 | 0 |
| Total: | 4,193K | 4,842K |

17. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

| Name | Age | Family relationship with any director and/or substantial shareholder | Current position and duties, and the year the position was held | Details of changes in duties and position held, if any, during the year |
|------|-----|--|---|---|
| Nil | - | - | - | - |

18. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

On behalf of the Board of Directors

Goh Geok Khim
Chairman

Kim Teo Poh Jin
Chief Executive Officer

BY ORDER OF THE BOARD

Kim Teo Poh Jin
Chief Executive Officer
25th February 2019