

G. K. GOH HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 199000184D

ANNOUNCEMENT

VOLUNTARY CONDITIONAL GENERAL OFFER BY UNITED OVERSEAS BANK LIMITED FOR AND ON BEHALF OF APRICUS GLOBAL PTE. LTD. TO ACQUIRE ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF BOARDROOM LIMITED

1. Introduction

The Board of Directors (the “**Board**”) of G. K. Goh Holdings Limited (“**GKGH**” or the “**Company**”) wishes to refer shareholders of the Company (“**Shareholders**”) to:

- (a) the announcement dated 6 August 2021 (the “**Pre-Conditional Offer Announcement**”) made by United Overseas Bank Limited, for and on behalf of Apricus Global Pte. Ltd. (the “**Offeror**”), in relation to the pre-conditional voluntary general offer (the “**Offer**”) to acquire all the issued and paid-up ordinary shares in the capital of Boardroom Limited (“**Boardroom**”);
- (b) the announcement dated 10 January 2022 made by United Overseas Bank Limited, for and on behalf of the Offeror, in relation to the making of the Offer (“**Formal Offer Announcement**”);
- (c) the announcement dated 24 January 2022 made by United Overseas Bank Limited, for and on behalf of the Offeror, in relation to the electronic despatch of Offer Document (as defined below) and related documents (“**Offeror Despatch Announcement**”); and
- (d) the offer document dated 24 January 2022 issued by United Overseas Bank Limited, for and on behalf of the Offeror, in relation to the Offer (“**Offer Document**”).

All capitalised terms used herein and not otherwise defined shall bear the same meanings as ascribed to them in the Pre-Conditional Offer Announcement, the Formal Offer Announcement, the Offeror Despatch Announcement and the Offeror Document, as the case may be.

2. Offeree Circular

Following the Formal Offer Announcement and the electronic despatch of the Offer Document, Boardroom has electronically despatched to the shareholders of Boardroom a circular dated 7 February 2022 (the “**Offeree Circular**”) containing, *inter alia*, the advice of SAC Capital Private Limited (“**SAC Capital**”), the independent financial adviser to the directors of Boardroom who are considered to be independent for the purposes of the Offer (the “**Independent Directors**”) and the recommendation of the Independent Directors in respect of the Offer.

A copy of the Offeree Circular is attached as the **Appendix** to this Announcement and has been made available on Boardroom’s website at www.boardroomlimited.com. Shareholders

are advised to refer to the full text of the Offeree Circular for, *inter alia*, the advice of SAC Capital, the independent financial adviser to the Independent Directors and the recommendation of the Independent Directors in respect of the Offer.

BY ORDER OF THE BOARD

Ngiam May Ling
Company Secretary
Singapore, 7 February 2022

The Directors of the Company (including any who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement which relate to the Company and/or Boardroom are fair and accurate and that, where appropriate, no material facts which relate to the Company and/or Boardroom have been omitted from this Announcement, and the Directors of the Company jointly and severally accept responsibility accordingly. Where any information which relates to the Company and/or Boardroom has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors of the Company has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

APPENDIX

OFFEREE CIRCULAR

CIRCULAR DATED 7 FEBRUARY 2022

THIS CIRCULAR IS ISSUED BY BOARDROOM LIMITED (THE “COMPANY” OR “BOARDROOM”). THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS (AS DEFINED HEREIN) AND THE ADVICE AND RECOMMENDATION OF SAC CAPITAL PRIVATE LIMITED, THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS. THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION AND YOU SHOULD READ IT CAREFULLY.

If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your Shares (as defined herein), you should immediately forward this Circular to the purchaser or transferee or to the bank or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.



BOARDROOM LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 200003902Z)

CIRCULAR TO SHAREHOLDERS

in relation to the

VOLUNTARY CONDITIONAL GENERAL OFFER

by

UNITED OVERSEAS BANK LIMITED

(Incorporated in Singapore)
(Company Registration No.: 193500026Z)

for and on behalf of

APRICUS GLOBAL PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.: 202116826R)

to acquire all the issued and paid-up ordinary shares in the capital of the Company other than those already owned, controlled or agreed to be acquired by the Offeror

Independent Financial Adviser to the Independent Directors



SAC CAPITAL PRIVATE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 200401542N)

SHAREHOLDERS (AS DEFINED HEREIN) SHOULD NOTE THAT THE OFFER DOCUMENT STATES THAT ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF THE OFFER AT 5.30 P.M. (SINGAPORE TIME) ON 21 FEBRUARY 2022 (THE “CLOSING DATE”). THE OFFEROR DOES NOT INTEND TO EXTEND THE OFFER BEYOND 5.30 P.M. (SINGAPORE TIME) ON THE CLOSING DATE.

ACCORDINGLY, SHAREHOLDERS WHO WISH TO ACCEPT THE OFFER MUST DO SO BY SUCH TIME AND DATE.

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DEFINITIONS

In this Circular, the following definitions apply throughout except where the context otherwise requires:

“Acceptance Condition”	:	The Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with it holding such number of Shares representing not less than 90% of the voting rights attributable to all the Shares in issue (excluding Shares held in treasury) as at the close of the Offer
“Access Workspace”	:	Access Workspace Pty Ltd
“Acquisition”	:	The acquisition of all the Shares by the Offeror pursuant to the Offer
“Act”	:	The Companies Act 1967 (2020 Revised Edition) of Singapore
“Auditors”	:	Ernst & Young LLP, the auditors of the Company
“Authorisations”	:	All approvals, clearances, consents, authorisations, exemptions and/or waivers (and all notifications and/or filings)
“Authority”	:	Any governmental, quasi-governmental, regulatory, judicial or other competent authority, court, agency, exchange or tribunal in any jurisdiction
“Bonus Scheme”	:	A cash bonus and incentive scheme, to be established by GKGH and SHSB, to reward certain key executives of Boardroom
“Books Closure Date”	:	The books closure date for the determination of entitlements to the Distribution
“BPL”	:	Boardroom Pty Limited
“Circular”	:	This circular to Shareholders dated 7 February 2022 from the Company containing, <i>inter alia</i> , the advice and recommendation of the IFA to the Independent Directors and the recommendation of the Independent Directors in relation to the Offer
“Closing Date”	:	5.30 p.m. (Singapore time) on 21 February 2022, being the last day for the lodgement of acceptances of the Offer
“Code”	:	The Singapore Code on Take-overs and Mergers
“Company” or “Boardroom”	:	Boardroom Limited
“Company Securities”	:	(i) Shares, (ii) securities which carry voting rights in the Company; or (iii) convertible securities, warrants, options or derivatives in respect of Shares or securities which carry voting rights in the Company
“Consortium”	:	The consortium of investors, members of which comprise 65EP III and TC Fund

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“Constitution”	:	The constitution of the Company
“Contingent Interim Dividend”	:	A contingent interim dividend of up to the Singapore dollar equivalent of A\$0.020529 per Share declared by the Company on 15 December 2021
“Definitiv”	:	Definitiv Group Pty Ltd
“Definitiv Disposal”	:	The disposal by the Group of its 31.52% interest in Definitiv to Access Workspace
“Definitiv Interest”	:	The 31.52% interest in Definitiv held by BPL as at the date of the GKGH Irrevocable Undertaking, and all and any rights to and/or interests in any consideration received or to be received by the Group pursuant to the Definitiv Disposal, and all obligations, liabilities and taxes, whether contractual or otherwise, arising from the Definitiv Disposal
“Despatch Date”	:	24 January 2022, the date the Offer Document was despatched
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“Dissenting Shareholders”	:	Shareholders who have not accepted the Offer
“Distributions”	:	Dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares
“Encumbrances”	:	All liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever
“Excluded Distributions”	:	Fixed Interim Dividend and Contingent Interim Dividend declared by the Company in respect of the Definitiv Interest
“FAT”	:	Form of Acceptance and Transfer for Offer Shares which forms part of the Offer Document and which is issued to Shareholders
“FIRB Act”	:	Foreign Acquisitions and Takeovers Act 1975
“Fixed Interim Dividend”	:	A fixed interim dividend of S\$0.030023 per Share declared by the Company on 15 December 2021
“FY2018”	:	Financial year ended 31 December 2018
“FY2019”	:	Financial year ended 31 December 2019
“FY2020”	:	Financial year ended 31 December 2020
“FY2020 Results”	:	The audited financial statements of the Company for FY2020
“GKGH”	:	G. K. Goh Holdings Limited
“GKGH Irrevocable Undertaking”	:	The irrevocable undertaking dated 6 August 2021 entered into between GKGH and the Offeror, in relation to, <i>inter alia</i> , the undertaking by GKGH to accept, or procure the acceptance of, the Offer, in respect of the 192,919,905 Shares held by Salacca and any other Shares which Salacca or GKGH may become the

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	registered holder or beneficial owner of or in which Salacca or GKGH may become otherwise interested after the date of the GKGH Irrevocable Undertaking, including any Shares which may be issued to Salacca or GKGH whether pursuant to any bonus issue, rights issue or distribution of Shares or otherwise, on or after the date of the GKGH Irrevocable Undertaking
“Group”	: The Company and its subsidiaries and associated companies and “Group Company” means any member of the Group
“IFA” or “SAC Capital”	: SAC Capital Private Limited, the independent financial adviser to the Independent Directors in respect of the Offer
“IFA Letter”	: The letter from the IFA dated 7 February 2022, which is set out in Appendix 1 on pages 15 to 49 of this Circular
“Independent Directors”	: All Directors, being the Directors considered independent for the purposes of the Offer
“Irrevocable Undertakings”	: Means the GKGH Irrevocable Undertaking and the SHSB Irrevocable Undertaking
“Latest Practicable Date”	: 28 January 2022, being the latest practicable date prior to the printing of this Circular
“MIHSB”	: Malaysian Issuing House Sdn Bhd
“Offer”	: The voluntary conditional general offer made by UOB, for and on behalf of the Offeror, to acquire all the Offer Shares on the terms and subject to the conditions set out in the Offer Document and the FAT, as such Offer may be amended, extended and revised from time to time by or on behalf of the Offeror
“Offer Announcement”	: The announcement by UOB, for and on behalf of the Offeror, that following the satisfaction of the Pre-Conditions, the Offeror intends to make the Offer
“Offer Announcement Date”	: 10 January 2022, being the date of the Offer Announcement
“Offer Document”	: The document dated 24 January 2022 issued by UOB, for and on behalf of the Offeror, in respect of the Offer
“Offer Price”	: S\$1.48828 in cash for each Offer Share
“Offer Shares”	: The Shares, other than those Shares already owned, controlled or agreed to be acquired by the Offeror
“Offeror”	: Apricus Global Pte. Ltd.
“Offeror Securities”	: (i) equity share capital of the Offeror (including ordinary shares and shares of other classes in the capital of the Offeror) and securities which carry voting rights in the Offeror; and (ii) convertible securities, warrants, options and derivatives in respect of equity share capital of the Offeror (including ordinary shares and shares of other classes in the capital of the Offeror) and securities which carry voting rights in the Offeror

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“Overseas Persons”	:	Shareholders whose mailing addresses are outside of Singapore
“Pre-Conditional Offer Announcement”	:	The announcement dated 6 August 2021 made by UOB for and on behalf of the Offeror in relation to the Offer and the Pre-Conditions
“Pre-Conditional Offer Announcement Date”	:	6 August 2021, being the date of the Pre-Conditional Offer Announcement
“Pre-Conditions”	:	<p>The pre-conditions are:</p> <ul style="list-style-type: none"> (i) the approval of shareholders of GKGH, at an extraordinary general meeting of GKGH to be convened, in respect of, <i>inter alia</i>, the acceptance or the procuring of the acceptance of the Offer by GKGH in respect of all the Shares in the capital of the Company held legally or beneficially by GKGH, and the disposal or the procuring of the disposal by GKGH of all the Shares in the capital of the Company held legally or beneficially by GKGH pursuant to the GKGH Irrevocable Undertaking given by GKGH having been obtained, unless waived or exempted by the SGX-ST; and (ii) (a) all Authorisations from and/or to any Authority which are necessary or appropriate in connection with the Acquisition having been obtained or made on terms satisfactory to the Offeror, acting reasonably, and remaining in full force and effect, (b) where relevant, all applicable waiting periods in relation to the Authorisations having expired or been terminated, (c) the Authorisations are not subject to conditions or is only subject to conditions acceptable to the Offeror, acting reasonably, (d) if applicable, all conditions to which the Authorisations are subject and required to be satisfied as at the Offer Announcement Date having been fulfilled, and (e) no Authority having issued or provided the Offeror with any indication that it will not or does not intend to grant the Authorisations on terms satisfactory to the Offeror, acting reasonably. The Authorisations include, without limitation: <ul style="list-style-type: none"> (1) approval from the Monetary Authority of Singapore pursuant to Section 97A of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore and the conditions of the capital markets services licence of Boardroom Executive Services Pte. Ltd. in connection with the acquisition by the Offeror of an indirect interest in Boardroom Executive Services Pte. Ltd.; (2) the Treasurer of the Commonwealth of Australia (or the Treasurer’s delegate) (I) giving a written no-objection notification under the FIRB Act to the Offeror for the Acquisition or (II) becoming precluded by passage of time from making any order or decision under Part 3 of the FIRB Act because the applicable time limit on making orders and decisions under the FIRB Act has expired;

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- (3) approval from the Hong Kong Registrar of Companies in respect of the change in ultimate owner and director(s) of the Group Companies which are registered as trustee and corporate services provider licensees with the Hong Kong Registrar of Companies in connection with the Acquisition or the approval from the Anti-Money Laundering and Counter-Terrorist Financing Review Tribunal following a review of any decision of the Hong Kong Registrar of Companies; and
- (4) approval from the Securities Commission Malaysia for the change in the controller of MIHSB in connection with the Acquisition, in respect of the capital market services provider registration held by MIHSB

“Salacca”	:	Salacca Pte. Ltd.
“SFA”	:	The Securities and Futures Act 2001 (2020 Revised Edition) of Singapore
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Holders of Shares
“Shares”	:	Issued and paid-up ordinary shares in the capital of the Company
“SHSB”	:	Symphony House Sdn. Bhd.
“SHSB Irrevocable Undertaking”	:	The irrevocable undertaking dated 6 August 2021 entered into between SHSB and the Offeror, in relation to, <i>inter alia</i> , SHSB undertaking to accept the Offer, in respect of the relevant Shares held by SHSB and any other Shares which SHSB may become the registered holder or beneficial owner of or in which SHSB may become otherwise interested after the date of the SHSB Irrevocable Undertaking, including any Shares which may be issued to SHSB whether pursuant to any bonus issue, rights issue or distribution of Shares or otherwise, on or after the date of the SHSB Irrevocable Undertaking
“SIC”	:	Securities Industry Council of Singapore
“TC Fund”	:	Tower Capital Corporate Services LP
“TC GP”	:	Tower Capital Corporate Services GP Pte. Ltd.
“TCA”	:	Tower Capital Asia Pte. Ltd.
“Unconditional Offer Announcement”	:	The announcement dated 27 January 2022 made by UOB, for and on behalf of the Offeror, in relation to the Offer being declared unconditional in all respects
“UOB”	:	United Overseas Bank Limited
“A\$”	:	Australia dollars, being the lawful currency for the time being of Australia

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“S\$”, “Singapore Dollars” and “Singapore cents”	:	Singapore dollars and cents, being the lawful currency for the time being of Singapore
“%” or “per cent.”	:	Per centum or percentage
“1H2021 Results”	:	The unaudited consolidated financial statements of the Group for the six month period ended 30 June 2021
“65EP”	:	65 Equity Partners Pte. Ltd. (formerly known as 65 Equity Partners Holdings Pte. Ltd.)
“65EP III”	:	65EP Investment III Pte. Ltd. (formerly known as Capsol Investment III Pte. Ltd.)

Acting in Concert. Unless otherwise defined, the term “**acting in concert**” shall have the meaning ascribed to it in the Code.

Gender. Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Offer Document. References to “**Offer Document**” shall include the FAT, unless the context otherwise requires.

Related Corporation. The term “**related corporation**” shall have the meaning ascribed to it in Section 6 of the Act.

Rounding. Any discrepancies in the figures included in this Circular between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Shareholders. References to “**you**”, “**your**” and “**yours**” in this Circular are to Shareholders.

Statutes. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the SFA, the Code or any statutory modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning assigned to it under the Act, the SFA, the Code or any statutory modification thereof, as the case may be, unless the context otherwise requires.

Subsidiary. The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Act.

Time and Date. Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, respectively, unless otherwise stated.

Total Number of issued Shares. In this Circular, any reference to the total number of issued Shares is a reference to 209,660,184 Shares as at the Latest Practicable Date.

Statements which are reproduced in their entirety from the Offer Document, the IFA Letter, the FY2020 Results and related releases, the 1H2021 Results and related releases, the annual report for FY2020 and the Constitution are set out in this Circular within quotes and in italics, and capitalised terms used within these reproduced statements bear the meanings ascribed to them in the Offer Document, the IFA Letter, the FY2020 Results and related releases, the 1H2021 Results and related releases, the annual report for FY2020 and the Constitution respectively.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and neither the Company nor the IFA undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

BOARDROOM LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 200003902Z)

Board of Directors:

Mr Goh Geok Khim
Mr Thomas Teo Liang Huat
Mr Teo Poh Jin, Kim
Mr Goh Yew Lin (Alternative Director for Mr Goh Geok Khim)

Registered Office:

1 Harbourfront Avenue,
#14-07, Keppel Bay Tower,
Singapore 098632

7 February 2022

To: The Shareholders of Boardroom Limited

Dear Sir/Madam

VOLUNTARY CONDITIONAL GENERAL OFFER BY UNITED OVERSEAS BANK LIMITED, FOR AND ON BEHALF OF THE OFFEROR, FOR THE OFFER SHARES

1. INTRODUCTION

- 1.1 Pre-Conditional Offer Announcement.** On the Pre-Conditional Offer Announcement Date, UOB announced, for and on behalf of Apricus Global Pte. Ltd. (the “**Offeror**”) that the Offeror intends to make a voluntary conditional general offer for all the Shares in the capital of Boardroom Limited (excluding Shares held in treasury), in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the “**Code**”), subject to the satisfaction and/or waiver of the Pre-Conditions.
- 1.2 Formal Offer Announcement.** On the Offer Announcement Date, UOB announced, for and on behalf of the Offeror, that following the satisfaction of the Pre-Conditions, the Offeror intends to make the Offer (the “**Offer Announcement**”).
- 1.3 Offer Document.** Shareholders should have received by now, the written notification issued by UOB, for and on behalf of the Offeror, informing Shareholders of the electronic dissemination of the Offer Document and related documents and the manner of their electronic retrieval, and the FAT.

Copies of the Pre-Conditional Offer Announcement, the Offer Announcement, and the Offer Document (including the FAT) are available on the website of the Company at the URL <https://www.boardroomlimited.com/shareholder-information-2021>. G. K. Goh Holdings Limited (“**GKGH**”) has also made copies of the Pre-Conditional Offer Announcement, the Offer Announcement, and the Offer Document available on its website at the URL <http://www.gkgoh.com/investor.aspx>, and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

The principal terms and conditions of the Offer are set out on pages 8 to 11 of the Offer Document. **Shareholders are advised to read the terms and conditions of the Offer set out in the Offer Document carefully.**

- 1.4 Circular.** The purpose of this Circular is to provide Shareholders with relevant information pertaining to the Offer and to set out the advice and recommendation of the IFA to the Independent Directors and the recommendation of the Independent Directors in respect of the Offer.

Shareholders should read the Offer Document, this Circular and the IFA Letter set out in Appendix 1 to this Circular carefully and consider the advice and recommendation of the IFA to the Independent Directors and the recommendation of the Independent Directors before deciding whether or not to accept the Offer.

If you are in any doubt about the Offer, you should consult your bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

LETTER TO SHAREHOLDERS

2. THE OFFER

As stated in the Offer Document, UOB has made, for and on behalf of the Offeror, the Offer for all the Offer Shares in accordance with Rule 15 of the Code, subject to the terms and conditions set out in the Offer Document.

2.1 Offer Price. As stated in the Offer Document, the Offer Price is:

For each Offer Share: S\$1.48828 in cash.

The Offer Price is final and the Offeror does not intend to revise the Offer Price.

The aggregate Offer Price that is payable by the Offeror to any Shareholder who has accepted the Offer in respect of the Offer Shares held by such Shareholder will be rounded down to the nearest whole cent.

2.2 No Encumbrances. The Offer Shares are to be acquired (i) fully paid; (ii) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever (the “**Encumbrances**”), and (iii) together with all rights, benefits and entitlements attached thereto as at the Pre-Conditional Offer Announcement Date and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares (collectively, “**Distributions**”) on or after the Pre-Conditional Offer Announcement Date.

2.3 Adjustment for Distributions. Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Pre-Conditional Offer Announcement Date.

Accordingly, save for the Fixed Interim Dividend (as defined below) and Contingent Interim Dividend (as defined below) declared by the Company in respect of the Definitiv Interest (as defined below) (“**Excluded Distributions**”), in the event that any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Pre-Conditional Offer Announcement Date, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such accepting Shareholder falls, as follows:

- (i) if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution (the “**Books Closure Date**”) and the Offeror is registered as the holder of such Offer Shares as at the Books Closure Date, the Offer Price shall remain unadjusted for each such Offer Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; and
- (ii) if such settlement date falls after the Books Closure Date or if such settlement date falls on or before the Books Closure Date but the Offeror is not registered as the holder of such Offer Shares as at the Books Closure Date, the Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

On 15 December 2021, the Company declared (a) a fixed interim dividend of S\$0.030023 per Share (“**Fixed Interim Dividend**”) from the proceeds of the disposal by Boardroom Pty Limited (“**BPL**”) of its 31.52% interest in Definitiv Group Pty Ltd (“**Definitiv**”) to Access Workspace Pty Ltd (“**Access Workspace**”) and the disposal, the “**Definitiv Disposal**”), following adjustments to account for debt, tax liabilities, working capital amounts and cash balances as at the completion of the Definitiv Disposal and net of all and any estimated taxes, expenses and foreign exchange

LETTER TO SHAREHOLDERS

currency costs, and (b) a contingent interim dividend of up to the Singapore dollar equivalent of A\$0.020529 per Share ("**Contingent Interim Dividend**") from the expected aggregate proceeds of any earn-out amounts payable pursuant to the earn-out arrangements entered into between BPL and Access Workspace in connection with the Definitive Disposal, net of all and any estimated taxes, expenses and foreign currency exchange costs that would be incurred to repatriate any such earn-out amounts to the Company and convert the proceeds into Singapore Dollars, with the payment of the Contingent Interim Dividend being subject to and conditional upon certain conditions being met. As the Fixed Interim Dividend and the Contingent Interim Dividend relate to the Definitive Interest and are Excluded Distributions, accordingly, for the avoidance of doubt, the Offer Price will not be reduced by the amount of such dividends.

- 2.4 Offer Shares.** The Offer Document states that the Offer will be extended to all the Shares other than those already owned, controlled or agreed to be acquired by the Offeror ("**Offer Shares**") subject to the terms and conditions set out in the Offer Document.
- 2.5 Conditional Offer.** As stated in the Offer Document, the Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with it holding such number of Shares representing not less than 90% of the voting rights attributable to all the Shares in issue (excluding Shares held in treasury) as at the close of the Offer (the "**Acceptance Condition**").

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with it holding such number of Shares carrying not less than 90% of the voting rights attributable to all the Shares in issue (excluding Shares held in treasury) as at the close of the Offer.

Save for the Acceptance Condition, the Offer is unconditional in all other respects.

The Acceptance Condition will be fulfilled upon the acceptance of the Offer by GKGH and Symphony House Sdn. Bhd. ("**SHSB**") in respect of all and not some only of their respective Shares pursuant to the Irrevocable Undertakings respectively given by each of them in favour of the Offeror.

- 2.6 Warranty.** As stated in the Offer Document, the acceptance of the Offer will be deemed to constitute an unconditional and irrevocable warranty by the accepting Shareholder that each Offer Share tendered in acceptance of the Offer is sold by the accepting Shareholder, as or on behalf of the beneficial owner(s) thereof, (i) fully paid; (ii) free from all Encumbrances; and (iii) together with all rights, benefits and entitlements attached thereto as at the Pre-Conditional Offer Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions declared, paid or made by the Company in respect of the Offer Shares on or after the Pre-Conditional Offer Announcement Date.
- 2.7 No Extension of Closing Date**

Except insofar as the Offer may be withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder, the Offer will remain open for acceptances for a period of at least 28 days from the date of posting of the Offer Document.

The Offeror does not intend to extend the Offer beyond 5.30 p.m. (Singapore time) on 21 February 2022, being the Closing Date. The Offeror has given notice that, pursuant to Rule 22.6 of the Code, the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Closing Date.

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Acceptances of the Offer must be received not later than 5.30 p.m. (Singapore time) on the Closing Date. Accordingly, acceptances received after 5.30 p.m. (Singapore time) on the Closing Date will be rejected.

- 2.8 Status of the Offer.** On 27 January 2022, the UOB announced, for and on behalf of the Offeror, that the Offeror has as at 5.00 p.m. (Singapore time) on 27 January 2022, received valid acceptances amounting to 209,089,105 Shares, representing approximately 99.73% of the total number of Shares, and accordingly the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and persons acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), result in the Offeror and persons acting in concert with it holding such number of Shares representing not less than 90% of the voting rights attributable to all the Shares in issue (excluding Shares held in treasury). Accordingly, the Offer has become unconditional as to acceptances and has been declared by the Offeror to be unconditional in all respects (the “**Unconditional Offer Announcement**”).
- 2.9 Details of the Offer.** Further details of the Offer in relation to (i) the duration of the Offer; (ii) the settlement of the consideration for the Offer; (iii) the requirements relating to the announcement of the level of acceptances of the Offer; and (iv) the right of withdrawal of acceptances of the Offer are set out in Appendix IV to the Offer Document.
- 2.10 Procedures for Acceptance.** The procedures for acceptance of the Offer are set out in Appendix V to the Offer Document.

3. INFORMATION ON THE OFFEROR AND THE CONSORTIUM

- 3.1 Information on the Offeror and the Consortium.** The Offer Document sets out information on the Offeror and the Consortium which has been extracted therefrom and is reproduced in italics below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

“3. INFORMATION ON THE OFFEROR

3.1 Incorporation

The Offeror is a special purpose vehicle incorporated on 11 May 2021 by a consortium of investors (the “Consortium”) for the purposes of making the Offer.

3.2 Share Capital

As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$65,990,228.37 comprising 2,039,022,837 ordinary shares in the capital of the Offeror (the “Offeror Ordinary Shares”) and 45,600,000 preference shares in the capital of the Offeror (the “Offeror Preference Shares”).

3.3 Consortium

The members of the Consortium comprise (a) 65EP III, an independently managed indirect wholly-owned subsidiary of Temasek, and (b) TC Fund, a limited partnership set up in Singapore and managed by TCA.

65EP III is a wholly-owned subsidiary of 65EP, which is an indirect wholly-owned subsidiary of Temasek. 65EP is independently managed by its own management team and board of directors, who are majority non-Temasek employees. Temasek does not have any discretionary authority over the investments of 65EP and its subsidiaries. 65EP focuses on providing flexible capital solutions to entrepreneur led and family owned businesses in Singapore, Southeast Asia, Europe and US. In Singapore, the strategy of 65EP is to provide capital solutions to local enterprises with fundamentally sound businesses to help them expand regionally and/or transform strategically as well as invest in leading, high growth companies to enable their eventual listing on the SGX-ST.

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TC Fund is a limited partnership set up in Singapore for the purpose of investing in the Offeror with TC GP as the general partner of TC Fund and several institutional investors as limited partners who provide the investment capital to TC Fund. Consistent with the practice of private equity firms, TC GP is a special purpose vehicle with no employees and the responsibilities and functions of TC GP is delegated by TC GP to TCA, a private equity fund management firm licensed by the Monetary Authority of Singapore. TCA has a board of directors and its own management team. Since 2016, TCA has led investments in the privatisation and buyout of Southeast Asian businesses in close partnership with business sponsors. Together with its panel of deeply experienced senior advisors, TCA seeks to work closely with the founders or substantial shareholders and the management team of the portfolio companies of TC Fund post-investment, rejuvenating established business models and driving value creation for the long term.

3.4 Shareholding in the Offeror

As at the Latest Practicable Date, the shareholding proportion of each of 65EP III and TC Fund in relation to the Offeror Ordinary Shares is 40% and 60% respectively and 65EP III holds all of the Offeror Preference Shares. It is anticipated that the shareholding proportion of each of 65EP III and TC Fund in relation to the Offeror Ordinary Shares will remain the same as at the close of the Offer.

3.5 Additional Information on the Offeror

APPENDIX I to this Offer Document sets out certain additional information on the Offeror."

3.2 Further Information on the Offeror. Further information on Offeror is set out in Appendix 3 to this Circular.

4. RATIONALE FOR THE ACQUISITION AND OFFEROR'S INTENTIONS

The full text of the rationale for the Offer and the Offeror's intentions for the Company have been extracted from the Offer Document and is set out in italics below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document. Shareholders are advised to read the extract below carefully.

"6. RATIONALE FOR THE OFFER AND OFFEROR'S INTENTIONS

6.1 Compliance with the Code

The Code applies to the acquisition of all the Shares by the Offeror pursuant to the Offer as the Company is a public company with more than 50 Shareholders and has net tangible assets of S\$5 million or more. Accordingly, the Offer is being made in compliance with the Code.

6.2 Exit Opportunity for Shareholders in an Unlisted Company

The Offer presents Shareholders with an opportunity to realise the value of their Shares in cash. The Offer Price also represents a premium of approximately 69.12% over the previous offer price of S\$0.88 per Share offered by Salacca in the voluntary unconditional cash offer made by Salacca in 2019 for all the Shares (other than those already owned or agreed to be acquired by Salacca).

6.3 Long-term Commercial Justification for the Company

The Boardroom Group with its established operations and leading position in its key markets in the Asia-Pacific region is well positioned to provide best-in-class services to support its existing and new customers to meet their growing business needs both locally and regionally. The Offer presents long-term commercial benefits to the Offeror as it is of the view that the Consortium can provide the Boardroom Group with the resources and ambition to chart its next phase of growth, by creating value from organic and inorganic growth plans, and through efficiency improvements and digital transformation.

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6.4 Offeror's Intentions for the Company

Save as disclosed above, the Offeror presently has no intention to (a) introduce any major changes to the business of the Company; (b) redeploy the fixed assets of the Company; or (c) discontinue the employment of the employees of the Boardroom Group, other than in the ordinary and usual course of business. However, the Offeror retains the flexibility at any time to consider any option in relation to the Boardroom Group which may present itself or which the Offeror may regard to be in the interest of the Offeror and the Boardroom Group."

5. COMPULSORY ACQUISITION AND OFFEROR'S INTENTIONS

The Offer Document sets out the intentions of the Offeror and its rights of compulsory acquisition in respect of the Company. The relevant paragraphs have been extracted from the Offer Document and are reproduced in italics below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

"7. COMPULSORY ACQUISITION

7.1 Compulsory Acquisition

Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires not less than 90% of the total number of Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and which, for the avoidance of doubt, excludes any Shares held in treasury), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer at a price equal to the Offer Price.

*In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires pursuant to the Offer such number of Shares which, together with any Shares held in treasury and the Shares held by the Offeror, its related corporations and their respective nominees, comprise 90% or more of the total number of Shares, Shareholders who have not accepted the Offer have a right to require the Offeror to acquire their Shares at the Offer Price. **Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.***

7.2 Offeror's Intentions

*The Offeror intends to make the Company its wholly-owned subsidiary. **Accordingly, the Offeror when entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act.***

As mentioned above, the Acceptance Condition will be fulfilled upon the acceptance of the Offer by the Undertaking Shareholders in respect of all and not some only of their respective Relevant Shares pursuant to their respective Irrevocable Undertakings, and accordingly, the Offeror will be entitled to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act."

As announced in the Unconditional Offer Announcement, as the Offeror has acquired not less than 90% of the total number of Shares (other than those already held by the Offeror, its related corporations and their respective nominees as at the date of the Offer and which, for the avoidance of doubt, excludes any Shares held in treasury), the Offeror is entitled to, and will in due course, exercise its right of compulsory acquisition under Section 215(1) of the Act to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**") at a price equal to the Offer Price.

As the Offeror has acquired, pursuant to the Offer, such number of Shares which, together with Shares held in treasury and the Shares held by the Offeror, its related corporations and their respective nominees, comprise 90% or more of the total number of Shares, the Dissenting Shareholders will have the right under and subject to Section 215(3) of the Act, to require the Offeror to acquire their Shares at the Offer Price.

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6. IRREVOCABLE UNDERTAKINGS

The Offer Document sets out information on the Irrevocable Undertakings, provided by GKGH and SHSB, which has been extracted therefrom and is reproduced in italics below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

“5. IRREVOCABLE UNDERTAKINGS

5.1 Details of Irrevocable Undertakings

As at the Latest Practicable Date:

- (a) the Undertaking Shareholders have each provided an irrevocable undertaking to the Offeror (collectively, the “**Irrevocable Undertakings**” and each, an “**Irrevocable Undertaking**”), pursuant to which each Undertaking Shareholder has undertaken, inter alia:*
 - (i) subject to the Offer being made, to accept and/or procure the acceptance of the Offer in respect of all and not some only of the Relevant Shares, no earlier than the date falling three (3) Business Days after the date of despatch of this Offer Document and no later than the date falling five (5) Business Days after the date of despatch of this Offer Document (or, in relation to any Shares which GKGH, Salacca or SHSB (as the case may be) may become the registered holder or beneficial owner of or in which GKGH, Salacca or SHSB (as the case may be) may become otherwise interested after the date of the relevant Irrevocable Undertaking (including any Shares which may be issued to GKGH, Salacca or SHSB (as the case may be) whether pursuant to any bonus issue, rights issue, distribution of Shares or otherwise, on or after the date of the relevant Irrevocable Undertaking), as soon as practicable after GKGH, Salacca or SHSB (as the case may be) becomes the registered holder or, to the extent no undertaking is given by the registered holder, the beneficial owner of, or if it becomes otherwise interested in, such Shares) (such date of acceptance of the Offer by GKGH or Salacca being, the “**GKGH Acceptance Date**”);*
 - (ii) from the date of the relevant Irrevocable Undertaking until the date on which such Irrevocable Undertaking lapses, not to directly or indirectly, (A) offer; (B) (except pursuant to the Offer) sell, transfer, give or otherwise dispose of; (C) grant any option, right or warrant to purchase in respect of; (D) charge, mortgage, pledge or otherwise create an encumbrance over; or (E) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the legal, beneficial or economic consequences of ownership of, all or any of the Relevant Shares or any interest therein, or enter into any agreement with a view to effecting any of the foregoing; and*
 - (iii) from the date of the relevant Irrevocable Undertaking until the date on which such Irrevocable Undertaking lapses, not to (A) accept any other offer for all or any of the Relevant Shares, whether or not such other offer is at a price higher than the Offer Price for the Relevant Shares and/or on more favourable terms than under the Offer; (B) directly, indirectly or through any other person acting on its behalf, solicit, encourage, initiate or participate in any negotiations or discussions with, or entertain any approach from, any other person in relation to or with a view to obtaining, or to the extent reasonably likely to result in or lead to, any Competing Proposal (as defined in each Irrevocable Undertaking); (C) take any action which may be prejudicial to the successful outcome of the Offer; or (D) enable any person (other than the Offeror and its representatives) to undertake due diligence on any of the Group Companies or make available to such person, or permit such person, to receive any non-public information*

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relating to any Group Company in connection with the formulation, development or finalisation of an actual, proposed or potential Competing Proposal, provided that nothing in the foregoing shall:

- (I) prevent GKGH from continuing to make normal presentations to, and responding to enquiries from, brokers, portfolio investors, analysts and shareholders of GKGH in the ordinary course of its business; or
- (II) prevent GKGH from fulfilling its continuing disclosure obligations in compliance with the rules and regulations of the SGX-ST (including the listing manual of the SGX-ST).

For the avoidance of doubt, GKGH's obligations under the Irrevocable Undertaking shall continue to be in force and be binding upon it regardless of whether there is a Competing Proposal; and

- (b) GKGH has, pursuant to the Irrevocable Undertaking given by GKGH in favour of the Offeror, also undertaken that it shall, and shall procure that the Boardroom Group shall, use all reasonable endeavours to take all actions and/or make arrangements in compliance with all applicable laws to procure and ensure that the Definitiv Interest will not be held by the Boardroom Group on or before the GKGH Acceptance Date (the **"Definitiv Restructuring"**)¹. Such actions and/or arrangements may include, but are not limited to, a disposal of the Definitiv Interest by the Boardroom Group to a third party prior to the GKGH Acceptance Date. Pursuant to the Irrevocable Undertaking given by GKGH, (i) GKGH and the Offeror have agreed that they shall consult each other on and, if applicable, negotiate in good faith, the actions and/or arrangements to be taken by GKGH and/or the Boardroom Group in relation to the Definitiv Restructuring, including responding to any questions or issues raised by any tax and/or regulatory authorities in relation to the Definitiv Restructuring and in respect of any alternative arrangements or actions to be taken by either GKGH and the Offeror to give effect to the Definitiv Restructuring in response to any such tax and/or regulatory queries or issues raised and (ii) the Offeror has agreed that, where applicable, it shall, subject to all applicable laws, use its reasonable endeavours to do and execute all such things and documents as agreed between GKGH and the Offeror (both acting reasonably) required to effect the Definitiv Restructuring and shall procure that its nominee(s) shall do the same.

GKGH and the Offeror agree in principle that, with respect to the Definitiv Restructuring:

- (i) Shareholders (other than the Offeror) shall be entitled, on a pro-rata basis (based on their shareholdings in the Company), to the 31.52% interest in Definitiv held by BPL, and all and any rights to and/or any interests in the net proceeds arising from the Definitiv Disposal²; and
- (ii) accordingly, none of the Offeror, BPL and any Group Company has any claim to, and disclaims (A) all and any rights to the 31.52% interest in Definitiv; and (B) any consideration received or to be received by the Boardroom Group pursuant to the Definitiv Disposal in connection with or pursuant to the Definitiv Restructuring.

¹ Please refer to the announcements made by GKGH on 17 August 2021 (the **"Definitiv Disposal Announcement"**) and 15 December 2021 in respect of the disposal by the Boardroom Group of the Definitiv Interest and the Definitiv Restructuring available on GKGH's website at the URL <http://www.gkgoh.com/investor.aspx> and on the SGX-ST website at the URL <https://www.sgx.com/securities/company-announcements>.

² As announced by GKGH in the Definitiv Disposal Announcement, BPL has disposed of its 31.52% interest in Definitiv as at 6 August 2021 to Access Workspace. Access Workspace is part of The Access Group, a leading provider of business management software to mid-sized organisations. Further details are set out in the Definitiv Disposal Announcement, a copy of which is available on GKGH's website at the URL <http://www.gkgoh.com/investor.aspx> and on the SGX-ST website at the URL <https://www.sgx.com/securities/company-announcements>.

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GKGH and Salacca shall ensure that none of the Offeror, BPL and any Group Company shall be required to bear any costs, expenses, obligations, liabilities and taxes, whether contractual or otherwise, incurred by BPL and/or any Group Company pursuant to the Definitiv Restructuring (including, but not limited to the Definitiv Disposal) (to the extent not already indemnified).

5.2 Expiry of Irrevocable Undertakings

Pursuant to the terms of the Irrevocable Undertakings, the Irrevocable Undertakings shall lapse if, inter alia:

- (a) the Offer closes, lapses or is withdrawn;*
- (b) the Offeror agrees with each Undertaking Shareholder by mutual consent in writing to terminate the relevant Irrevocable Undertaking; or*
- (c) the financial adviser to the Offeror in connection with the Offer resigns or otherwise ceases to act as the financial adviser to the Offeror in connection with the Offer and no replacement financial adviser of international repute is appointed in substitution thereof within seven (7) Business Days after such resignation or ceasing to act (as the case may be).*

5.3 Major Shareholder Irrevocable Undertaking

*As the acceptance or the procuring of the acceptance of the Offer by GKGH in respect of all the Shares in the capital of the Company held legally or beneficially by GKGH, and the disposal or the procuring of the disposal by GKGH of all the Shares in the capital of the Company held legally or beneficially by GKGH pursuant to the Irrevocable Undertaking given by GKGH (the “**Acceptance**”) constitutes a “major transaction” for GKGH under Chapter 10 of the listing manual of the SGX-ST, the approval of the shareholders of GKGH by way of an ordinary resolution for the Acceptance at the EGM would need to be obtained prior to the Acceptance. GKGH had obtained an irrevocable undertaking from GKGI, which holds more than 50% of the issued share capital of GKGH, to vote at the EGM in favour of the relevant resolution(s) required to approve the Acceptance. As announced by GKGH on 10 January 2022, the relevant resolution to approve the Acceptance has been passed and GKGI has voted in favour of such resolution.*

5.4 No other Irrevocable Undertakings

Save for the Irrevocable Undertakings, as at the Latest Practicable Date, neither the Offeror nor any persons acting in concert with the Offeror has received any irrevocable undertaking from any other person to accept the Offer.”

As at the Latest Practicable Date, in accordance with the terms of the Irrevocable Undertakings, Salacca has tendered all its 192,919,905 Shares, representing approximately 92.02% of the Shares, and SHSB has tendered all its 16,000,000 Shares, representing approximately 7.63% of the Shares, each in acceptance of the Offer.

7. ADVICE OF THE IFA

7.1 IFA. SAC Capital Private Limited (“**IFA**” or “**SAC Capital**”) has been appointed as the independent financial adviser to advise the Independent Directors in respect of the Offer. Shareholders should consider carefully the recommendation of the Independent Directors and the advice and recommendation of the IFA to the Independent Directors before deciding whether to accept or reject the Offer. The IFA’s recommendation and advice are set out in its letter dated 7 February 2022, which is set out in Appendix 1 on pages 15 to 49 of this Circular (the “**IFA Letter**”).

7.2 Key Factors Taken into Consideration by the IFA. In arriving at its advice and recommendation, the IFA has taken into consideration certain factors (an extract of which is set out in italics below). All terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter.

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“8.1 Key Considerations of the Offer

In arriving at our opinion and advice in respect of the Offer, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment of the Offer. The follow should be read in conjunction with, and in the context of, the full text of this letter:

- (a) historical financial performance of the Group, as set out in section 7.1 of this letter;*
- (b) a comparison with the NAV of the Group as follows:*
 - (i) the Offer Price representing a premium of approximately 174.6% to the NAV per Share of S\$0.542 as at 30 June 2021;*
 - (ii) the Offer Price representing a premium of approximately 184.0% to the Adjusted NAV per Share of S\$0.524 as at 30 June 2021; and*
- (c) a comparison with the valuation statistics of the Comparable Companies as follows:*
 - (i) the EV/Sales of 2.76 times of the Group as implied by the Offer Price is (aa) within the range of EV/Sales of the Comparable Companies of between 1.10 times and 8.78 times and (bb) at a premium of 23.2% and 76.9% to the mean and median EV/Sales of the Comparable Companies of 2.24 and 1.56 times respectively;*
 - (ii) the PER of 19.3 times of the Group as implied by the Offer Price is (aa) below the range of PERs of the Comparable Companies of between 20.6 times and 43.2 times and (bb) at a discount of 15.0% to the mean and median PER of the Comparable Companies of 22.7 times. It is noted that two out of the five Comparable Companies were loss making in the latest trailing 12 months;*
 - (iii) the EV/EBITDA ratio of 10.0 times of the Group as implied by the Offer Price being (aa) within the range of EV/EBITDA ratios of the Comparable Companies of between 6.5 times and 90.1 times and (bb) at a discount of 15.3% and 18.7% to the mean and median EV/EBITDA ratio of the Comparable Companies of 11.8 times and 12.3 times respectively;*
 - (iv) the Offer Price of S\$1.48828 falls within our estimated range of value for the Shares of S\$1.196 and S\$1.769, which is based on the mean EV/Sales and mean EV/EBITDA of the Comparable Companies. We further note that the Offer was the culmination of the Strategic Review undertaken by GKGH, which had involved an international competitive bid process;*
- (d) a comparison with recent successful privatisation transactions of companies listed on the SGX-ST as follows:*
 - (i) the P/ANAV ratio as implied by the Offer Price and the Adjusted NAV per Share at 30 June 2021 of 2.84 times being (aa) above the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.16 times and 2.60 times and (bb) at a premium of approximately 184.0% and 259.5% over the corresponding mean and median Price-to-NAV/NTA ratios of the Take-over Transactions of 1.00 times and 0.79 times respectively;*

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- (e) *a comparison with the previous take-over offers for the Company as follows:*
 - (i) *the Offer Price being higher than the Precedent Offers;*
 - (ii) *the PER of 19.3 times as implied by the Offer Price being above the 2014 Offer at 13.0 times but below the 2019 Offer at 25.2 times; and*
 - (iii) *the EV/EBITDA ratio of 10.0 as implied by the Offer Price being above the 2014 Offer at 8.1 times but below the 2019 Offer at 15.9 times;*
- (f) *other relevant considerations as follows:*
 - (i) *there is no public trading platform to facilitate the trading of the shares as set out in section 7.6.1 of this letter;*
 - (ii) *the Offer Price being final and the Offer being unconditional in all respects. Shareholders who accept the Offer are assured of receiving the Offer Price in respect of all their acceptances of the Offer with no transaction costs involved as set out in section 7.6.2 of this letter;*
 - (iii) *the absence of alternative take-over offers from third parties as at the Latest Practicable Date and the likelihood of an alternative take-over being remote in view that the Undertaking Shareholders holding 99.65% of the issued Shares have given their undertaking to accept and/or procure the acceptance of the Offer as set out in section 7.6.3 of this letter;*
 - (iv) *the Offeror's intention to make the Company its wholly-owned subsidiary and to exercise its rights of compulsory acquisition upon receiving the acceptances from the Undertaking Shareholders as set out in section 7.6.4 of this letter;*
 - (v) *GKGH and SHSB's undertaking to accept the Offer which demonstrates the attractiveness of the Offer as well as the international competitive bid process which resulted in the Offer as set out in section 7.6.5 of this letter;*
 - (vi) *Mr Thomas Teo Liang Huat's acceptance of the Offer in respect of the Shares directly held by him as set out in section 7.6.6 of this letter; and*
 - (vii) *the dividend payout by the Company over the last three years as set out in section 7.6.7 of this letter. "*

7.3 Advice of the IFA. After having regard to the considerations set out in the IFA Letter, carefully considering all available information and based on the IFA's assessment of the financial terms of the Offer, the IFA has advised the Independent Directors to make the following recommendation to Shareholders in relation to the Offer (an extract of which is set out in italics below). All terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter.

"Based on our analysis set out above and after considering all relevant information available to us as at the Latest Practicable Date, we are of the opinion that, on balance, the financial terms of the Offer are fair and reasonable. Accordingly, we advise the Independent Directors to recommend that Shareholders accept the Offer."

Shareholders should read the extracts in paragraphs 7.2 and 7.3 above in conjunction with, and in the context of, the full text of the IFA Letter which is set out on in Appendix 1 on pages 15 to 49 of this Circular.

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8. RECOMMENDATION OF THE INDEPENDENT DIRECTORS

- 8.1 Independent Directors.** All the Directors of the Company (the “Independent Directors”) consider themselves to be independent for purposes of making a recommendation to Shareholders in respect of the Offer.

All the Directors are jointly and severally responsible for the accuracy of facts stated and opinions expressed in documents, announcements and/or advertisements issued by, or on behalf of, the Company to Shareholders in connection with the Offer.

- 8.2 Recommendation of the Independent Directors.** The Independent Directors, having considered carefully the terms of the Offer and the advice and recommendation given by the IFA, have set out their recommendation on the Offer below:

The Offer: The Independent Directors concur with the advice and recommendation of the IFA in respect of the Offer. Accordingly, the Independent Directors recommend that Shareholders accept the Offer.

SHAREHOLDERS ARE ADVISED TO READ THE IFA LETTER SET OUT IN APPENDIX 1 ON PAGES 15 TO 49 OF THIS CIRCULAR CAREFULLY.

- 8.3 No Regard to Specific Objectives.** In making their recommendation, the Independent Directors have not had regard to the specific investment objectives, financial situation, tax position or particular needs and constraints of any individual Shareholder. Accordingly, the Independent Directors recommend that any individual Shareholder who may require specific advice in the context of his investment objectives or portfolio should consult his bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

9. OVERSEAS PERSONS

The Offer Document sets out information in relation to Overseas Persons, which has been extracted therefrom and is reproduced in italics below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

“8. OVERSEAS SHAREHOLDERS

This Offer Document does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Offer Document in any jurisdiction in contravention of applicable law.

*The Offer will be made solely by this Offer Document and the FAT, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. **Where there are potential restrictions on sending the Electronic Despatch Notification, this Offer Document and/or the FAT to any overseas jurisdictions, the Offeror and UOB reserve the right not to send the Electronic Despatch Notification, this Offer Document and/or the FAT to such overseas jurisdictions.***

*The ability of the Shareholders who are not resident in Singapore (the “Overseas Shareholders”) to accept the Offer may be affected by the laws of the relevant overseas jurisdictions in which they are located. Overseas Shareholders should also exercise caution in relation to the Offer, as the Electronic Despatch Notification, this Offer Document and the FAT have not been reviewed by any regulatory authority in any overseas jurisdiction. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions. **For the avoidance of doubt, the Offer is open to all Shareholders, including those to whom the Electronic Despatch Notification, this Offer Document and/or the FAT have not been, or will not be, sent.***

LETTER TO SHAREHOLDERS

*Copies of this Offer Document and any other related document relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer will violate the laws of that jurisdiction (a “**Restricted Jurisdiction**”) and will not be capable of acceptance by any such use, means, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.*

The Offer (unless otherwise determined by the Offeror and permitted by applicable laws and regulations) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including without limitation, telephonically or electronically) of interstate or foreign commerce of, or by any facility of a national, state or other securities exchange of, any Restricted Jurisdiction, and the Offer will not be capable of acceptance by any such use, means, instrumentality or facility.

Overseas Shareholders may, nonetheless, obtain copies of the Electronic Despatch Notification, this Offer Document, the FAT and/or any related documents, during normal business hours and up to the Closing Date, from the Share Registrar by submitting a request via phone (+65 6536 5355) or by email (srs.teamb@boardroomlimited.com).

Alternatively, an Overseas Shareholder may write to the Share Registrar at 1 Harbourfront Avenue, Keppel Bay Tower #14-07 Singapore 098632 to request for the Electronic Despatch Notification, this Offer Document, the FAT and/or any related documents to be sent to an address in Singapore by ordinary post at such Overseas Shareholder’s own risk, up to five (5) Business Days prior to the Closing Date.

Electronic copies of the Electronic Despatch Notification, this Offer Document and the FAT are also available on the “Shareholder Information | Shareholder Announcements” page on the website of the Company at <https://www.boardroomlimited.com/shareholder-information-2021>.

*It is the responsibility of any Overseas Shareholder who wishes to (a) request for the Electronic Despatch Notification, this Offer Document, the FAT and/or any related documents; and/or (b) accept the Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on its behalf (including UOB) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on its behalf (including UOB) may be required to pay. In (i) requesting for the Electronic Despatch Notification, this Offer Document, the FAT and/or any related documents; and/or (ii) accepting the Offer, the Overseas Shareholder represents and warrants to the Offeror and UOB that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. **Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.***

The Offeror and UOB each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement on the website of the Company at <https://www.boardroomlimited.com> or notice and if necessary, by paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder (including Overseas Shareholders) to receive or see such announcement, notice or advertisement.”

LETTER TO SHAREHOLDERS

10. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who do not wish to accept the Offer need not take any further action in respect of the Offer Document and the FAT which have been sent to them.

Shareholders who wish to accept the Offer must do so not later than 5.30 p.m. (Singapore time) on 21 February 2022. As stated in the Offer Document, the Offeror does not intend to extend the Offer beyond 5.30 p.m. (Singapore time) on the Closing Date.

Appendix V to the Offer Document, and the FAT set out the procedures of acceptance of the Offer by a Shareholder.

Shareholders who wish to accept the Offer should complete and return their acceptance form as soon as possible and, in any event, so as to be received, on behalf of the Offeror, by the share registrar of the Company (in respect of the FAT), as the case may be, not later than 5.30 p.m. (Singapore time) on 21 February 2022. As stated in the Offer Document, the Offeror does not intend to extend the Offer beyond 5.30 p.m. (Singapore time) on the Closing Date.

As disclosed above in Paragraph 5, as the Offeror will be compulsorily acquiring the Shares of the Dissenting Shareholders, the Dissenting Shareholders need not take any action in relation to their right under Section 215(3) of the Act. Dissenting Shareholders who wish to exercise such right or who are in any doubt as to their position are advised to seek their own independent legal advice.

11. RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Circular) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Circular (other than those relating to the Offeror, persons acting in concert or deemed to be acting in concert with the Offeror, the Offer, and the IFA Letter) are fair and accurate and that no material facts have been omitted from this Circular, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or publicly available sources (including, without limitation, the Pre-Conditional Offer Announcement and the Offer Document), the sole responsibility of the Directors of the Company has been to ensure, through reasonable enquiries, that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this Circular.

In respect of the IFA Letter, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Group are fair and accurate.

Yours faithfully
For and on behalf of the Board of Directors of
Boardroom Limited

7 February 2022

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

7 February 2022

To: The directors of Boardroom Limited (the “**Company**” or “**Boardroom**”) who are considered independent for the purposes of making a recommendation to the Shareholders in respect of the Offer

Mr Goh Geok Khim
Mr Teo Poh Jin, Kim
Mr Thomas Teo Liang Huat
Mr Goh Yew Lin (Alternative Director for Mr Goh Geok Khim)

Dear Sirs

VOLUNTARY CONDITIONAL GENERAL CASH OFFER FOR ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF BOARDROOM LIMITED

*Unless otherwise defined or the context otherwise requires, all terms defined in the circular to shareholders of the Company dated 7 February 2022 (the “**Circular**”) shall have the same meanings herein.*

1. INTRODUCTION

On 6 August 2021 (the “**Pre-Conditional Offer Announcement Date**”), United Overseas Bank Limited announced (the “**Pre-Conditional Offer Announcement**”), for and on behalf of Apricus Global Pte. Ltd. (the “**Offeror**”), that the Offeror intends to make a voluntary conditional general offer (the “**Offer**”) for all the issued and paid-up ordinary shares (the “**Shares**”) in the capital of the Company (excluding Shares held in treasury) in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the “**Code**”), subject to the satisfaction and/or waiver of the Pre-Conditions.

On 10 January 2021 (the “**Offer Announcement Date**”), United Overseas Bank Limited announced, for and on behalf of the Offeror, that following the satisfaction of the Pre-Conditions, the Offeror intends to make the Offer.

On 24 January 2022, the formal Offer Document was despatched to shareholders of the Company (the “**Shareholders**”).

On 7 February 2022, the Company issued the Circular to Shareholders in relation to the Offer containing, *inter alia*, the recommendation of the directors of the Company who are considered independent for the purposes of making a recommendation to the Shareholders in respect of the Offer (the “**Independent Directors**”) and the advice of SAC Capital Private Limited (“**SAC Capital**”), being the independent financial adviser (the “**IFA**”) to the Independent Directors in respect of the Offer.

In connection with the Offer, the Company has appointed SAC Capital as the IFA to the Independent Directors of the Company to provide an assessment on the financial terms of the Offer. This letter, which sets out, *inter alia*, our evaluation and advice, has been prepared for the use of the Independent Directors in connection with their consideration of the Offer and their recommendation to Shareholders arising thereof.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

2. OUR TERMS OF REFERENCE

We have been appointed as the IFA to the Independent Directors to provide an assessment of the financial terms of the Offer in order to advise the Independent Directors in respect of their recommendation to Shareholders on the Offer.

We are not and were not involved in any aspect of the negotiations entered into by the Company and its subsidiaries (collectively, the “**Group**”) in relation to the Offer or in the deliberations leading up to the decision by the Offeror to undertake the Offer. Accordingly, we do not, by this letter warrant the merits of the Offer, other than to advise the Independent Directors on the terms of the Offer from a financial point of view.

We have not conducted a comprehensive independent review of the business, operations or financial condition of the Group or the Offeror. We have not been provided with, nor do we have access to, any business plans or financial projections of the future performance of the Group, and/or the Offeror. Our evaluation is confined to the financial terms of the Offer and it is not within the terms of reference to evaluate the strategic, legal or commercial merits or risks of the Offer or the future growth prospects or earnings potential of the Group after the completion of the Offer. Accordingly, we do not express any view as to the future prices at which the Shares may trade or on the future financial performance of the Group or the Offeror after the completion of the Offer.

We have not been requested or authorised to solicit, and we have not solicited, any indication of interest from any third party with respect to the Offer Shares. It is also not within our terms of reference to compare the relative merits of the Offer *vis-à-vis* any alternative transaction that the Company may consider in the future, or any alternative offer that might otherwise be available in the future, and as such, we do not express an opinion thereon.

In the course of our evaluation of the financial terms of the Offer, we have held discussions with the directors and the management of the Company (the “**Directors**” and “**Management**” respectively) and have relied on the information and representations, whether written or verbal, provided to us by the Directors and the Management, including the information contained in the Circular. The Directors (including those who may have delegated detailed supervision of the Circular) have confirmed that, having made all reasonable enquiries and to the best of their knowledge: (i) all material information available to them in connection with the Offer has been disclosed in the Circular; (ii) such information (other than those relating to the Offeror, parties acting in concert or deemed to be acting in concert with the Offeror and the Offer) is fair and accurate in all material respects; and (iii) there is no other information or fact, the omission of which would cause any information disclosed to us or the facts stated in the Circular to be inaccurate, incomplete or misleading in any material respect. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified the information or representations. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or representations. We have, however, made reasonable enquiries and exercised our judgement (as deemed necessary) in assessing the information and representations provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on in our evaluation.

Save as disclosed, all information relating to the Group that we have relied upon in arriving at our opinion and advice has been obtained from the Circular, publicly available information, the Directors and/or the Management. We have not independently assessed and do not warrant or accept any responsibility as to whether the aforesaid information adequately represents a true and fair position of the financial, operational and business affairs of the Group at any time or as at 28 January 2022 (the “**Latest Practicable Date**”). We have also not made any independent evaluation or appraisal of the assets and liabilities of the Group and have not been furnished with any such evaluation or appraisals.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

Our opinion and advice, as set out in this letter, are based on the market, economic, industry and other applicable conditions prevailing on, and the information made available to us as at the Latest Practicable Date. Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion and advice in the light of any subsequent development after the Latest Practicable Date that may affect our opinion and advice contained herein.

In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

Our opinion and advice in relation to the Offer should be considered in the context of the entirety of this letter and the Circular.

The Company has been separately advised by its own professional advisers in the preparation of the Circular (other than this letter). We have had no role or involvement and have not provided any advice, financial or otherwise, in the preparation, review and verification of the Circular (other than this letter). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Circular (other than this letter).

3. THE OFFER

3.1 Terms

The Offer will be extended to all the Shares other than those already owned, controlled or agreed to be acquired by the Offeror (the “**Offer Shares**”) subject to the terms and conditions set out in the Offer Document.

3.2 Offer Price

The consideration for each Offer Share will be as follows:

For each Offer Share: S\$1.48828 in cash (the “Offer Price”).

The Offer Price is final and the Offeror does not intend to increase the Offer Price.

The aggregate Offer Price that is payable by the Offeror to any Shareholder who has accepted the Offer in respect of the Offer Shares held by such Shareholder will be rounded down to the nearest whole cent.

3.3 No Encumbrances

The Offer Shares are to be acquired: (i) fully paid; (ii) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever (the “**Encumbrances**”); and (iii) together with all rights, benefits and entitlements attached thereto as at the Pre-Conditional Offer Announcement Date and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares (collectively, “**Distributions**”) on or after the Pre-Conditional Offer Announcement Date.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

3.4 Adjustment for Distributions

Without Prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Pre-Conditional Offer Announcement Date.

Accordingly, save for the Fixed Interim Dividend (as defined below) and Contingent Interim Dividend (as defined below) declared by the Company in respect of the Definitiv Interest (the “**Excluded Distributions**”), in the event that any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Pre-Conditional Offer Announcement Date, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such accepting Shareholder falls, as follows:

- (a) if such settlement date falls on or before the books closure date for the determination of entitlements to the Distribution (the “**Books Closure Date**”) and the Offeror is registered as the holder of such Offer Shares as at the Books Closure Date, the Offer Price shall remain unadjusted for each such Offer Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; and
- (b) if such settlement date falls after the Books Closure Date or if such settlement date falls on or before the Books Closure Date but the Offeror is not registered as the holder of such Offer Shares as at the Books Closure Date, the Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

On 15 December 2021, the Company declared: (i) a fixed interim dividend of S\$0.030023 per Share (the “**Fixed Interim Dividend**”) from the proceeds of the disposal by Boardroom Pty Limited (“**BPL**”) of its 31.52% interest in Definitiv Group Pty Ltd (“**Definitiv**”) to Access Workspace Pty Ltd (“**Access Workspace**” and the disposal, the “**Definitiv Disposal**”), following adjustments to account for debt, tax liabilities, working capital amounts and cash balances as at the completion of the Definitiv Disposal and net of all and any estimated taxes, expenses and foreign exchange currency costs; and (ii) a contingent interim dividend of up to the Singapore dollar equivalent of A\$0.020529 per Share (“**Contingent Interim Dividend**”) from the expected aggregate proceeds of any earn-out amounts payable pursuant to the earn-out arrangements entered into between BPL and Access Workspace in connection with the Definitiv Disposal, net of all and any estimated taxes, expenses and foreign currency exchange costs that would be incurred to repatriate any such earn-out amounts to the Company and convert the proceeds into Singapore Dollars, with the payment of the Contingent Interim Dividend being subject to and conditional on certain conditions being met. As the Fixed Interim Dividend and the Contingent Interim Dividend relate to the Definitiv Interest and are Excluded Distributions, accordingly, for the avoid of doubt, the Offer Price will not be reduced by the amount of such dividends.

3.5 Acceptance Condition

The Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with it holding such number of Shares representing not less than 90% of the voting rights attributable to all the Shares in issue (excluding Shares held in treasury) as at the close of the Offer (the “**Acceptance Condition**”).

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting in concert with it holding such number of Shares carrying not less than 90% of the voting rights attributable to all the Shares in issue (excluding Shares held in treasury) as at the close of the Offer.

Save for the Acceptance Condition, the Offer is unconditional in all other respects.

The Acceptance Condition will be fulfilled upon the acceptance of the Offer by G. K. Goh Holdings Limited (“**GKGH**”) and Symphony House Sdn. Bhd. (“**SHSB**”, together with GKGH, the “**Undertaking Shareholders**” and each, an “**Undertaking Shareholder**”) in respect of all and not some only of their respective Shares pursuant to the Irrevocable Undertakings respectively given by each of them in favour of the Offeror.

3.6 Warranty

The acceptance of the Offer will be deemed to constitute an unconditional and irrevocable warranty by the accepting Shareholder that each Offer Share tendered in acceptance of the Offer is sold by the accepting Shareholder, as or on behalf of the beneficial owner(s) thereof, (i) fully paid; (ii) free from all Encumbrances; and (iii) together with all rights, benefits and entitlements attached thereto as at the Pre-Conditional Offer Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions declared, paid or made by the Company in respect of the Offer shares on or after the Pre-Conditional Offer Announcement Date.

3.7 No Extension of Closing Date

Except insofar as the Offer may be withdrawn with the consent of the Securities Industry Council of Singapore and every person released from any obligation incurred thereunder, the Offer will remain open for acceptances for a period of at least 28 days from the date of posting of the Offer Document.

The Offeror does not intend to extend the Offer beyond 5.30 p.m. (Singapore time) on 21 February 2022, being the Closing Date. Notice is hereby given, pursuant to Rule 22.6 of the Code, that the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Closing Date.

Acceptances of the Offer must be received not later than 5.30 p.m. (Singapore time) on the Closing Date. Accordingly, acceptances received after 5.30 p.m. (Singapore time) on the Closing Date will be rejected.

3.8 Status of the Offer

On 27 January 2022, the Offeror announced that United Overseas Bank Limited announced, for and on behalf of the Offeror, that the Offeror has as at 5.00 p.m. (Singapore time) on 27 January 2022, received valid acceptances amounting to 209,089,105 Shares, representing approximately 99.73% of the total number of Shares, and accordingly the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and persons acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), result in the Offeror and persons acting in concert with it holding such number of Shares representing not less than 90% of the voting rights attributable to all the Shares in issue (excluding Shares held in treasury). Accordingly, the Offer has become unconditional as to acceptances and has been declared by the Offeror to be unconditional in all respects.

3.9 Further Details of the Offer

Further details of the Offer are set out in Appendix IV to the Offer Document, in relation to (i) the duration of the Offer; (ii) the settlement of the consideration for the Offer; (iii) the requirements relating to the announcement of the level of acceptances of the Offer; and (iv) the right of withdrawal of acceptances of the Offer.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

4. INFORMATION ON THE OFFEROR AND THE CONSORTIUM

Details on the Offeror have been extracted from the Offer Document and are set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

3. INFORMATION ON THE OFFEROR

3.1 Incorporation

*The Offeror is a special purpose vehicle incorporated on 11 May 2021 by a consortium of investors (the “**Consortium**”) for the purposes of making the Offer.*

3.2 Share Capital

*As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$65,990,228.37 comprising 2,039,022,837 ordinary shares in the capital of the Offeror (the “**Offeror Ordinary Shares**”) and 45,600,000 preference shares in the capital of the Offeror (the “**Offeror Preference Shares**”).*

3.3 Consortium

The members of the Consortium comprise (a) 65EP III, an independently managed indirect wholly-owned subsidiary of Temasek, and (b) TC Fund, a limited partnership set up in Singapore and managed by TCA.

65EP III is a wholly-owned subsidiary of 65EP, which is an indirect wholly-owned subsidiary of Temasek. 65EP is independently managed by its own management team and board of directors, who are majority non-Temasek employees. Temasek does not have any discretionary authority over the investments of 65EP and its subsidiaries. 65EP focuses on providing flexible capital solutions to entrepreneur led and family owned businesses in Singapore, Southeast Asia, Europe and US. In Singapore, the strategy of 65EP is to provide capital solutions to local enterprises with fundamentally sound businesses to help them expand regionally and/or transform strategically as well as invest in leading, high growth companies to enable their eventual listing on the SGX-ST.

TC Fund is a limited partnership set up in Singapore for the purpose of investing in the Offeror with TC GP as the general partner of TC Fund and several institutional investors as limited partners who provide the investment capital to TC Fund. Consistent with the practice of private equity firms, TC GP is a special purpose vehicle with no employees and the responsibilities and functions of TC GP is delegated by TC GP to TCA, a private equity fund management firm licensed by the Monetary Authority of Singapore. TCA has a board of directors and its own management team. Since 2016, TCA has led investments in the privatisation and buyout of Southeast Asian businesses in close partnership with business sponsors. Together with its panel of deeply experienced senior advisors, TCA seeks to work closely with the founders or substantial shareholders and the management team of the portfolio companies of TC Fund post-investment, rejuvenating established business models and driving value creation for the long term.

3.4 Shareholding in the Offeror

As at the Latest Practicable Date, the shareholding proportion of each of 65EP III and TC Fund in relation to the Offeror Ordinary Shares is 40% and 60% respectively and 65EP III holds all of the Offeror Preference Shares. It is anticipated that the shareholding proportion of each of 65EP III and TC Fund in relation to the Offeror Ordinary Shares will remain the same as at the close of the Offer.

3.5 Additional Information on the Offeror

APPENDIX I to this Offer Document sets out certain additional information on the Offeror.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

5. IRREVOCABLE UNDERTAKINGS

Details of the Irrevocable Undertakings have been extracted from the Offer Document and are set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

5. IRREVOCABLE UNDERTAKINGS

5.1 Details of Irrevocable Undertakings

As at the Latest Practicable Date:

- (a) *the Undertaking Shareholders have each provided an irrevocable undertaking to the Offeror (collectively, the “**Irrevocable Undertakings**” and each, an “**Irrevocable Undertaking**”), pursuant to which each Undertaking Shareholder has undertaken, inter alia:*
 - (i) *subject to the Offer being made, to accept and/or procure the acceptance of the Offer in respect of all and not some only of the Relevant Shares, no earlier than the date falling three (3) Business Days after the date of despatch of this Offer Document and no later than the date falling five (5) Business Days after the date of despatch of this Offer Document (or, in relation to any Shares which GKGH, Salacca or SHSB (as the case may be) may become the registered holder or beneficial owner of or in which GKGH, Salacca or SHSB (as the case may be) may become otherwise interested after the date of the relevant Irrevocable Undertaking (including any Shares which may be issued to GKGH, Salacca or SHSB (as the case may be) whether pursuant to any bonus issue, rights issue, distribution of Shares or otherwise, on or after the date of the relevant Irrevocable Undertaking), as soon as practicable after GKGH, Salacca or SHSB (as the case may be) becomes the registered holder or, to the extent no undertaking is given by the registered holder, the beneficial owner of, or if it becomes otherwise interested in, such Shares) (such date of acceptance of the Offer by GKGH or Salacca being, the “**GKGH Acceptance Date**”);*
 - (ii) *from the date of the relevant Irrevocable Undertaking until the date on which such Irrevocable Undertaking lapses, not to directly or indirectly, (A) offer; (B) (except pursuant to the Offer) sell, transfer, give or otherwise dispose of; (C) grant any option, right or warrant to purchase in respect of; (D) charge, mortgage, pledge or otherwise create an encumbrance over; or (E) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the legal, beneficial or economic consequences of ownership of, all or any of the Relevant Shares or any interest therein, or enter into any agreement with a view to effecting any of the foregoing; and*
 - (iii) *from the date of the relevant Irrevocable Undertaking until the date on which such Irrevocable Undertaking lapses, not to (A) accept any other offer for all or any of the Relevant Shares, whether or not such other offer is at a price higher than the Offer Price for the Relevant Shares and/or on more favourable terms than under the Offer; (B) directly, indirectly or through any other person acting on its behalf, solicit, encourage, initiate or participate in any negotiations or discussions with, or entertain any approach from, any other person in relation to or with a view to obtaining, or to the extent reasonably likely to result in or lead to, any Competing Proposal (as defined in each Irrevocable Undertaking); (C) take any action which may be prejudicial to the successful outcome of the Offer; or (D) enable any person (other than the Offeror and its representatives) to undertake due diligence on any of the Group Companies or make available to such person, or permit such person, to receive any non-public information relating to any Group Company in connection with the formulation, development or finalisation of an actual, proposed or potential Competing Proposal, provided that nothing in the foregoing shall:*

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

- (I) *prevent GKGH from continuing to make normal presentations to, and responding to enquiries from, brokers, portfolio investors, analysts and shareholders of GKGH in the ordinary course of its business; or*
- (II) *prevent GKGH from fulfilling its continuing disclosure obligations in compliance with the rules and regulations of the SGX-ST (including the listing manual of the SGX-ST).*

For the avoidance of doubt, GKGH's obligations under the Irrevocable Undertaking shall continue to be in force and be binding upon it regardless of whether there is a Competing Proposal; and

- (b) *GKGH has, pursuant to the Irrevocable Undertaking given by GKGH in favour of the Offeror, also undertaken that it shall, and shall procure that the Boardroom Group shall, use all reasonable endeavours to take all actions and/or make arrangements in compliance with all applicable laws to procure and ensure that the Definitiv Interest will not be held by the Boardroom Group on or before the GKGH Acceptance Date (the “**Definitiv Restructuring**”)¹. Such actions and/or arrangements may include, but are not limited to, a disposal of the Definitiv Interest by the Boardroom Group to a third party prior to the GKGH Acceptance Date. Pursuant to the Irrevocable Undertaking given by GKGH, (i) GKGH and the Offeror have agreed that they shall consult each other on and, if applicable, negotiate in good faith, the actions and/or arrangements to be taken by GKGH and/or the Boardroom Group in relation to the Definitiv Restructuring, including responding to any questions or issues raised by any tax and/or regulatory authorities in relation to the Definitiv Restructuring and in respect of any alternative arrangements or actions to be taken by either GKGH and the Offeror to give effect to the Definitiv Restructuring in response to any such tax and/or regulatory queries or issues raised and (ii) the Offeror has agreed that, where applicable, it shall, subject to all applicable laws, use its reasonable endeavours to do and execute all such things and documents as agreed between GKGH and the Offeror (both acting reasonably) required to effect the Definitiv Restructuring and shall procure that its nominee(s) shall do the same.*

GKGH and the Offeror agree in principle that, with respect to the Definitiv Restructuring:

- (i) *Shareholders (other than the Offeror) shall be entitled, on a pro-rata basis (based on their shareholdings in the Company), to the 31.52% interest in Definitiv held by BPL, and all and any rights to and/or any interests in the net proceeds arising from the Definitiv Disposal²; and*
- (ii) *accordingly, none of the Offeror, BPL and any Group Company has any claim to, and disclaims (A) all and any rights to the 31.52% interest in Definitiv; and (B) any consideration received or to be received by the Boardroom Group pursuant to the Definitiv Disposal in connection with or pursuant to the Definitiv Restructuring.*

¹ Please refer to the announcements made by GKGH on 17 August 2021 (the “**Definitiv Disposal Announcement**”) and 15 December 2021 in respect of the disposal by the Boardroom Group of the Definitiv Interest and the Definitiv Restructuring available on GKGH's website at the URL <http://www.gkgoh.com/investor.aspx> and on the SGX-ST website at the URL <https://www.sgx.com/securities/company-announcements>.

² As announced by GKGH in the Definitiv Disposal Announcement, BPL has disposed of its 31.52% interest in Definitiv as at 6 August 2021 to Access Workspace. Access Workspace is part of The Access Group, a leading provider of business management software to mid-sized organisations. Further details are set out in the Definitiv Disposal Announcement, a copy of which is available on GKGH's website at the URL <http://www.gkgoh.com/investor.aspx> and on the SGX-ST website at the URL <https://www.sgx.com/securities/company-announcements>.

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GKGH and Salacca shall ensure that none of the Offeror, BPL and any Group Company shall be required to bear any costs, expenses, obligations, liabilities and taxes, whether contractual or otherwise, incurred by BPL and/or any Group Company pursuant to the Definitiv Restructuring (including, but not limited to the Definitiv Disposal) (to the extent not already indemnified).

5.2 Details of Irrevocable Undertakings

Pursuant to the terms of the Irrevocable Undertakings, the Irrevocable Undertakings shall lapse if, inter alia:

- (a) the Offer closes, lapses or is withdrawn;*
- (b) the Offeror agrees with each Undertaking Shareholder by mutual consent in writing to terminate the relevant Irrevocable Undertaking; or*
- (c) the financial adviser to the Offeror in connection with the Offer resigns or otherwise ceases to act as the financial adviser to the Offeror in connection with the Offer and no replacement financial adviser of international repute is appointed in substitution thereof within seven (7) Business Days after such resignation or ceasing to act (as the case maybe).*

5.3 Major Shareholder Irrevocable Undertaking

*As the acceptance or the procuring of the acceptance of the Offer by GKGH in respect of all the Shares in the capital of the Company held legally or beneficially by GKGH, and the disposal or the procuring of the disposal by GKGH of all the Shares in the capital of the Company held legally or beneficially by GKGH pursuant to the Irrevocable Undertaking given by GKGH (the “**Acceptance**”) constitutes a “major transaction” for GKGH under Chapter 10 of the listing manual of the SGX-ST, the approval of the shareholders of GKGH by way of an ordinary resolution for the Acceptance at the EGM would need to be obtained prior to the Acceptance. GKGH had obtained an irrevocable undertaking from GKGI, which holds more than 50% of the issued share capital of GKGH, to vote at the EGM in favour of the relevant resolution(s) required to approve the Acceptance. As announced by GKGH on 10 January 2022, the relevant resolution to approve the Acceptance has been passed and GKGI has voted in favour of such resolution.*

5.4 No other Irrevocable Undertakings

Save for the Irrevocable Undertakings, as at the Latest Practicable Date, neither the Offeror nor any persons acting in concert with the Offeror has received any irrevocable undertaking from any other person to accept the Offer.

6 RATIONALE FOR THE OFFER AND THE OFFEROR’S INTENTIONS IN RELATION TO THE COMPANY

The full text of the rationale for the Offer and the Offeror’s intentions for the Company has been extracted from sections 6 and 7 of the Offer Document and reproduced in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document. **Shareholders are advised to read the extracts below carefully and note the Offeror’s future plans for the Company.**

6. RATIONALE FOR THE OFFER AND OFFEROR’S INTENTIONS

6.1 Compliance with the Code

The Code applies to the acquisition of all the Shares by the Offeror pursuant to the Offer as the Company is a public company with more than 50 Shareholders and has net tangible assets of S\$5 million or more. Accordingly, the Offer is being made in compliance with the Code.

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6.2 **Exit Opportunity for Shareholders in an Unlisted Company**

The Offer presents Shareholders with an opportunity to realise the value of their Shares in cash. The Offer Price also represents a premium of approximately 69.12% over the previous offer price of S\$0.88 per Share offered by Salacca in the voluntary unconditional cash offer made by Salacca in 2019 for all the Shares (other than those already owned or agreed to be acquired by Salacca).

6.3 **Long-term Commercial Justification for the Company**

The Boardroom Group with its established operations and leading position in its key markets in the Asia-Pacific region is well positioned to provide best-in-class services to support its existing and new customers to meet their growing business needs both locally and regionally. The Offer presents long-term commercial benefits to the Offeror as it is of the view that the Consortium can provide the Boardroom Group with the resources and ambition to chart its next phase of growth, by creating value from organic and inorganic growth plans, and through efficiency improvements and digital transformation.

6.4 **Offeror's Intentions for the Company**

Save as disclosed above, the Offeror presently has no intention to (a) introduce any major changes to the business of the Company; (b) redeploy the fixed assets of the Company; or (c) discontinue the employment of the employees of the Boardroom Group, other than in the ordinary and usual course of business. However, the Offeror retains the flexibility at any time to consider any option in relation to the Boardroom Group which may present itself or which the Offeror may regard to be in the interest of the Offeror and the Boardroom Group.

7. **COMPULSORY ACQUISITION**

7.1 **Compulsory Acquisition**

Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires not less than 90% of the total number of Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and which, for the avoidance of doubt, excludes any Shares held in treasury), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer at a price equal to the Offer Price.

*In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires pursuant to the Offer such number of Shares which, together with any Shares held in treasury and the Shares held by the Offeror, its related corporations and their respective nominees, comprise 90% or more of the total number of Shares, Shareholders who have not accepted the Offer have a right to require the Offeror to acquire their Shares at the Offer Price. **Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.***

7.2 **Offeror's Intentions**

*The Offeror intends to make the Company its wholly-owned subsidiary. **Accordingly, the Offeror when entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act.***

As mentioned above, the Acceptance Condition will be fulfilled upon the acceptance of the Offer by the Undertaking Shareholders in respect of all and not some only of their respective Relevant Shares pursuant to their respective Irrevocable Undertakings, and accordingly, the Offeror will be entitled to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act.

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7 FINANCIAL ASSESSMENT OF THE OFFER

In assessing the financial terms of the Offer, we have taken into account the following factors which we consider to have a significant bearing on our assessment:

- (a) Historical financial performance of the Group;
- (b) Net Asset Value (“NAV”) of the Group;
- (c) Comparison of valuation statistics of companies broadly comparable to the Group;
- (d) Comparison with recent successful privatisation transactions of companies listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”);
- (e) Previous take-over offers for the Company; and
- (f) Other relevant considerations.

7.1 Historical Financial Performance of the Group

The salient financial information of the Group for the financial year ended 31 December (“FY”) 2018, FY2019, FY2020 and the six-month financial period ended 30 June (“1H”) 2021 respectively is set out in the table below.

Consolidated Income Statement	Audited			Unaudited	
S\$'000	FY2018	FY2019	FY2020	1H2020	1H2021
Revenue	91,591	106,242	112,544	51,883	56,688
Other operating income	1,360	1,444	4,614	2,022	908
Employee benefits expense	(48,754)	(57,248)	(61,247)	(29,426)	(30,042)
Interest on borrowings	(1,051)	(2,809)	(2,112)	(1,186)	(816)
Depreciation and amortisation expenses	(3,843)	(9,203)	(10,794)	(5,233)	(5,565)
Impairment of right-of-use assets	–	(105)	(26)	–	–
Impairment of financial assets, net	(475)	(1,302)	(237)	(581)	230
Other operating expenses	(29,577)	(26,206)	(24,722)	(11,481)	(13,430)
Share of results of associate	5	153	262	143	151
Profit before tax	9,256	10,966	18,282	6,141	8,124
Tax expense	(2,306)	(2,162)	(3,778)	(1,939)	(1,983)
Profit for the financial year, net of tax	6,950	8,804	14,504	4,202	6,141

Revenue Breakdown	Audited			Unaudited	
S\$'000	FY2018	FY2019	FY2020	1H2020	1H2021
Corporate secretarial services	28,527	32,444	31,242	14,613	15,529
Share registry and employee share plan services	45,736	53,504	61,765	26,714	30,953
Accounting, taxation & payroll services	17,328	20,294	19,537	10,556	10,206
Total revenue	91,591	106,242	112,544	51,883	56,688

Source: Audited financial statements of the Company for FY2018, FY2019 and FY2020, unaudited financial statements for 1H2020 and 1H2021.

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Consolidated Statement of Comprehensive Income

FY2018 vs FY2019

The Group's revenue increased by S\$14.6 million or 15.9% from S\$91.6 million in FY2018 to S\$106.2 million in FY2019, mainly due to: (i) an increase in revenue of S\$3.9 million from corporate secretarial services (the "**CSS Segment**") driven mainly by a full year contribution from the Symphony Corporatehouse Sdn. Bhd. group of companies (the "**Symphony Group**") which was acquired in August 2018; (ii) an increase in revenue of S\$7.8 million from the share registry and employee share plan services segment (the "**SR Segment**") partially driven by a full year contribution from the Symphony Group; and (iii) an increase in revenue of S\$3.0 million from the accounting, taxation and payroll services segment (the "**ATP Segment**") mainly driven by the full year contribution from the Symphony Group.

Other operating income constitutes: (i) interest income from banks and lease receivables; (ii) wage and other employment credit schemes; and (iii) government grants, and remained fairly stable at S\$1.4 million for FY2018 and FY2019.

Employee benefits expense accounts for the biggest expenditure and consists of: (i) salaries and bonuses; (ii) defined contribution expenses relating to pension plans; and (iii) other short-term employee benefits. Salaries and bonuses are the biggest component of employee benefit expense accounting for 87.5% and 87.1% of total employee benefit expense in FY2018 and FY2019 respectively. Employee benefits expense increased by S\$8.4 million or 17.2% from S\$48.8 million in FY2018 to S\$57.2 million in FY2019 mainly due to increases in salaries and bonuses, defined contribution expenses, and other short-term employee benefits amounting to S\$7.1 million, S\$0.4 million and S\$0.9 million respectively.

Interest paid on borrowings increased by S\$1.7 million or 154.5% from S\$1.1 million in FY2018 to S\$2.8 million in FY2019 as the interest rates for the Group's current and non-current term loans were generally higher in FY2019 compared to FY2018.

Depreciation and amortisation expense increased by S\$5.4 million or 142.1% from S\$3.8 million in FY2018 to S\$9.2 million in FY2019 mainly due to: (i) an increase in depreciation from S\$1.3 million in FY2018 to S\$5.7 million in FY2019 as a result of the adoption SFRS(I) 16 which led to right-of-use assets of S\$13.5 million being recognised under property, plant and equipment, and net additions to computers, office machinery, furniture, fittings, leasehold premises and improvements amounting to S\$8.5 million; and (ii) an increase in amortisation from S\$2.5 million in FY2018 to S\$3.5 million in FY2019 mainly due to the addition of new computer software amounting to S\$1.6 million and customer relationships amounting to S\$12.7 million resulting from the acquisition of Corporate Counsel Pty Limited and Symphony Group in FY2018.

The Group recorded an impairment loss on right-of-use assets of S\$105,000 in FY2019 as a result of vacating an office premises with the intention to sub-lease such vacated office premises (the "**Vacated Office Premises**"). As the market rent and utilisation rate is likely to have an adverse impact on the recoverable amount of the right-of-use asset, the Group recognised an impairment loss.

Impairment loss of financial asset increased by S\$0.8 million or 160.0% from S\$0.5 million in FY2018 to S\$1.3 million in FY2019, mainly due to the increase in allowance for the impairment of trade receivables.

Other operating expenses consist mainly of computer running costs, outsourcing expenses, legal and professional fees, rental expenses, gain or loss on exchange differences, and disbursements and other out-of-pocket expenses. Other operating expenses decreased by S\$3.4 million or 11.5% from S\$29.6 million in FY2018 to S\$26.2 million in FY2019. This was mainly due to: (i) a decrease in legal and professional fees paid of S\$0.5 million as the Group had engaged professionals for the acquisition of Symphony Group resulting in higher fees paid in FY2018; (ii) a decrease in rental

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expenses of S\$4.2 million as a result of adoption of SFRS(I) 16 – Depreciation expense of Right of Use Assets and interest expense on lease liabilities; (iii) a decrease in foreign exchange losses of S\$2.0 million; and (iv) a decrease in sundry expenses of S\$0.4 million, partially offset by: (a) an increase in computer running costs of S\$0.4 million; (b) an increase in outsourcing expenses of S\$0.6 million; and (c) an increase in disbursements and other out-of-pocket expenses of S\$2.6 million.

Share of results of associate increased by S\$148,000 from S\$5,000 in FY2018 to S\$153,000 in FY2019. The Company's investment in associate is relating to its 31.52% interest in Definitiv, which is in the business of payroll services.

Income tax expenses decreased by S\$0.1 million or 4.3% from S\$2.3 million in FY2018 to S\$2.2 million in FY2019.

As a result of the above, net profit after tax increased by S\$1.8 million or 25.7% from S\$7.0 million in FY2018 to S\$8.8 million in FY2019.

FY2019 vs FY2020

The Group's revenue increased by S\$6.3 million or 5.9% from S\$106.2 million in FY2019 to S\$112.5 million in FY2020, mainly due to an increase in revenue of S\$8.3 million from the SR Segment, due to: (i) Hong Kong and Australia experienced an increase in new client acquisitions and more corporate actions being taken; (ii) a larger IPO market in Hong Kong for FY2020; and (iii) an increase in corporate actions and virtual meetings in Malaysia which yielded higher revenue as compared to physical meetings in FY2019. The increase in revenue from the SR segment was partially offset by decreases in revenue from the CSS Segment and ATP Segment amounting to S\$1.2 million and S\$0.8 million respectively.

Other operating income increased by S\$3.2 million or 228.6% from S\$1.4 million in FY2019 to S\$4.6 million in FY2020, mainly due to an increase in COVID-19 related government grants received of S\$3.4 million, partially offset by a decrease in interest income from banks of S\$0.6 million. The government grants received in FY2020 were mainly relating to the Singapore Job Support Scheme ("JSS"), wage subsidies and rent concessions from lessors.

Employee benefits expense increased by S\$4.0 million or 7.0% from S\$57.2 million in FY2019 to S\$61.2 million in FY2020 mainly due to an increase in salaries and bonuses amounting to S\$5.0 million, partially offset by: (i) a decrease in defined contribution expenses of S\$0.4 million; and (ii) a decrease in other short-term employee benefits of S\$0.6 million. Salaries and bonuses continue to be the biggest component accounting for 89.5% of total employee benefit expense in FY2020.

Interest paid on borrowings decreased by S\$0.7 million or 25.0% from S\$2.8 million in FY2019 to S\$2.1 million in FY2020 due to repayment in a portion of the Group's term loans and a fall in interest rates for the term loans.

Depreciation and amortisation expense increased by S\$1.6 million or 17.4% from S\$9.2 million in FY2019 to S\$10.8 million in FY2020. This was mainly due to: (i) an increase in depreciation from S\$5.7 million in FY2019 to S\$6.9 million in FY2020 as a result of the net addition of fixed assets including computers, office machinery, furniture, fittings, leasehold premises and improvements amounting to S\$2.2 million; and (ii) an increase in amortisation from S\$3.5 million in FY2019 to S\$3.9 million in FY2020 due to the addition of new computer software amounting to S\$2.3 million.

The Group recorded an impairment loss on right-of-use assets of S\$26,000 in FY2020 compared to S\$105,000 in FY2019. The impairment loss in FY2020 is due to further impairment of the right-of-use asset associated with the Vacated Office Premises.

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Impairment loss of financial assets decreased by S\$1.1 million or 84.6% from S\$1.3 million in FY2019 to S\$0.2 million in FY2020, mainly due to the decrease in allowances for the impairment of trade receivables.

Other operating expenses decreased by S\$1.5 million or 5.7% from S\$26.2 million in FY2019 to S\$24.7 million in FY2020. This was mainly due to: (i) a decrease in legal and professional fees paid of S\$0.4 million; (ii) a decrease in rental expenses of S\$0.9 million; (iii) a reversal from a foreign exchange loss of S\$0.6 million in FY2019 to a foreign exchange gain of S\$2.0 million; (iv) a decrease in travelling expenses of S\$0.5 million, partially offset by: (a) an increase in computer running costs of S\$0.3 million; (b) an increase in outsourcing expense of S\$1.5 million; and (c) an increase in disbursements and other out-of-pocket expenses of S\$1.5 million.

Share of results of associate increased by S\$109,000 from S\$153,000 in FY2019 to S\$262,000 in FY2020.

Income tax expenses increased by S\$1.6 million or 72.7% from S\$2.2 million in FY2019 to S\$3.8 million in FY2020.

As a result of the above, net profit after tax increased by S\$5.7 million or 64.8% from S\$8.8 million in FY2019 to S\$14.5 million in FY2020.

1H2020 vs 1H2021

The Group's revenue increased by S\$4.8 million or 9.2% from S\$51.9 million in 1H2020 to S\$56.7 million in 1H2021, mainly due to: (i) an increase in revenue of S\$0.9 million from the CSS Segment; and (ii) an increase in revenue of S\$4.2 million from the SR Segment. These increases are due to an increase in number of new client acquisitions in Australia and Malaysia and higher revenue from corporate actions in Australia, Malaysia and Singapore. However, the increase in revenue was partially offset by a decrease in revenue of S\$0.4 million from the ATP Segment.

Other operating income decreased by S\$1.1 million or 55.0% from S\$2.0 million in 1H2020 to S\$0.9 million in 1H2021, mainly due to: a decrease in JSS grants received amounting to S\$0.8 million; (b) a decrease in other miscellaneous income of S\$0.2 million; and (c) a decrease in income from wage and other employment credit schemes of S\$0.1 million.

Employee benefits expense increased by S\$0.6 million or 2.0% from S\$29.4 million in 1H2020 to S\$30.0 million in 1H2021 mainly due to an increase in salaries and bonuses. Salaries and bonuses increased by S\$0.5 million, and accounted for 89.0% or S\$26.7 million of total employee benefit expense.

Interest paid on borrowings decreased by S\$0.4 million or 33.3% from S\$1.2 million in 1H2020 to S\$0.8 million in 1H2021 due to repayment of the Group's term loans and a fall in effective interest rates.

Depreciation and amortisation expense increased by S\$0.4 million or 7.7% from S\$5.2 million in 1H2020 to S\$5.6 million in 1H2021 mainly due to an increase in amortisation from S\$1.8 million in 1H2020 to S\$2.1 million in 1H2021 as a result of addition of new computer software amounting to S\$1.1 million.

The Group recorded a reversal of impairment of financial assets of S\$0.2 million in 1H2021 compared with an allowance for impairment of financial assets of S\$0.6 million in 1H2020.

Other operating expenses increased by S\$1.9 million or 16.5% from S\$11.5 million in 1H2020 to S\$13.4 million in 1H2021. This was mainly due to: (i) an increase in computer running costs of S\$0.1 million; (ii) an increase in outsourcing expenses of S\$0.6 million; (iii) an increase in legal and professional fees of S\$0.2 million; (iv) an increase in public relations expenses of S\$0.1 million; (v)

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a loss in foreign exchange of S\$0.2 million *vis-à-vis* a gain of S\$0.4 million in 1H2020; and (vi) an increase in disbursements and other out-of-pocket expenses of S\$0.4 million, partially offset by a decrease in consultancy fees paid of S\$0.2 million.

Share of results of associate increased by S\$8,000 from S\$143,000 in 1H2020 to S\$151,000 in 1H2021.

Income tax expenses increased by \$0.1 million or 5.3% from S\$1.9 million in 1H2020 to S\$2.0 million in 1H2021.

As a result of the above, net profit after tax increased by S\$1.9 million or 45.2% from S\$4.2 million in 1H2020 to S\$6.1 million in 1H2021.

Consolidated Statement of Cash Flows

S\$'000	Audited			Unaudited	
	FY2018	FY2019	FY2020	1H2020	1H2021
Net cash flows from operating activities	14,634	15,408	32,590	10,206	1,801
Net cash flows (used in)/from investing activities	(45,535)	(3,217)	(2,547)	(1,230)	(1,360)
Net cash flows generated from/ (used in) financing activities	34,908	(19,817)	(14,022)	(9,079)	(9,139)
Net increase in cash and cash equivalents	4,007	(7,626)	16,021	(103)	(8,698)
Effects of exchange rate changes	(284)	(116)	156	135	(2)
Cash and cash equivalents at end of financial year	24,622	16,880	33,057	16,912	24,357

Source: Audited financial statements of the Company for FY2019 and FY2020, unaudited financial statements for 1H2020 and 1H2021

The Group generated positive net cash flows from operating activities in the last three financial years, which increased from S\$14.6 million in FY2018 to S\$15.4 million in FY2019 and further increased to S\$32.6 million in FY2020. The Group recorded a net cash inflow generated from operating activities of S\$1.8 million in 1H2021 compared to S\$10.2 million in 1H2020.

In FY2020, the Group had recorded net cash flows generated from operating activities of S\$32.6 million mainly due to operating profit before working capital changes of S\$28.6 million, net working capital inflow of S\$10.8 million, interest paid of S\$1.5 million and tax expense paid of S\$5.3 million. The net working capital inflow was mainly due to: (i) a decrease in operating receivables and prepayments of S\$7.8 million; (ii) an increase in operating payables of S\$3.7 million, partially offset by: (a) an increase in unbilled receivables of S\$0.1 million; and (b) a decrease in contract liabilities of S\$0.5 million.

The Group had recorded net cash flows generated from operating activities of S\$1.8 million in 1H2021 mainly due to operating profit before working capital changes of S\$14.1 million, net working capital outflow of S\$9.1 million, interest paid of S\$0.6 million, and tax expense paid of S\$2.6 million. The net working capital outflow was mainly due to: (i) a decrease in operating payables of S\$9.2 million; (ii) an increase in unbilled receivables of S\$0.3 million; and (iii) a decrease in contract liabilities of S\$1.0 million, partially offset by a decrease in operating receivables and prepayments of S\$1.4 million.

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The Group's net cash flows used in investing activities in FY2018, FY2019, FY2020, 1H2020 and 1H2021 mainly relate to: (i) purchase of property, plant and equipment ("PPE") such as computers, office machinery, motor vehicles, furniture, fittings, leasehold premises and improvements; (ii) acquisition of intangible assets such as computer software; and (iii) acquisition of new subsidiaries or associated companies, partially offset by proceeds from the disposal of short-term investments and interests received. Net cash flows used in investing activities was significantly larger in FY2018 due to: (i) the acquisition of the Symphony Group in August 2018 for an aggregate consideration of S\$53.6 million of which cash paid amounted to S\$41.1 million; (ii) the subscription and acquisition of shares in Definitiv for an aggregate consideration of S\$3.3 million.

The Group's net cash flows generated from/used in financing activities in FY2019, FY2020, 1H2020 and 1H2021 mainly relate to: (i) cash dividends paid; (ii) payment/repayment of lease liabilities; and (iii) repayment of or proceeds from borrowings. In FY2018, the Group recorded net cash flows generated from financing activities of S\$34.9 million mainly due to proceeds from loans and borrowings of S\$42.5 million to finance the acquisition of the Symphony Group, partially offset by cash dividends paid of S\$4.8 million and repayment of bank borrowings of S\$2.7 million.

Taking into account: (i) the cash and cash equivalents at the beginning of 1H2021 of S\$33.1 million; and (ii) the net decrease in cash and cash equivalents net of exchange rate changes of S\$8.7 million, the Group's cash and cash equivalent as at 30 June 2021 amounted to S\$24.4 million.

7.2 NAV and Adjusted NAV of the Group

7.2.1 Statement of Financial Position of the Group

A summary of the unaudited financial position of the Group as at 30 June 2021 is set out as follows:

SGD'000	As at 30 June 2021
Assets	
Current assets	
Short-term investments	23
Income tax receivable	540
Unbilled receivables	1,679
Trade and other receivables	20,084
Prepayments	1,824
Derivative assets	856
Cash and cash equivalents	24,357
Current assets	49,363
Non-current assets	
Property, plant and equipment	11,133
Intangible assets	115,267
Investment in associate	3,894
Deferred tax assets	1,354
Total non-current assets	131,648
Total Assets	181,011

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SGD'000	As at 30 June 2021
Equity and Liabilities	
Current liabilities	
Borrowings	8,748
Trade and other payables	18,051
Contract liabilities	2,150
Income tax payable	1,013
Current liabilities	29,962
Non-current liabilities	
Provision for employees' benefits	456
Deferred tax liabilities	5,279
Borrowings	31,656
Non-current liabilities	37,391
Total Liabilities	67,353
Equity attributable to owners of the Company	
Share capital	50,034
Other reserves	(8,218)
Retained earnings	71,842
Total Equity	113,658
Total liabilities and equities	181,011
NAV (S\$'000)	113,658
Net Tangible Asset ("NTA") (S\$'000)	(1,609)
Number of issued shares (excluding treasury shares) as at 30 June 2021	209,660,184
NAV per Share (S\$)	0.542
NTA per Share (S\$)	(0.0077)

Source: Unaudited financial statements for 1H2021

Assets

As at 30 June 2021, the Group has total assets of S\$181.0 million comprising current assets of S\$49.4 million (27.3% of total assets) and non-current assets of S\$131.6 million (72.7% of total assets).

The main current assets of the Group are cash and cash equivalents of S\$24.4 million (49.4% of current assets), and trade and other receivables of S\$20.1 million (40.7% of current assets). We note that the Group has derivative assets amounting to S\$0.9 million as at 30 June 2021. We understand from the Management that these pertains to a SGD / MYR cross currency interest rate swap for hedging.

The main non-current assets of the Group are PPE of S\$11.1 million (8.4% of non-current assets), and intangible assets of S\$115.3 million (87.6% of non-current assets). Intangible assets consisted of: (i) goodwill on consolidation of S\$84.6 million; (ii) customer relationships of S\$20.6 million and (iii) computer software of S\$10.0 million. The acquisitions in FY2018 of Corporate Counsel Pty Limited and Symphony companies resulted in S\$0.7 million and S\$39.4 million worth of goodwill respectively.

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Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and whenever there is an indication that the relevant cash-generating unit may be impaired. Customer relationships were acquired in business combinations. Following initial recognition, it is carried at cost less accumulated amortisation and any accumulated impairment losses. Customer relationships have a finite useful life and are amortised over the period of expected contract period of 5 to 19.6 years on a straight-line basis. 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 10 years.

Liabilities and equity

As at 30 June 2021, the Group has total liabilities of S\$67.4 million comprising current liabilities of S\$30.0 million (44.5% of total liabilities) and non-current liabilities of S\$37.4 million (55.5% of total liabilities).

The main current liabilities consist of current borrowings of S\$8.7 million (29.0% of current liabilities), and trade and other payables of S\$18.1 million (60.3% of total current liabilities). Whereas the main non-current liabilities consist of deferred tax liabilities of S\$5.3 million (14.2% of total non-current liabilities), and non-current borrowings of S\$31.7 million (84.8% of total non-current liabilities).

Total equity of the Group as at 30 June 2021 was S\$113.7 million. There are no non-controlling interests. Accordingly, the NAV of the Group as at 30 June 2021 was S\$113.7 million. After deducting intangible assets of S\$115.3 million, the net tangible liability of the Group was S\$1.6 million as at 30 June 2021.

There is no change in the number of issued Shares since 30 June 2021 and up to the Latest Practicable Date.

7.2.2 Book NAV of the Group

The NAV of a group refers to the aggregate value of all the assets in their existing condition, net of any non-controlling interests and all the liabilities of the Group. The NAV approach may provide an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the proceeds of which would be first used to settle the liabilities of the Group with the balance available for distribution to its shareholders. Therefore, the net assets of a group are perceived as providing support for the value of the shareholders' equity.

Notwithstanding the foregoing, Shareholders should note that an analysis based on the NAV of the Group provides an estimate of the value of the Group based on a hypothetical scenario, and such hypothetical scenario is assumed without considering factors such as, *inter alia*, time value of money, market conditions, legal and professional fees, liquidation costs, taxes, contractual obligations, regulatory requirements and availability of potential buyers, which would theoretically lower the NAV that can be realised. While the asset base of the Group can be a basis for valuation, such a valuation does not necessarily imply a realisable market value as the market value of the assets and liabilities may vary depending on prevailing market and economic conditions. Furthermore, the NAV approach is more relevant in circumstances where the business is to cease operations or where the profitability of the business being valued is not sufficient to sustain an earnings-based valuation.

We note that the Group has intangible assets amounting to S\$115.3 million (comprising goodwill, customer relationships and computer software) which represent in aggregate 63.7% of total assets as at 30 June 2021. Based on its latest unaudited financial statements as at 30 June 2021, excluding intangible assets, the Group would be in a net tangible liabilities position and it would render an assessment of the NTA not meaningful. Accordingly, we have evaluated the Company in this section based on the NAV approach rather than the NTA approach.

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Based on the Group's latest unaudited financial statements as at 30 June 2021, the unaudited NAV of the Group amounted to S\$113.7 million or S\$0.542 per Share (based on 209,660,184 Shares in issue as at 30 June 2021). We note that the Offer Price represents a premium of 174.6% over the NAV per Share of S\$0.542 as at 30 June 2021. Accordingly, the Price-to-NAV ratio ("**P/NAV**") of the Group as implied by the Offer Price would be approximately **2.75** times as at 30 June 2021.

The Group recorded cash and cash equivalents of S\$24.4 million as at 30 June 2021. After deducting for current and non-current borrowings, the Group has a net debt position of S\$16.0 million as at 30 June 2021. Accordingly, we have not compared the Offer Price *vis-à-vis* the NAV of the Group on an ex-cash basis.

7.2.3 Adjusted NAV of the Group

On 20 August 2021, the Group completed the divestment of its 31.52% stake in Definitiv. As the Definitiv Disposal has been completed prior to the Offer, and the resulting net proceeds to be distributed directly to Shareholders of the Company, we have adjusted the unaudited NAV of the Group for the purpose of our analysis. As at 30 June 2021, the book value of the Group's stake in Definitiv is S\$3.9 million. Adjusting for the Group's stake in Definitiv, the unaudited NAV of the Group as at 30 June 2021 ("**Adjusted NAV**") would be S\$109.8 million or S\$0.524 per Share (based on 209,660,184 Shares in issue as at 30 June 2021). Accordingly, the Offer Price represents a premium of approximately 184.0% over the NAV per Shares of S\$0.524 as at 30 June 2021 and the Price-to-Adjusted NAV ("**P/ANAV**") ratio of the Group as implied by the Offer Price would be approximately **2.84** times as at 30 June 2021.

7.2.4 Confirmation by the Company

In our evaluation of the financial terms of the Offer, we have also considered whether there is any other asset which should be valued at an amount that is materially different from that as recorded in the statement of financial position of the Group as at 30 June 2021 and whether there are any factors which have not been otherwise disclosed in the financial statements of the Group that may have a material impact on the unaudited NAV of the Group as at 30 June 2021.

We noted that as disclosed in section 6.4 of the Offer Document, the Offeror currently has no plans to: (i) make any major changes to the business of the Company; (ii) re-deploy the fixed assets of the Company; or (iii) discontinue the employment of the existing employees of the Group, other than in the ordinary course of business. However, the Offeror retains the flexibility at any time to consider any options in relation to the Group which may present itself and which the Offeror may regard to be in the interest of the Offeror and the Group.

In respect of sections 7.2.1, 7.2.2 and 7.2.3 of this letter, the Directors have confirmed that as at the Latest Practicable Date and to the best of their knowledge and belief:

- (a) they are not aware of any material difference between the estimated market value of the assets held by the Group *vis-à-vis* their respective book values recorded in the unaudited statements of financial position of the Group as at 30 June 2021;
- (b) they are not aware of any circumstances which may cause the unaudited NAV of the Group as at the Latest Practicable Date to be materially different from that recorded in the unaudited statement of financial position of the Group as at 30 June 2021;
- (c) save for the Definitiv Restructuring, there have been no material disposals or acquisitions of assets by the Group between 30 June 2021 and the Latest Practicable Date, and the Group does not have any plans for such impending material disposal or acquisition of assets, conversion of the use of the Group's material assets or material change in the nature of the Group's business;
- (d) there are no indicators of impairment on the intangible assets that would require the Group to perform further impairment tests;

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- (e) there are no contingent liabilities, bad or doubtful debts or impairment losses or material events at as the Latest Practicable Date which are likely to have a material impact on the unaudited NAV of the Group as at 30 June 2021;
- (f) there are no litigation, claim or proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings as at the Latest Practicable Date which would have a material impact on the financial position of the Group as at 30 June 2021; and
- (g) there are no other intangible assets as at the Latest Practicable Date which ought to be disclosed in the statement of financial position of the Group in accordance with the Singapore Financial Reporting Standards (International) and which have not been disclosed that would have a material impact on the unaudited NAV of the Group as at 30 June 2021.

7.3 Comparison of Valuation Statistics of Companies Broadly Comparable to the Group

In considering what may be regarded as a reasonable range of valuation for the purpose of assessing the financial terms of the Offer, we have referred to selected listed companies on various stock exchanges which business activities are broadly comparable with those of the Group to give an indication of the current market expectations with regard to the perceived valuation of these businesses.

The Group is principally engaged in the core businesses of providing corporate secretarial services, share registry and employee share plan services, and accounting, taxation and payroll services, with five reportable revenue segments including Singapore, Australia, Hong Kong, Malaysia and China. We have, in consultation with the Management, used the following companies listed on the Australian Securities Exchange (“**ASX**”) and SGX-ST which are principally engaged in the business of providing the above-named professional business services (the “**Comparable Companies**”) with market capitalisations of not exceeding S\$500.0 million to get an indication of the current market expectations with regard to the perceived valuation of the Group.

We wish to highlight that the Comparable Companies are not exhaustive and there is no listed company or group which may be considered identical to the Group in terms of, *inter alia*, business activities, market capitalisation, scale of operations, risk profile, geographical spread, operating and financial leverage, accounting policies, adherence to accounting standards, tax factors, track record and future prospects. In addition, each of the Comparable Companies may engage in other separate business activities which are not related to the principal business of the Group. As such, any comparison made herein is strictly limited in scope and merely serves as an illustrative guide to Shareholders.

Details on the Comparable Companies, including their business descriptions and selected key financial and valuation statistics, are set out below and in Annex A to this letter:

- (a) Zico Holdings Inc.;
- (b) Advanced Share Registry Limited;
- (c) Countplus Limited;
- (d) Kelly Partners Group Holdings Limited; and
- (e) PayGroup Limited.

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In assessing the financial terms of the Offer, we have used the following valuation parameters in our analysis:

Valuation Ratio	Description
Enterprise Value to Sales ratio (“ EV/Sales ”)	<p>The historical EV/Sales illustrates the ratio of the market value of a company’s business relative to its historical sales performance, without regard to its capital structure.</p> <p>We have considered the historical EV/Sales of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date, latest available balance-sheet values (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the EV, where relevant) and trailing 12 months revenue <i>vis-à-vis</i> the corresponding historical EV/Sales of the Group based on the Offer Price and the trailing 12 months revenue of the Group.</p>
Price-earnings ratio (“ PER ”)	<p>The historical PER, which illustrates the ratio of the market price of a company’s shares relative to its historical consolidated earnings per share, is commonly used for the purpose of illustrating the profitability, and hence valuation, of a company. The PER may be affected by, amongst others, the capital structure of a company, its tax position as well as its accounting policies relating to revenue recognition, depreciation and intangible assets.</p> <p>We have considered the historical PERs of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date and trailing 12 months earnings per share <i>vis-à-vis</i> the corresponding historical PER of the Group based on the Offer Price and the trailing 12 months earnings per Share.</p>
Enterprise value to EBITDA (“ EV/EBITDA ”) ratio	<p>The historical EV/EBITDA ratio illustrates the ratio of the market value of a company’s business relative to its historical consolidated pre-tax operating cashflow performance, without regard to its capital structure, and provides an indication of current market valuation relative to operating performance. “EV” is the sum of a company’s market capitalisation, preferred equity, minority interests, short- and long-term debts less cash and cash equivalents, and represents the actual cost to acquire the entire company. “EBITDA” refers to historical consolidated earnings before interest, tax, depreciation and amortisation expenses. EBITDA can be used to analyse the profitability between companies as it eliminates the effects of financing and accounting decisions.</p> <p>We have considered the historical EV/EBITDA ratios of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date, latest available balance-sheet values (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the EV, where relevant) and trailing 12 months EBITDA <i>vis-à-vis</i> the corresponding historical EV/EBITDA ratio of the Group based on the Offer Price and the trailing 12 months EBITDA of the Group.</p>

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Comparative valuation statistics of the Comparable Companies vis-à-vis the Group

The following table sets out the comparative valuation statistics of the Comparable Companies vis-à-vis the Group as implied by the Offer Price:

Comparable Companies	EV/Sales (times)	PER (times)	EV/EBITDA ratio (times)
Zico Holdings Inc.	1.50	n.m. ⁽¹⁾⁽²⁾	90.1
PayGroup Limited	1.62	n.m. ⁽¹⁾⁽²⁾	24.4
Countplus Ltd	1.10	20.6	6.5
Kelly Partners Group Holding Limited	4.73	43.2	12.3
Advanced Share Registry Ltd	8.78	24.7	16.6
High	8.78	43.2	90.1
Mean	2.24 ⁽³⁾	22.7 ⁽³⁾	11.8 ⁽³⁾
Median	1.56 ⁽³⁾	22.7 ⁽³⁾	12.3 ⁽³⁾
Low	1.10	20.6	6.5
Company (Implied by the Offer Price)	2.76	19.3⁽⁴⁾	10.0⁽⁴⁾

Source: Bloomberg L.P., annual reports and/or announcements of the respective Comparable Companies and SAC Capital's computations.

Notes:

- (1) "n.m." denote not meaningful.
- (2) Zico Holdings Inc. and PayGroup Limited were loss making in the latest trailing 12 months.
- (3) Advanced Share Registry Ltd was excluded as a statistical outlier in the computation of the mean and median EV/Sales. Kelly Partners Group Holding Limited was excluded as a statistical outlier in the computation of the mean and median PER. PayGroup Limited and Zico Holdings Inc. were excluded as statistical outliers in the computation of the mean and median EV/EBITDA ratio.
- (4) Based on the trailing 12 months net profit after tax and trailing 12 months EBITDA adjusted for the share of results of associate relating to the Definitiv Disposal.

EV/Sales comparison

We note that the EV/Sales of 2.76 times of the Group as implied by the Offer Price is:

- (a) within the range of EV/Sales of the Comparable Companies of between 1.10 times and 8.78 times; and
- (b) at a premium of 23.2% and 76.9% over the mean and median EV/Sales of the Comparable Companies of 2.24 times and 1.56 times respectively.

PER comparison

We note that the PER of 19.3 times of the Group as implied by the Offer Price is:

- (a) below the range of PER of the Comparable Companies of between 20.6 times and 43.2 times; and
- (b) at a discount of 15.0% to the mean and median PER of the Comparable Companies of 22.7 times.

We wish to highlight that while the PER of 19.3 times as implied by the Offer Price is below that of the range of the Comparable Companies, two out of the five Comparable Companies were loss making in latest trailing 12 months and their PER were not available.

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EV/EBITDA ratio comparison

We note that the EV/EBITDA ratio of 10.0 times of the Group as implied by the Offer Price is:

- (a) within the range of EV/EBITDA ratios of the Comparable Companies of between 6.5 times and 90.1 times; and
- (b) at a discount of 15.3% and 18.7% to the mean and the median EV/EBITDA ratios of the Comparable Companies of 11.8 times and 12.3 times respectively.

Estimated range of value of the Shares

In deriving a range of values for Boardroom's Shares, we have considered the mean EV/Sales, PER and EV/EBITDA valuation multiples as our primary valuation methodology. This is taking into consideration that the Group have been profitable for FY2018, FY2019, FY2020 and 1H2021, and the Group's ability to continue as a going concern. In particular, we note that of the five selected Comparable Companies, two were loss making and marginally EBITDA positive in the latest trailing 12 months, which limits the usage of the PER and EV/EBITDA valuation multiples in deriving the range of values. As such, we have also considered the EV/Sales valuation multiple, in assessing the estimated valuation range of the Shares.

Valuation methodology	Derived theoretical valuation (S\$ million)	Derived theoretical value per Share (S\$)
EV/Sales of Comparable Companies	250.7	1.196
PER of Comparable Companies	367.1	1.751
EV/EBITDA ratios of Comparable Companies	370.9	1.769
Overall range	250.7 to 370.9	1.196 to 1.769

Based on the above, the overall range of derived theoretical valuations is between approximately S\$250.7 million and S\$370.9 million, which translate to between S\$1.196 and S\$1.769 per Share. We note that the Offer Price of S\$1.48828 is within our estimated value range of the Shares. Notwithstanding that the range of estimated value for the Shares is relatively wide, we are of the view that the Offer Price is fair on balance as the Offer is the culmination of the strategic review by GKGH in relation to its shareholdings in Boardroom, with the objective of maximising its shareholder value (the "**Strategic Review**"). In this regard, GKGH had announced on 20 January 2021 that Credit Suisse (Singapore) Limited ("**Credit Suisse**") was appointed as GKGH's financial adviser to evaluate strategic options for its investment in Boardroom. We noted that GKGH, with the assistance of Credit Suisse, had approached or had confidential discussions with more than 10 potential third party bidders towards the end of 2020 and the beginning of 2021, including unsolicited enquiries from third parties that had approached GKGH and/or Credit Suisse following GKGH's announcement on 20 January 2021. These potential third party bidders ranged from global strategic corporations (including those in the corporate services sector) and private equity firms, and were selected to participate in the international competitive bid process based on their experience in the corporate services sector, interest and/or existing investments in similar assets, ability and willingness to pay an attractive price for the Group and certainty of financing in the transaction in full, amongst other terms and conditions. The international competitive bid process culminated in the Pre-Conditional Offer Announcement being made by the Offeror on 6 August 2021. It was further disclosed in GKGH's Circular dated 23 December 2021 in relation to the proposed disposal of shares in the capital of Boardroom that, the board of directors of GKGH is of the view that the international competitive bid process had elicited the best possible terms for the disposal of its stake in Boardroom.

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7.4 Comparison with Recent Successful Privatisation Transactions of Companies Listed on the SGX-ST

We note that it is the intention of the Offeror to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act to privatise the Company.

In assessing the reasonableness of the Offer, we have compared the financial terms of the Offer with: (i) selected recent successful privatisation transactions announced on the SGX-ST during the 12-month period prior to the Pre-Conditional Offer Announcement Date, whether by way of a general offer under the Code or a scheme of arrangement under Section 210 of the Companies Act where the offeror has stated its intention to delist the target company from the Official List of the SGX-ST; and (ii) selected recent completed delisting offers under Rule 1307 of the Listing Manual of the SGX-ST announced during the 12-month period prior to the Pre-Conditional Offer Announcement Date (collectively, the **“Take-over Transactions”**). As some of the Take-over Transactions had undertaken revaluations and/or adjustments to their assets which may have a material impact on their last announced book values, we have also, where relevant, compared the financial terms of such offer transactions with the revalued NAV (or revalued NTA where applicable) and/or adjusted NAV (or adjusted NTA where applicable) of the Take-over Transactions where available. The Company is unlisted and its Shares are not traded publicly. Hence, comparison of the Offer Price against the trading market share prices of the Take-over Transactions is not relevant for our analysis here.

This analysis serves as a general indication of the relevant premium/discount that the offerors had paid in order to acquire the target companies without having regard to their specific industry characteristics or other considerations, and the comparison sets out the premium or discount represented by each of the respective offer prices to the NAV/NTA of the respective target companies, where applicable. We note that certain transactions had undertaken revaluations and/or adjustments to their assets which may have a material impact on their latest announced book values. In this respect, we have compared the offer price with the revalued NAV, revalued NTA, adjusted NAV or adjusted NTA of the Take-over Transactions, where applicable.

We wish to highlight that the Take-over Transactions set out below are by no means exhaustive. In addition, as the Group is not directly comparable to the target companies involved in the Take-over Transactions in terms of business activities, scale of operations, market capitalisation, geographical spread, risk profile, accounting policies, financial performance, operating and financial leverage, track record and future prospects, the comparison merely serves as a general guide to provide an indication of the premia/discounts paid in connection with privatisation transactions and delisting offers of companies listed on the SGX-ST. Each of the Take-over Transactions must be judged on its own commercial and financial merits. Shareholders should also note that the premium (if any) to be paid by an offeror in a privatisation transaction or delisting offer varies in different circumstances depending on, *inter alia*, the offeror's intentions with regard to the target company, the potential synergy that the offeror can gain from acquiring the target company, the attractiveness of the underlying business, prevailing market expectations and the presence of competing bids. Conclusions drawn from the comparisons made may not reflect any perceived market valuation of the Company.

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Company	Business Description	Date of offer announcement	Offer Price (S\$)	Price-to-NAV/NTA ratio (times) ⁽¹⁾
Teckwah Industrial Corporation Limited	Teckwah Industrial Corporation Limited manufactures and sells paper packaging products. The company offers printing, kitting, co-packing, and other related services. Teckwah Industrial serves customers in Singapore.	12-Aug-20	0.650	0.81 ⁽²⁾
China Jishan Holdings Limited	China Jishan Holdings Limited operates as a holding company. The company, through its subsidiaries, provides print and dye processes, as well as sells, print, and dyes finished products and garments. China Jishan Holdings serves customers in Asia.	20-Aug-20	0.350	0.78 ⁽³⁾
SK Jewellery Group Limited	SK Jewellery Group Limited operates a chain of jewelry stores. The company retails a wide range of gold and diamond jewelry, as well as provides storage services for precious metals. SK Jewellery Group serves customers in Singapore, Malaysia, and Indonesia.	2-Sep-20	0.150	1.31 ⁽⁴⁾
LCT Holdings Limited	LCT Holdings Limited, through its subsidiaries, designs mobile software and hardware. The company offers product planning, concept design, delivery, and after-sale services.	16-Sep-20	0.600	0.91 ⁽⁵⁾
Sunningdale Tech Ltd.	Sunningdale Tech Ltd. manufactures and sells mould and plastic injection products. The company also designs, manufactures, markets, and exports high precision steel moulds. Sunningdale Tech trades car audio equipment and provides product design consultancy, mold flow service, mold design, and project management.	9-Nov-20	1.650	0.79 ⁽⁶⁾
Sunvic Chemical Holdings Limited	SunVic Chemical Holdings Limited, through its subsidiary, manufactures a variety of chemicals. The company's products include acrylic acid, Acrylate esters, and Iminodiacetic acid.	20-Nov-20	0.028	0.16 ⁽⁷⁾
Hi-P International Limited	Hi-P International Limited is an integrated contract manufacturing services provider. The company specialises in precision plastic injection molding, mold design and fabrication, assembly, ancillary value-added services and precision metal stamping. The company also provides turnkey contract manufacturing services.	18-Dec-20	2.000	2.60 ⁽⁸⁾

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Company	Business Description	Date of offer announcement	Offer Price (S\$)	Price-to-NAV/ NTA ratio (times) ⁽¹⁾
CEI Limited	CEI Limited manufactures electrical components. The company offers materials management, circuit layout, prototype and development engineering, metal stamping, cable harnessing, and precision machined components. CEI serves customers in Asia.	11-Jan-21	1.150	1.93 ⁽⁹⁾
GL Limited	GL Limited is an investment holding company. The company holds investments in the areas of hotels and resorts, and portfolio investments. GL also invests in property for residential and tourism purposes.	15-Jan-21	0.800	0.75 ⁽¹⁰⁾
International Press Softcom Limited	International Press Softcom Limited provides printing services, software contract manufacturing services, supply chain management services, software replication, and documentation printing. The company also assembles software packages and peripherals, provides logistical support and fulfillment services.	28-Jan-21	0.045	1.09 ⁽¹¹⁾
Singapore Reinsurance Corporation Limited	Singapore Reinsurance Corporation Limited underwrites property, liability, and miscellaneous and marine classes of facultative and treaty reinsurance. The company also provides management, computer consultancy, and marine consultancy services, and publishes journals, magazines, books, and other literary works.	19-Mar-21	0.3535	0.79 ⁽¹²⁾
Neo Group Limited	Neo Group Limited is a food catering group. The group's services include daily meal delivery services, Halal-certified food as well as catering for last minute events or emergency orders.	30-Mar-21	0.600	1.66 ⁽¹³⁾
Sin Ghee Huat Corporation Ltd.	Sin Ghee Huat Corporation Ltd. distributes stainless steel products for industries that include, oil and gas, petrochemicals, marine, construction, and food processing.	29-Apr-21	0.270	0.57 ⁽¹⁴⁾
Top Global Limited	Top Global Limited develops real estate and offers support services. The company primarily develops mixed use projects with lifestyle amenities. Top Global Limited operates throughout Asia.	30-Apr-21	0.390	0.32 ⁽¹⁵⁾

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Company	Business Description	Date of offer announcement	Offer Price (S\$)	Price-to-NAV/ NTA ratio (times) ⁽¹⁾
Cheung Woh Technologies Ltd	Cheung Woh Technologies Ltd manufactures voice coil motor (VCM) plates and metal components of electronic products. The company also provides precision metal stamping services to communications and electronic industries. Cheung Woh Technologies Ltd designs and manufactures precision tools and die.	6-May-21	0.285	1.10 ⁽¹⁶⁾
Dutech Holdings Limited	Dutech Holdings Limited manufactures safes and semiconductor related products. The company produces safes for automated teller machines (ATMs) and machined products, frame parts, automated wafer handling components, robot wrist parts, fan filter units, chemical vapor filtration, wafer transferring mechanisms, special stamping parts, and airflow management parts for mini environments.	31-May-21	0.435	0.77 ⁽¹⁷⁾
Fragrance Group Limited	Fragrance Group Limited, through its subsidiaries, conducts activities in property development and hotel operations. The company develops and sells residential and commercial properties, including low to medium-rise private apartments and hotels. Fragrance Group also invests in and manages hotel properties targeted a cost-conscious business and leisure travelers.	9-Jul-21	0.138	0.70 ⁽¹⁸⁾
<div> <div>Max</div> <div>Mean</div> <div>Median</div> <div>Min</div> </div>				<div>2.60</div> <div>1.00</div> <div>0.79</div> <div>0.16</div>
Company (Implied by the Offer Price)		6-Aug-21	1.48828	2.84⁽¹⁹⁾

Source: Announcements and circulars to shareholders in relation to the respective Take-over Transactions and SAC Capital's computations.

Notes:

- (1) Based on the revalued NAV per share or adjusted NAV per share or revalued NTA per share as extracted from the independent financial adviser's letters for the respective companies.
- (2) Based on the revalued NAV per share of Teckwah Industrial Corporation Limited as at 30 June 2020.
- (3) Based on the revalued NAV per share of China Jishan Holdings Limited as at 30 June 2020.

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- (4) Based on the NAV per share of SK Jewellery Group Limited as at 30 June 2020.
- (5) Based on the adjusted NAV per share of LCT Holdings Limited as at 30 June 2020.
- (6) Based on the revalued NTA per share of Sunningdale Tech Ltd. as at 30 September 2020.
- (7) Based on the NAV per share of Sunvic Chemical Holdings Limited as at 31 December 2019.
- (8) Based on the NAV per share of Hi-P International Limited as at 30 June 2020.
- (9) Based on the revalued NTA per share of CEI Limited as at 31 December 2020.
- (10) Based on the revalued NAV per share of GL Limited as at 31 December 2020.
- (11) Based on the NTA per share of International Press Softcom Limited as at 31 December 2020.
- (12) Based on the NAV per share of Singapore Reinsurance Corporation Limited as at 31 December 2020.
- (13) Based on the revalued NTA per share of Neo Group Limited as at 30 September 2020.
- (14) Based on the revalued NAV per share of Sin Ghee Huat Corporation Ltd as at 31 December 2020.
- (15) Based on the revalued NAV per share of Top Global Limited as at 31 December 2020.
- (16) Based on the revalued NAV per share of Cheung Woh Technologies Ltd as at 28 February 2021.
- (17) Based on the NTA per share of Dutech Holdings Limited as at 31 December 2020.
- (18) Based on the revalued NAV per share of Fragrance Group Limited as at 30 June 2021.
- (19) Based on the adjusted NAV per share of the Company as at 30 June 2021.

We note that in respect of the Take-over Transactions the P/ANAV ratio as implied by the Offer Price and the Adjusted NAV per Share as at 30 June 2021 of 2.84 times is:

- (a) above the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.16 times and 2.60 times; and
- (b) at a premium of 184.0% and 259.5% to the mean and median Price-to-NAV/NTA ratios of the Take-over Transactions of 1.00 times and 0.79 times respectively.

Shareholders should note that the above comparison with the Take-over Transactions is purely for illustrative purposes only.

7.5 Previous Take-Over Offers for the Company

In assessing the reasonableness of the Offer, we have also compared the financial terms of the Offer with the previous take-over offers made by other offerors for the Company pursuant to the requirements of the Code. In this regard, we noted offers have been made for the Company in 2014 and 2019.

On 22 January 2014, CIMB Bank Berhad, Singapore Branch ("**CIMB**") announced for and on behalf of Salacca Pte. Ltd. ("**Salacca**"), that on 22 January 2014, Salacca had effected a direct business trade with Third Avenue Management LLC, which serves as an investment adviser to Third Avenue International Value Fund, to acquire in aggregate 19,396,784 Shares, for a cash consideration of S\$0.575 per Share (the "**Third Avenue Acquisition**"). As a consequence of the Third Avenue Acquisition, the aggregate interest of Salacca and parties acting in concert with Salacca increased from 63,278,030 Shares, representing approximately 33.76% of the Shares, to 82,674,814 Shares, representing approximately 44.11% of the Shares and accordingly, Salacca was required to make a mandatory general offer for the rest of the Shares pursuant to Rule 14 of the Code (the "**2014 Offer**"). As at the close of the 2014 Offer, Salacca received valid acceptances amounting to 37.3% of issued Shares bringing the total shareholding interests controlled by Salacca and its concert parties to 81.4%.

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On 15 May 2019, CIMB announced for and on behalf of Salacca, that Salacca intends to make a voluntary unconditional cash offer for all the issued ordinary shares in the capital of the Company other than those already owned, controlled or agreed to be acquired by Salacca in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore, and the Code, with the intention to delist and privatise the Company (the “**2019 Offer**” and together with the 2014 Offer, the “**Precedent Offers**”). As at the close of the 2019 Offer, Salacca received valid acceptances amounting to 10.2% of issued Shares bringing the total shareholding interests controlled by Salacca and its concert parties to 91.30% (including Shares owned, controlled or agreed to be acquired by Salacca and its concert parties). Due to the loss of the public float requirement to maintain its listing on the SGX-ST, the Company had applied and was delisted from the SGX-ST on 1 August 2019.

Please refer to section 7.3 for the valuation ratio used in our analysis.

Offer Type	Announcement Date	Offer Price (\$)	PER (times)	EV/EBITDA ratio (times)
Mandatory General Offer	22 Jan 2014	0.575	13.0 ⁽¹⁾	8.1 ⁽¹⁾
Voluntary General Offer	15 May 2019	0.880	25.2 ⁽²⁾	15.9 ⁽²⁾
Voluntary General Offer	6 August 2021	1.48828	19.3	10.0

Source: Relevant announcements and circulars to shareholders by the Company.

Notes:

- (1) As extracted from the independent financial adviser’s letter dated 21 February 2014 on the 2014 Offer.
- (2) As extracted from the independent financial adviser’s letter dated 14 June 2019 on the 2019 Offer.

We note that in respect of the Precedent Offers:

- (a) the Offer Price is higher than the Precedent Offers;
- (b) the PER of 19.3 times as implied by the Offer Price is above the 2014 Offer at 13.0 times but below the 2019 Offer at 25.2 times; and
- (c) the EV/EBITDA ratio of 10.0 times as implied by the Offer Price is above the 2014 Offer at 8.1 times but below the 2019 Offer at 15.9 times.

7.6 Other Relevant Considerations

7.6.1 No public trading platform

The Company is a public unlisted company and its Shares are not quoted or traded on the SGX-ST or on any other stock exchange. Therefore, there is no public platform to facilitate the trading of the Shares. Shareholders will face difficulties in selling their Shares due to the absence of a public market if they wish to exit from their investments in the Company.

7.6.2 Offer is unconditional in all respects

As stated in section 3.8 of this letter, the Offer has become unconditional as to acceptances and has been declared by the Offeror to be unconditional in all respects. Shareholders who accept the Offer are assured of receiving the Offer Price in respect of all their acceptances of the Offer with no transaction costs involved.

Shareholders may also wish to note that the Offeror has stated that the Offer Price of S\$1.48828 is final and that it does not intend to revise the Offer Price.

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7.6.3 Absence of alternative or competing offers

As at the Latest Practicable Date, the Undertaking Shareholders holding 208,919,905 Shares, representing 99.65% of total issued Shares, have given their undertaking to accept and/or procure the acceptance of the Offer in respect of all of the Relevant Shares, no earlier than the date falling three Business Days after the date of despatch of the Offer Document and no later than the date falling five Business Days after the date of despatch of the Offer Document.

Any potential third party may be discouraged from making a competing offer for the Company at a price higher than the Offer Price in view of the Irrevocable Undertakings and the Offeror's entitlement to exercise compulsory acquisition upon receiving the acceptances from the Undertaking Shareholders pursuant to Section 215(1) of the Companies Act. Please refer to section 7.6.4 below for further information on the compulsory acquisition.

The Directors have confirmed that as at the Latest Practicable Date, apart from the Offer, they have not received any alternative or competing offer for the Shares from any other party.

7.6.4 Offeror's intention in relation to the Company and compulsory acquisition

The Offeror has stated its intention to make the Company its wholly-owned subsidiary and intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act. As set out in section 6.4 in the Offer Document, the Offeror currently has no intention to: (i) introduce any major changes to the business of the Company; (ii) re-deploy the fixed assets of the Company; or (iii) discontinue the employment of the existing employees of the Group, other than in the ordinary course of business. However, the Offeror retains the flexibility at any time to consider any options in relation to the Company which may present themselves and which the Offeror may regard to be in the interest of the Offeror and the Group.

Upon the acceptance of the Offer by the Undertaking Shareholders, the Offeror would have received acceptances of 99.65% of the total number of Shares. Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires not less than 90% of the total number of Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and which, for the avoidance of doubt, excludes any Shares held in treasury), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer at a price equal to the Offer Price. Therefore, the Offeror will be entitled to exercise compulsory acquisition upon receiving the acceptances from the Undertaking Shareholders.

7.6.5 Undertaking Shareholders' acceptance of the Offer

Pursuant to the GKGH Irrevocable Undertaking and the SHSB Irrevocable Undertaking, both GKGH and SHSB have undertaken to accept the Offer. We believe that this demonstrates the attractiveness of the Offer. We further note that the Offer is the result of an international competitive bid process, assisted by Credit Suisse who have been appointed to advise GKGH on the Strategic Review in relation to GKGH's shareholdings in Boardroom. Please refer to section 7.3 of this letter for further details on the Strategic Review undertaken by GKGH and the international competitive bid process.

7.6.6 Directors' intentions in relation to the Offer

As set out in Appendix 2 to the Circular, Mr Thomas Teo Liang Huat has informed the Company that he has tendered his acceptance in respect of the Offer in relation to all the 150,000 Shares in which he has a direct interest in.

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7.6.7 Historical dividend payout of the Company

We set out below an analysis of the dividends declared per Share for the last three financial years ended 31 December.

Dividends Declared Per Share (S\$)	FY2018	FY2019	FY2020
Final one-tier tax exempt cash dividend	0.02	0.02	0.02

Sources: Audited financial statements of the Company for FY2018, FY2019 and FY2020, and the unaudited financial statements for 1H2020 and 1H2021.

Notwithstanding the past dividend pay-outs and the Excluded Distributions, the Directors have confirmed that the Company does not have a fixed dividend policy. Shareholders should note that past dividend payouts should not be in any way relied upon as an indication or promise of the Company's future dividend payouts.

The quantum of dividends paid by the Company in any period would depend upon various factors including but not limited to the financial position of the Group, retained earnings, results of operation and cash flow, the Group's expected working capital requirements and capital expenditure, future expansion and investment plans, funding requirements, general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group.

8 OUR OPINION AND ADVICE

8.1 Key Considerations of the Offer

In arriving at our opinion and advice in respect of the Offer, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment of the Offer. The follow should be read in conjunction with, and in the context of, the full text of this letter:

- (a) historical financial performance of the Group, as set out in section 7.1 of this letter;
- (b) a comparison with the NAV of the Group as follows:
 - (i) the Offer Price representing a premium of approximately 174.6% to the NAV per Share of S\$0.542 as at 30 June 2021;
 - (ii) the Offer Price representing a premium of approximately 184.0% to the Adjusted NAV per Share of S\$0.524 as at 30 June 2021; and
- (c) a comparison with the valuation statistics of the Comparable Companies as follows:
 - (i) the EV/Sales of 2.76 times of the Group as implied by the Offer Price is (aa) within the range of EV/Sales of the Comparable Companies of between 1.10 times and 8.78 times and (bb) at a premium of 23.2% and 76.9% to the mean and median EV/Sales of the Comparable Companies of 2.24 and 1.56 times respectively;
 - (ii) the PER of 19.3 times of the Group as implied by the Offer Price is (aa) below the range of PERs of the Comparable Companies of between 20.6 times and 43.2 times and (bb) at a discount of 15.0% to the mean and median PER of the Comparable Companies of 22.7 times. It is noted that two out of the five Comparable Companies were loss making in the latest trailing 12 months;

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- (iii) the EV/EBITDA ratio of 10.0 times of the Group as implied by the Offer Price being (aa) within the range of EV/EBITDA ratios of the Comparable Companies of between 6.5 times and 90.1 times and (bb) at a discount of 15.3% and 18.7% to the mean and median EV/EBITDA ratio of the Comparable Companies of 11.8 times and 12.3 times respectively;
 - (iv) the Offer Price of S\$1.48828 falls within our estimated range of value for the Shares of S\$1.196 and S\$1.769, which is based on the mean EV/Sales and mean EV/EBITDA of the Comparable Companies. We further note that the Offer was the culmination of the Strategic Review undertaken by GKGH, which had involved an international competitive bid process;
- (d) a comparison with recent successful privatisation transactions of companies listed on the SGX-ST as follows:
 - (i) the P/ANAV ratio as implied by the Offer Price and the Adjusted NAV per Share at 30 June 2021 of 2.84 times being (aa) above the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.16 times and 2.60 times and (bb) at a premium of approximately 184.0% and 259.5% over the corresponding mean and median Price-to-NAV/NTA ratios of the Take-over Transactions of 1.00 times and 0.79 times respectively;
- (e) a comparison with the previous take-over offers for the Company as follows:
 - (i) the Offer Price being higher than the Precedent Offers;
 - (ii) the PER of 19.3 times as implied by the Offer Price being above the 2014 Offer at 13.0 times but below the 2019 Offer at 25.2 times; and
 - (iii) the EV/EBITDA ratio of 10.0 as implied by the Offer Price being above the 2014 Offer at 8.1 times but below the 2019 Offer at 15.9 times;
- (f) other relevant considerations as follows:
 - (i) there is no public trading platform to facilitate the trading of the shares as set out in section 7.6.1 of this letter;
 - (ii) the Offer Price being final and the Offer being unconditional in all respects. Shareholders who accept the Offer are assured of receiving the Offer Price in respect of all their acceptances of the Offer with no transaction costs involved as set out in section 7.6.2 of this letter;
 - (iii) the absence of alternative take-over offers from third parties as at the Latest Practicable Date and the likelihood of an alternative take-over being remote in view that the Undertaking Shareholders holding 99.65% of the issued Shares have given their undertaking to accept and/or procure the acceptance of the Offer as set out in section 7.6.3 of this letter;
 - (iv) the Offeror's intention to make the Company its wholly-owned subsidiary and to exercise its rights of compulsory acquisition upon receiving the acceptances from the Undertaking Shareholders as set out in section 7.6.4 of this letter;
 - (v) GKGH and SHSB's undertaking to accept the Offer which demonstrates the attractiveness of the Offer as well as the international competitive bid process which resulted in the Offer as set out in section 7.6.5 of this letter;

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- (vi) Mr Thomas Teo Liang Huat's acceptance of the Offer in respect of the Shares directly held by him as set out in section 7.6.6 of this letter; and
- (vii) the dividend payout by the Company over the last three years as set out in section 7.6.7 of this letter.

*Based on our analysis set out above and after considering all relevant information available to us as at the Latest Practicable Date, we are of the opinion that, on balance, the financial terms of the Offer are **fair and reasonable**. Accordingly, we advise the Independent Directors to recommend that Shareholders **accept** the Offer.*

In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

Our opinion and advice are addressed to the Independent Directors for their benefit and for the purposes of their consideration of the Offer. The recommendation to be made by them to the Shareholders in respect of the Offer shall remain the responsibility of the Independent Directors. Whilst a copy of this letter may be reproduced in the Circular, no other person may reproduce, disseminate or quote this letter (or any part thereof) for any purpose at any time and in any manner without the prior written consent of SAC Capital in each specific case, except for the purpose of the Offer.

This letter is governed by and shall be construed in accordance with the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
SAC CAPITAL PRIVATE LIMITED

Bernard Lim
Executive Director

Foo Siang Sheng
Partner

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

Annex A

Company	Stock Exchange	Business Description (as extracted from Bloomberg)	Share Price at the Latest Practicable Date	Market Capitalisation as at the Latest Practicable Date (million)	Financial year end	Revenue (million)	Net profit/ (loss) after tax attributable to shareholders (million)
Zico Holdings Inc.	Singapore Stock Exchange	Zico Holdings Inc. is an integrated network of professional service firms focused on the ASEAN region, providing advisory and transactional services, management and support services, and licensing services.	S\$0.078	S\$25.5	31 December	RM64.2	RM(7.4)
PayGroup Limited	Australian Securities Exchange	PayGroup Limited provides payroll outsourcing services. The company offers payroll consulting, implementation and process, compliance, lodgement, and human resource management services. PayGroup serves clients worldwide.	AUD0.42	AUD49.6	31 March	AUD15.6	AUD(0.5)
Countplus Ltd	Australian Securities Exchange	Countplus Ltd. offers accounting and other services. Through subsidiaries, the company offers accounting, financial planning, lending, legal, tax, corporate advisory, and payroll management services. Countplus franchises some of its locations.	AUD0.91	AUD103.9	30 June	AUD80.5	AUD4.9

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Company	Stock Exchange	Business Description (as extracted from Bloomberg)	Share Price at the Latest Practicable Date	Market Capitalisation as at the Latest Practicable Date (million)	Financial year end	Revenue (million)	Net profit/ (loss) after tax attributable to shareholders (million)
Kelly Partners Group Holdings Limited	Australian Securities Exchange	Kelly Partners Group Holdings Limited operates as a holding company. The company, through its subsidiaries, provides accounting and taxation services to private organisations. Kelly Partners Group serves customers in Australia and Hong Kong.	AUD4.42	AUD197.6	30 June	AUD48.9	AUD4.6
Advanced Share Registry Ltd	Australian Securities Exchange	Advanced Share Registry Ltd offers share registry services. The company provides registry services to listed and unlisted clients on a state and national basis.	AUD0.3275	AUD63.3	30 June	AUD6.6	AUD2.6

Source: Bloomberg L.P., annual reports and/or announcements of the respective companies.

APPENDIX 2 – GENERAL INFORMATION ON THE COMPANY

1. DIRECTORS

The names, addresses and designations of the Directors as at the Latest Practicable Date are as follows:

Name	Address	Designation
Mr Goh Geok Khim	11 North Buona Vista Drive, #08-08, The Metropolis, Singapore 138589	Director
Mr Thomas Teo Liang Huat	11 North Buona Vista Drive, #08-08, The Metropolis, Singapore 138589	Director
Mr Teo Poh Jin, Kim	1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632	Director and Chief Executive Officer
Mr Goh Yew Lin	11 North Buona Vista Drive, #08-08, The Metropolis, Singapore 138589	Alternate Director to Mr Goh Geok Khim

2. HISTORY AND BUSINESS

Boardroom is a public company incorporated in Singapore, and is a premier full-suite corporate services platform in the Asia-Pacific region with hubs in Singapore, Malaysia, Australia and Hong Kong. Boardroom is a subsidiary of the GKGH group and was delisted from the Mainboard of the SGX-ST on 1 August 2019.

3. PRINCIPAL ACTIVITY OF THE COMPANY

The Boardroom Group is one of Asia-Pacific's leading providers of corporate secretarial, share registry, business solutions and advisory (accounting, taxation and payroll) services, with a presence in Singapore, Australia, Malaysia, Hong Kong and the People's Republic of China.

4. SHARE CAPITAL

4.1 Issued Share Capital.

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$51,393,746.37, comprising 209,660,184 Shares. There is only one class of shares in the capital of the Company, comprising the Shares. The Shares are ordinary shares carrying equal ranking rights to dividend, voting at general meetings and return of capital.

As at the Latest Practicable Date, Salacca holds 192,919,905 Shares, representing approximately 92.02% of the issued and paid-up share capital of the Company; SHSB, the other substantial Boardroom Shareholder, holds 16,000,000 Shares, representing approximately 7.63% of the total number of Shares; and the remaining Shares are held by minority shareholders. As at the Latest Practicable Date, Salacca has tendered their acceptance in respect of the Offer in relation to its 192,919,905 Shares, and SHSB has tendered their acceptance in respect of the Offer in relation to its 16,000,000 Shares.

Since 31 December 2021 (being the end of the previous financial year), the Company has not issued any Shares.

The Company does not have any Shares held in treasury. During the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date, the Company has not purchased any Company Securities.

APPENDIX 2 – GENERAL INFORMATION ON THE COMPANY

There is no restriction in the Constitution of the Company on the right to transfer any Shares, which has the effect of requiring the Shareholders, before transferring them, to offer them for purchase to members of the Company or to any other person.

As far as the Company is aware, there have been no transfers in the Shares during the period commencing from 6 February 2021, being the date six months preceding the date of the Pre-Conditional Offer Announcement, and ending on the Latest Practicable Date.

4.2 Rights in Respect of Capital, Dividends and Voting. The rights of Shareholders in respect of capital, dividends and voting are set out in the Constitution. For ease of reference, selected texts of the Constitution relating to the same have been extracted and reproduced in Appendix 8 to this Circular.

4.3 Other Company Securities. As at the Latest Practicable Date, there are no other outstanding instruments convertible into, rights to subscribe for, and options in respect of, the Shares or securities which carry voting rights affecting Shares.

5. DISCLOSURE OF INTERESTS

5.1 Interest of the Company in Offeror Securities. As at the Latest Practicable Date, neither the Company nor its subsidiaries have any direct or indirect interest in Offeror Securities.

5.2 Dealings in Offeror Securities by the Company. During the period commencing three months prior to the Offer Announcement Date and ending on the Latest Practicable Date, neither the Company nor its subsidiaries has dealt for value in Offeror Securities.

5.3 Interest of Directors in Offeror Securities. As at the Latest Practicable Date, none of the Directors has any direct or indirect interest in Offeror Securities.

5.4 Dealings in Offeror Securities by Directors. During the period commencing three months prior to the Offer Announcement Date and ending on the Latest Practicable Date, none of the Directors has dealt for value in Offeror Securities.

5.5 Interest of Directors in Company Securities. Save as disclosed below, as at the Latest Practicable Date, none of the Directors has an interest, direct or indirect, in Company Securities.

Director	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Mr Goh Geok Khim ⁽²⁾	—	—	192,919,905	92.02
Mr Thomas Teo Liang Huat	150,000	0.07	—	—
Mr Teo Poh Jin, Kim	—	—	—	—
Mr Goh Yew Lin ⁽³⁾	—	—	192,919,905	92.02

Notes:

(1) Percentage interest is based on an issued and paid-up capital of 209,660,184 issued Shares as at the Latest Practicable Date and rounded to the nearest two decimal places.

(2) The deemed interest of Mr Goh Geok Khim arises from his controlling interest in GKG Investment Holdings Pte Ltd. ("GKGI"), the ultimate holding company of Boardroom.

(3) The deemed interest of Mr Goh Yew Lin arises from his controlling interest in GKGI.

5.6 Dealings in Company Securities by Directors. During the period commencing three months prior to the Offer Announcement Date and ending on the Latest Practicable Date, none of the Directors has dealt for value in Company Securities.

APPENDIX 2 – GENERAL INFORMATION ON THE COMPANY

- 5.7 Interest of the IFA in Company Securities.** As at the Latest Practicable Date none of SAC Capital, its related corporations or funds whose investments are managed by SAC Capital or its related corporations on a discretionary basis, owns or controls any Company Securities.
- 5.8 Dealings in Company Securities by the IFA.** During the period commencing three months prior to the Offer Announcement Date and ending on the Latest Practicable Date none of SAC Capital, its related corporations or funds whose investments are managed by SAC Capital or its related corporations on a discretionary basis, has dealt for value in Company Securities.
- 5.9 Accepting or Rejecting the Offer.** Mr Thomas Teo Liang Huat has informed the Company that he has tendered his acceptance in respect of the Offer in relation to all the 150,000 Shares in which he has a direct interest.

6. ARRANGEMENTS AFFECTING DIRECTORS

6.1 Directors' Service Contracts. As at the Latest Practicable Date:

- (i) there are no service contracts between any Director or proposed director with the Company or any of its subsidiaries which have more than 12 months to run and which cannot be terminated by the employing company within the next 12 months without paying any compensation; and
- (ii) there were no service contracts entered into or amended between any Director or proposed director with the Company or any of its subsidiaries during the period between the start of six months preceding the Offer Announcement Date and the Latest Practicable Date.

6.2 No Payment or Benefit to Directors. As at the Latest Practicable Date, save for Mr Thomas Teo Liang Huat who holds 150,000 Shares, and as disclosed below, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any Director or to any director of any other corporation which is, by virtue of Section 6 of the Act, deemed to be related to the Company as compensation for loss of office or otherwise in connection with the Offer. As set out in the GKGH circular to GKGH shareholders dated 23 December 2021, GKGH intends to allocate a portion of the gross proceeds from the sale of the 192,919,905 Shares held by Salacca and net share of the consideration for the Definitive Disposal (representing up to a maximum of approximately 9.0% of such amounts received) to a cash bonus and incentive scheme to be established by GKGH and SHSB to reward certain key executives of Boardroom (the “**Bonus Scheme**”).

6.3 No Agreement Conditional upon Outcome of Offer. As at the Latest Practicable Date, save as disclosed in this Circular, there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Offer, other than the Bonus Scheme.

6.4 No Material Contracts entered into by Offeror. As at the Latest Practicable Date, save for the GKGH Irrevocable Undertaking, there are no material contracts entered into by the Offeror in which any Director has a material personal interest, whether direct or indirect.

7. FINANCIAL INFORMATION ON THE GROUP

Set out below is certain financial information extracted from the Company's annual reports for FY2018, FY2019 and FY2020 respectively and from the 1H2021 Results. The audited consolidated financial statements for the Group for FY2020 and the 1H2021 Results are set out in Appendices 4 and 5 to this Circular respectively. The summary set out below should be read together with the Company's annual reports for the relevant years, the audited consolidated financial statements for the relevant financial periods and the accompanying notes and the 1H2021 Results.

APPENDIX 2 – GENERAL INFORMATION ON THE COMPANY

7.1 Consolidated Income Statement.

	Audited FY2018 S\$'000	Audited FY2019 S\$'000	Audited FY2020 S\$'000	Unaudited 1H2021 Results S\$'000
Revenue	91,591	106,242	112,544	56,688
Profit before tax	9,256	10,966	18,282	8,124
Profit after tax	6,950	8,804	14,504	6,141
Profit attributable to the Company	6,950	8,804	14,504	6,141
Earnings per Share (cents per Share)	3.49	4.20	6.92	2.93

Set out below is also a summary of the dividend per Share declared in respect of each of FY2018, FY2019 and FY2020 by the Company. This information was extracted from the Company's annual reports for FY2018, FY2019 and FY2020.

Singapore Cents (Tax-exempt one-tier)

In respect of FY2018

Interim Dividend:	—
Final Dividend:	\$0.020

In respect of FY2019

Interim Dividend:	—
Final Dividend:	\$0.020

In respect of FY2020

Interim Dividend:	—
Final Dividend:	\$0.020

7.2 Statement of Financial Position.

SGD'000	FY2020 (As at 31 December 2020)	1H2021 (As at 30 June 2021)
Assets		
Current assets		
Short-term investments	26	23
Income tax receivable	475	540
Unbilled receivables	1,345	1,679
Trade and other receivables	21,782	20,084
Prepayments	1,517	1,824
Derivative assets	266	856
Cash and cash equivalents	33,057	24,357
Current assets	58,468	49,363
Non-current assets		
Property, plant and equipment	14,190	11,133
Intangible assets	117,023	115,267
Investment in associate	3,774	3,894
Deferred tax assets	1,818	1,354
Trade and other receivables	103	—
Total non-current assets	136,908	131,648
Total Assets	195,376	181,011

APPENDIX 2 – GENERAL INFORMATION ON THE COMPANY

SGD'000	FY2020 (As at 31 December 2020)	1H2021 (As at 30 June 2021)
Equity and Liabilities		
Current liabilities		
Borrowings	9,459	8,748
Trade and other payables	27,569	18,051
Contract liabilities	3,122	2,150
Income tax payable	1,765	1,013
Current liabilities	41,915	29,962
Non-current liabilities		
Provision for employees' benefits	456	456
Deferred tax liabilities	5,706	5,279
Borrowings	35,713	31,656
Non-current liabilities	41,875	37,391
Total Liabilities	83,790	67,353
Equity attributable to owners of the Company		
Share capital	50,034	50,034
Other reserves	(8,342)	(8,218)
Retained earnings	69,894	71,842
Total Equity	111,586	113,658
Total liabilities and equities	195,376	181,011
Net Asset Value ("NAV") (S\$'000)	111,586	113,658
Net Tangible Asset ("NTA") (S\$'000)	(5,437)	(1,609)
Number of issued shares (excluding treasury shares)	209,660,184	209,660,184
NAV per Share (S\$)	0.532	0.542
NTA per Share (S\$)	(0.0259)	(0.0077)

8. MATERIAL CHANGES IN FINANCIAL POSITION

Save as disclosed in the 1H2021 Results and any other information on the Company and the Group which is publicly available (including without limitation, the announcements released by GKGH on the SGX-ST), there have been no material changes to the financial position of the Company or the Group since 31 December 2020, being the date of the last audited accounts of the Company laid before the Shareholders in general meeting.

9. ACCOUNTING POLICIES

The significant accounting policies of the Group for FY2020 are disclosed in Note 2 of the audited consolidated financial statements of the Group for FY2020, a copy of which is reproduced in Appendix 4 to this Circular and available for inspection at the registered office of the Company as set out in paragraph 15 of Appendix 2 to this Circular.

10. CHANGE IN ACCOUNTING POLICIES

As at the Latest Practicable Date, there are no changes in the accounting policy of the Group which will cause the figures disclosed in this Circular not to be comparable to a material extent.

APPENDIX 2 – GENERAL INFORMATION ON THE COMPANY

11. MATERIAL CONTRACTS

As at the Latest Practicable Date, save as set out in this Circular, neither the Company nor any of its subsidiaries have entered into any material contracts with interested persons (other than those entered into in the ordinary course of business) during the period commencing three years before the Offer Announcement Date and ending on the Latest Practicable Date.

12. MATERIAL LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries are engaged in any material litigation or arbitration proceedings as plaintiff or defendant, which might materially and adversely affect the financial position of the Group as a whole. The Directors are not aware of any litigation, claim, arbitration or other proceedings pending or threatened against the Company or any of its subsidiaries or of any facts likely to give rise to any such proceedings which might materially or adversely affect the financial position of the Group taken as a whole.

13. MATERIAL CHANGE IN INFORMATION

Save as disclosed in this Circular and save for the information relating to the Company, the Group and the Offer that is publicly available (including without limitation, the announcements released by GKGH on the SGX-ST), there has been no material change in any information previously published by or on behalf of the Company during the period commencing from the Offer Announcement Date and ending on the Latest Practicable Date.

14. GENERAL

14.1 Costs and Expenses. All expenses and costs incurred by the Company in relation to the Offer will be borne by the Company.

14.2 Consent of the Auditors. Ernst & Young LLP has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name, the Auditors' report relating to the audited consolidated financial statements of the Group for FY2020 set out in Appendix 4 to this Circular, the letter from the Auditors in relation to their review of the 1H2021 Results set out in Appendix 6 to this Circular and all references thereto in the form and context in which they appear in this Circular.

14.3 Consent of the IFA. SAC Capital has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name, the IFA Letter set out in Appendix 1 to this Circular, the letter from the IFA in relation to their review of the 1H2021 Results set out in Appendix 7 to this Circular and all references thereto in the form and context in which they appear in this Circular.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632, during normal business hours for the period which the Offer remains open for acceptance:

- (i) the Constitution of the Company;
- (ii) the annual report of the Company for the financial year ended 31 December 2020;
- (iii) the 1H2021 Results;
- (iv) the IFA Letter as set out in Appendix 1 to this Circular;
- (v) the letters from the Auditors and the IFA respectively in respect of their review of the 1H2021 Results, as set out in Appendices 6 and 7 to this Circular respectively;

APPENDIX 2 – GENERAL INFORMATION ON THE COMPANY

- (vi) the Offer Announcement;
- (vii) the GKGH Irrevocable Undertaking; and
- (viii) the letters of consent from Ernst & Young LLP and SAC Capital referred to in paragraphs 14.2 and 14.3 of Appendix 2 respectively.

APPENDIX 3 – INFORMATION ON THE OFFEROR

1. THE OFFEROR

The following information on the Offeror has been extracted from Appendix I to the Offer Document. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

“1. DIRECTORS OF THE OFFEROR

The names, addresses and descriptions of the directors of the Offeror as at the Latest Practicable Date are as follows:

<i>Name</i>	<i>Address</i>	<i>Description</i>
<i>Koh Thong Meng, Danny</i>	<i>(before 1 February 2022) c/o 3 Church Street #22-05 Samsung Hub Singapore 049483</i>	<i>Director</i>
	<i>(with effect from 1 February 2022) c/o 138 Market Street, #36-01, Singapore 048946</i>	
<i>Lau Hwei Lynn</i>	<i>c/o 501 Orchard Road #11-01 Wheelock Place Singapore 238880</i>	<i>Director</i>

2. REGISTERED OFFICE OF THE OFFEROR

The registered office of the Offeror is at 80 Robinson Road, #02-00, Singapore 068898.

3. PRINCIPAL ACTIVITY OF THE OFFEROR

The Offeror is a company incorporated in Singapore on 11 May 2021 and its principal activity is investment holding.

4. FINANCIAL STATEMENTS

As the Offeror was incorporated on 11 May 2021, no audited or unaudited financial statements of the Offeror have been prepared as at the Latest Practicable Date.

5. SIGNIFICANT ACCOUNTING POLICIES

As no audited financial statements of the Offeror have been prepared since the date of its incorporation, there are no significant accounting policies to be noted.

6. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save for the making and financing of the Offer, there have been no known material changes in the financial position of the Offeror since the date of its incorporation.”

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

The (i) audited consolidated financial statements of the Group for FY2020 and (ii) notes to the audited consolidated financial statements of the Group for FY2020 set out below have been reproduced from the Company's annual report for FY2020, and were not specifically prepared for inclusion in this Circular.

Boardroom Limited and its Subsidiaries

Company Registration No. 200003902Z

Annual Report 2020

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 December 2020

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

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APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Directors' statement

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Boardroom Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2020.

Opinion of the directors

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date, and
- (b) 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.

Directors

The directors of the Company in office at the date of this statement are:

Goh Geok Khim
Kim Teo Poh Jin
Thomas Teo Liang Huat
Goh Yew Lin (Alternate to Goh Geok Khim)

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Directors' statement

Directors' interests in shares or debentures

The following directors, who held office at the end of the financial year, had, according to the Register of Directors' Shareholdings, required to be kept under Section 164 of the Singapore Companies Act, Chapter 50, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

Name of Director	<u>Number of ordinary shares fully paid</u>			
	<u>Shares registered in name of director</u>		<u>Shares in which director is deemed to have an interest</u>	
	<u>As at 1.1.2020</u>	<u>As at 31.12.2020</u>	<u>As at 1.1.2020</u>	<u>As at 31.12.2020</u>
The Company				
Goh Geok Khim	–	–	192,919,905	192,919,905
Goh Yew Lin (Alternate to Goh Geok Khim)	–	–	192,919,905	192,919,905
Thomas Teo Liang Huat	150,000	150,000	–	–
Salacca Pte. Ltd.				
(Immediate holding company)				
Goh Geok Khim	–	–	2	2
Goh Yew Lin (Alternate to Goh Geok Khim)	–	–	2	2
G.K. Goh Holdings Limited				
(Intermediate holding company)				
Goh Geok Khim	–	–	197,089,722	197,648,722
Goh Yew Lin (Alternate to Goh Geok Khim)	–	–	197,125,722	197,684,722
Thomas Teo Liang Huat	256,141	256,141	–	–
GKG Investment Holdings Pte Ltd				
(Ultimate holding company)				
Goh Geok Khim	2,500,500	2,500,500	704,500	704,500
Goh Yew Lin (Alternate to Goh Geok Khim)	1,495,000	1,495,000	–	–

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Directors' statement

Directors' interests in shares or debentures (cont'd)

Goh Geok Khim and Goh Yew Lin, by virtue of the provisions of Section 7 of the Singapore Companies Act, Chapter 50, are deemed to be interested in the whole of the issued share capital of all the wholly-owned subsidiaries of Boardroom Limited.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

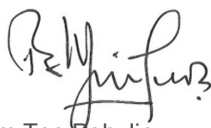
Share options

The Company no longer has any share option scheme.

Independent auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors:



Kim Teo Poh Jin
Director



Thomas Teo Liang Huat
Director

15 March 2021

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

**Independent auditor's report
For the financial year ended 31 December 2020**

Independent auditor's report to the members of Boardroom Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Boardroom Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2020, the statements of changes in equity of the Group and the Company, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for other information. The other information comprises Directors' statement set out on pages 1 to 3.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Independent auditor's report

For the financial year ended 31 December 2020

Independent auditor's report to the members of Boardroom Limited

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Independent auditor's report
For the financial year ended 31 December 2020

Independent auditor's report to the members of Boardroom Limited

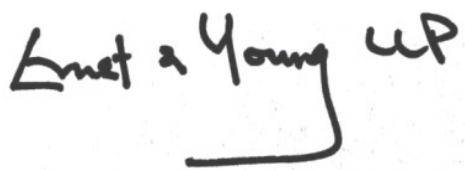
Auditor's responsibilities for the audit of the financial statements (cont'd)

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

A handwritten signature in black ink that reads "Ernst & Young LLP". The signature is written in a cursive, stylized font. The "E" is large and loops around the "r", and the "Y" is also large and loops around the "o". The "LLP" is written in a simpler, more upright font.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

15 March 2021

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Balance sheets As at 31 December 2020

	Note	Company		Group	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Assets					
Non-current assets					
Property, plant and equipment	3	2,697	4,818	14,190	18,731
Intangible assets	4	40	30	117,023	115,869
Investments in subsidiaries	5	83,215	82,615	–	–
Investment in associate	6	–	–	3,774	3,244
Deferred tax assets	7	848	984	1,818	1,932
Amounts due from subsidiaries	8	57,283	59,057	–	–
Trade and other receivables	11	103	533	103	533
		144,186	148,037	136,908	140,309
Current assets					
Short-term investments	9	–	–	26	213
Income tax receivable		–	–	475	94
Unbilled receivables	10	–	–	1,345	1,190
Trade and other receivables	11	1,306	1,296	21,782	26,627
Amounts due from subsidiaries	8	7,187	5,922	–	–
Prepayments		302	77	1,517	1,173
Derivative assets	12	266	74	266	74
Cash and cash equivalents	13	7,278	2,972	33,057	16,880
		16,339	10,341	58,468	46,251
Total assets		160,525	158,378	195,376	186,560
Equity and liabilities					
Current liabilities					
Borrowings	14	6,231	6,290	9,459	9,217
Trade and other payables	16	2,949	2,066	27,569	21,571
Amounts due to subsidiaries	8	598	973	–	–
Contract liabilities	10	–	–	3,122	3,677
Income tax payable		1	25	1,765	1,940
		9,779	9,354	41,915	36,405
Net current assets		6,560	987	16,553	9,846

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Balance sheets (cont'd) As at 31 December 2020

	Note	Company		Group	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Non-current liabilities					
Provision for employees benefits	17	–	–	456	367
Deferred tax liabilities	7	–	–	5,706	6,561
Borrowings	14	30,370	36,582	35,713	43,713
		30,370	36,582	41,875	50,641
Total liabilities		40,149	45,936	83,790	87,046
Net assets		120,376	112,442	111,586	99,514
Equity attributable to owners of the Company					
Share capital	18	50,034	50,034	50,034	50,034
Other reserves	19	246	(33)	(8,342)	(10,103)
Retained earnings		70,096	62,441	69,894	59,583
Total equity		120,376	112,442	111,586	99,514
Total equity and liabilities		160,525	158,378	195,376	186,560

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

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Consolidated statement of comprehensive income For the financial year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
Revenue	20	112,544	106,242
Other operating income	21	4,614	1,444
Employee benefits expense	22	(61,247)	(57,248)
Interest on borrowings		(2,112)	(2,809)
Depreciation and amortisation expenses		(10,794)	(9,203)
Impairment of right-of-use assets		(26)	(105)
Impairment of financial assets, net		(237)	(1,302)
Other operating expenses		(24,722)	(26,206)
Share of results of associate	6	262	153
Profit before tax	23	18,282	10,966
Tax expense	24	(3,778)	(2,162)
Profit for the financial year, net of tax		14,504	8,804
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		1,482	(617)
Net fair value changes on derivatives designated as cash flow hedges		192	183
Reclassification to profit or loss on cash flow hedges		87	31
Other comprehensive income for the financial year		1,761	(403)
Profit for the financial year attributable to owners of the Company		14,504	8,804
Total comprehensive income for the financial year attributable to owners of the Company		16,265	8,401

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

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Statements of changes in equity For the financial year ended 31 December 2020

Group	Attributable to owners of the Company					Total \$'000
	Share capital (Note 18) \$'000	Exchange translation reserve (Note 19) \$'000	Hedging reserve (Note 19) \$'000	Premium paid on acquisition of non- controlling interests (Note 19) \$'000	Retained earnings \$'000	
Balance at 1 January 2020	50,034	2,499	(33)	(12,569)	59,583	99,514
Profit for the financial year	—	—	—	—	14,504	14,504
Other comprehensive income for the financial year						
- Foreign currency translation	—	1,482	—	—	—	1,482
- Net fair value changes on derivatives designated as cash flow hedges	—	—	192	—	—	192
- Reclassification to profit or loss on cash flow hedges	—	—	87	—	—	87
Total comprehensive income for the financial year	—	1,482	279	—	14,504	16,265
<u>Contributions by and distributions to owners</u>						
Cash dividends on ordinary shares (Note 25)	—	—	—	—	(4,193)	(4,193)
Total contributions by and distributions to owners	—	—	—	—	(4,193)	(4,193)
Balance at 31 December 2020	50,034	3,981	246	(12,569)	69,894	111,586

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Statements of changes in equity (cont'd) For the financial year ended 31 December 2020

Group	Attributable to owners of the Company					
	Share capital (Note 18) \$'000	Exchange translation reserve (Note 19) \$'000	Hedging reserve (Note 19) \$'000	Premium paid on acquisition of non-controlling interests (Note 19) \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2019	50,034	3,116	(247)	(12,569)	54,972	95,306
Profit for the financial year	—	—	—	—	8,804	8,804
Other comprehensive income for the financial year						
- Foreign currency translation	—	(617)	—	—	—	(617)
- Net fair value changes on derivatives designated as cash flow hedges	—	—	183	—	—	183
- Reclassification to profit or loss on cash flow hedges	—	—	31	—	—	31
Total comprehensive income for the financial year	—	(617)	214	—	8,804	8,401
<u>Contributions by and distributions to owners</u>						
Cash dividends on ordinary shares (Note 25)	—	—	—	—	(4,193)	(4,193)
Total contributions by and distributions to owners	—	—	—	—	(4,193)	(4,193)
Balance at 31 December 2019	50,034	2,499	(33)	(12,569)	59,583	99,514

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Statements of changes in equity (cont'd) For the financial year ended 31 December 2020

Company	Attributable to owners of the Company			
	Share capital (Note 18) \$'000	Hedging reserve (Note 19) \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2020	50,034	(33)	62,441	112,442
Profit for the financial year	–	–	11,848	11,848
Other comprehensive income for the financial year				
- Net fair value changes on derivatives designated as cash flow hedges	–	192	–	192
- Reclassification to profit or loss on cash flow hedges	–	87	–	87
Total comprehensive income for the financial year	–	279	11,848	12,127
<u>Contributions by and distributions to owners</u>				
Cash dividends on ordinary shares (Note 25)	–	–	(4,193)	(4,193)
Total contributions by and distributions to owners	–	–	(4,193)	(4,193)
Balance at 31 December 2020	50,034	246	70,096	120,376

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Statements of changes in equity (cont'd) For the financial year ended 31 December 2020

Company	Attributable to owners of the Company			
	Share capital (Note 18) \$'000	Hedging reserve (Note 19) \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2019	50,034	(247)	40,133	89,920
Profit for the financial year	–	–	26,501	26,501
Other comprehensive income for the financial year				
- Net fair value changes on derivatives designated as cash flow hedges	–	183	–	183
- Reclassification to profit or loss on cash flow hedges	–	31	–	31
Total comprehensive income for the financial year	–	214	26,501	26,715
<u>Contributions by and distributions to owners</u>				
Cash dividends on ordinary shares (Note 25)	–	–	(4,193)	(4,193)
Total contributions by and distributions to owners	–	–	(4,193)	(4,193)
Balance at 31 December 2019	50,034	(33)	62,441	112,442

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

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Consolidated statement of cash flows For the financial year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
Operating activities			
Profit before tax		18,282	10,966
Adjustments for:			
Amortisation of intangible assets	4	3,867	3,502
Depreciation of property, plant and equipment	3	6,927	5,701
Allowance for impairment of trade receivables, net		237	1,302
Impairment of right-of-use assets	3	26	105
Fair value adjustments on other investments		3	28
Exchange differences		(2,020)	628
Loss on disposal of property, plant and equipment	23	19	24
Gain on disposal of short-term investments	21	(2)	–
Interest income from banks	21	(326)	(894)
Interest income from lease receivables	21	(24)	(27)
Interest expense from term loans and others	23	1,535	2,254
Interest expense from lease liabilities	23	577	555
Share of associate's profits	6	(262)	(153)
Rent concession	14	(220)	–
Operating profit before working capital changes		28,619	23,991
Decrease/(increase) in operating receivables and prepayments		7,756	(4,693)
Increase in operating payables		3,690	1,318
(Increase)/decrease in unbilled receivables		(142)	635
Decrease in contract liabilities		(517)	(721)
Cash generated from operations		39,406	20,530
Interest paid		(1,526)	(2,303)
Tax expense paid		(5,290)	(2,819)
Net cash generated from operating activities		32,590	15,408
Investing activities			
Acquisition of property, plant and equipment	3	(778)	(3,184)
Acquisition of intangible assets	4	(2,282)	(1,620)
Proceeds from sale of property, plant and equipment		1	1
Proceeds from sale of short-term investments		186	692
Interest received		326	894
Net cash used in investing activities		(2,547)	(3,217)
Financing activities			
Cash dividends paid on ordinary shares	25	(4,193)	(4,193)
Payment of lease liabilities	14	(6,029)	(4,824)
Repayment of borrowings	14	(3,800)	(10,800)
Net cash used in financing activities		(14,022)	(19,817)
Net increase/(decrease) in cash and cash equivalents		16,021	(7,626)
Effect of exchange rate changes on cash and cash equivalents		156	(116)
Cash and cash equivalents at 1 January		16,880	24,622
Cash and cash equivalents at 31 December	13	33,057	16,880

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

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

1. General information

The Company is a limited liability company incorporated and domiciled in Singapore. The immediate and ultimate holding companies are Salacca Pte. Ltd. and GKG Investment Holdings Pte Ltd respectively, both incorporated in Singapore.

The registered office and principal place of business of the Company is located at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("SGD" or "\$") and all values in the tables are rounded to the nearest thousand ("'\$000'"), except when otherwise indicated.

2.2 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2020. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

Early adoption of amendment to SFRS(I) 16 *Leases: Covid-19-Related Rent Concessions*

The Group has early adopted the amendment to SFRS(I) 16 which introduced an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification.

The Group has applied this practical expedient to all office premises leases. As a result of applying the practical expedient, rent concessions of \$220,000 (Note 21) was recognised and presented in other operating income during the year.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 9 <i>Financial Instruments</i> , SFRS(I) 1-39 <i>Financial Instruments: Recognition and Measurement</i> , SFRS(I) 7 <i>Financial Instruments: Disclosures</i> , SFRS(I) 4 <i>Insurance Contracts</i> , SFRS(I) 16: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to SFRS(I) 1-16 <i>Property, Plant and Equipment: Proceeds before Intended Use</i>	1 January 2022
Amendments to SFRS(I) 1-37 <i>Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to SFRS(I)s 2018-2020	1 January 2022
Amendments to SFRS(I) 1-1 <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to SFRS(I) 10 <i>Consolidated Financial Statements</i> and SFRS(I) 1-28 <i>Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.4 *Basis of consolidation and business combinations*

(a) **Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

(b) **Business combinations and goodwill**

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is an asset or liability are recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.4 *Basis of consolidation and business combinations (cont'd)*

(b) **Business combinations and goodwill (cont'd)**

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.5 *Foreign currency*

The financial statements are presented in Singapore Dollars ("SGD" or "\$"), which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) **Transactions and balances**

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.5 Foreign currency (cont'd)

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.6 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Computers	-	2 to 5 years
Office machinery	-	2 to 5 years
Motor vehicles	-	5 years
Furniture, fittings, leasehold premises and improvements	-	2 to 9 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.7 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group has applied the amendment to SFRS(I) 16 Leases: Covid-9 Related Rent Concessions. The Group applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

(i) Rights-of-use assets

The Group recognised right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.9.

The Group's rights-of-use assets are included in property, plant and equipment (Note 3).

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.7 Leases (cont'd)

Group as a lessee

(ii) Lease liabilities (cont'd)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in borrowings (Note 14).

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office premises and office machinery (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office machinery that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "Trade and other receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the balance sheet, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognise lease income from sublease in profit or loss within "Other income". The right-of-use asset relating to the head lease is not derecognised.

For contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.8 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

(i) 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 10 years.

(ii) Customer relationships

Customer relationships were acquired in business combinations. Following initial recognition, it is carried at cost less accumulated amortisation and any accumulated impairment losses. Customer relationships have a finite useful life and are amortised over the period of expected contract period of 5 to 19.6 years on a straight-line basis.

(iii) Brand name

Brand name was acquired in a business combination. Following initial recognition, it is carried at cost less accumulated amortisation and any accumulated impairment losses. Brand name has a finite useful life and is amortised over the period of expected estimated useful life of 5 years on a straight-line basis.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.9 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.10 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.11 *Associate*

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control of those policies.

The Group accounts for its investment in associate using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.11 Associate (cont'd)

Under the equity method, the investment in associate is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. The profit or loss reflects the share of results of operations of the associate. Distributions received from associate reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associate, the Group recognises its share of such changes in other comprehensive income. Unrealised gains or losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the investments.

When the Group's share of losses in an associate equal or exceed its interest in the investment, the Group does not recognise further losses unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment and its carrying value and recognises the amount in profit or loss.

Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures the retained interest at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss.

2.12 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.12 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The subsequent measurement for classification of debt instruments is as follow:

Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

The Company's and Group's financial assets at amortised cost include amounts due from subsidiaries, trade receivables, unbilled receivables, sundry receivables and deposits.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

The Company's and Group's financial liabilities include trade and other payables, amounts due to subsidiaries and borrowings.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.12 Financial instruments (cont'd)

(b) Financial liabilities (cont'd)

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. This category generally applies to interest-bearing borrowings.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(c) Derivative financial instruments

The Group enters into cross currency interest rate swap ("CCIRS") to manage its exposure to foreign exchange rate risks. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value as at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedge accounting

The Group designates its derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions.

Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- (i) there is an economic relationship between the hedged item and the hedging instrument;
- (ii) the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- (iii) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.12 Financial instruments (cont'd)

(c) Derivative financial instruments (cont'd)

Hedge accounting (cont'd)

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'other operating expenses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in other comprehensive income will not be recovered in the future, that amount is immediately reclassified to profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.12 *Financial instruments (cont'd)*

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, lease receivables and unbilled receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.13 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand, bank deposits and any highly liquid investments which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.14 *Provisions*

Provisions are recognised when the Group has 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 the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.15 *Government grants*

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

2.16 *Borrowing costs*

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.17 *Employee benefits*

(a) **Defined contribution plans**

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) **Employee leave entitlements**

Employee entitlements to annual leave are recognised when they accrue to employees. The Company and the Group allow the accumulation of annual leave in accordance to the respective countries' local human resource policies and regulation. A provision is made for the estimated liability for the annual leave as a result of services rendered by employees up to the balance sheet date. Any unconsumed leave as at balance sheet date will be forfeited for subsidiaries that do not allow the accumulation of annual leave.

(c) **Key management personnel**

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

2.18 *Revenue recognition*

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.18 Revenue recognition (cont'd)

The Group recognises revenue from the following major sources:

(a) Rendering of services

Share registry service

The Group provides services predominately to public listed corporations. Under share registry services, the services provided include acting as share registrar, unit registrar, share transfer agent, warrant agent, bond agent, employee equity plan administration, voting, meeting services, shareholders analytics, investor solicitation, and transfer agency. Revenue for share registry service is recognised at a point in time, as customers receives benefits only upon completion of the services.

A contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer or advance billing to the customer. Contract liabilities are recognised as revenue as the Group performs under the contract.

Corporate secretarial services

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

The performance obligations of services are satisfied over time because the customer simultaneously receives and consumes the benefits. Revenue is recognised over time, based on the actual hours incurred to date as a proportion to the total expected hours.

Unbilled receivable is recognised when the Group has unconditional rights to the consideration for those works performed under the contract but has not yet billed the customer.

A contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer or advance billing to the customer. Contract liabilities are recognised as revenue as the Group performs under the contract.

Accounting, taxation & payroll services

The Group provides services of book-keeping, preparation of financial statements, payroll and payment processing, goods and services tax accounting, tax advisory and human resource advisory.

The performance obligations of services are satisfied over time because the customer simultaneously receives and consumes the benefits. Revenue is recognised over time, based on the actual hours incurred to date as a proportion to the total expected hours.

Unbilled receivable is recognised when the Group has unconditional rights to the consideration for those works performed under the contract but has not yet billed the customer.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.18 Revenue recognition (cont'd)

(a) Rendering of services (cont'd)

Accounting, taxation & payroll services (cont'd)

A contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer or advance billing to the customer. Contract liabilities are recognised as revenue as the Group performs under the contract.

(b) Interest income

Interest income is recognised on a time-apportioned basis using the effective interest method.

2.19 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generate taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or 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; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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Notes to the financial statements
For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.19 Taxes (cont'd)

(b) Deferred tax (cont'd)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from 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; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.20 *Share capital and share issuance expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.21 *Contingencies*

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.22 *Significant accounting estimates and judgements*

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(a) **Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

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Boardroom Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)
- 2.22 Significant accounting estimates and judgements (cont'd)
- (a) Key sources of estimation uncertainty (cont'd)

Impairment losses of goodwill

As disclosed in Note 4 to the financial statements, the recoverable amounts of the cash-generating units which goodwill has been allocated to are determined based on value in use calculations. The value in use calculations are based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The key assumptions applied in the determination of the value in use including a sensitivity analysis, are disclosed and further explained in Note 4 to the financial statements.

The carrying amount of the goodwill as at 31 December 2020 is \$85,107,000 (FY19: \$83,920,000).

Allowance for expected credit losses of trade receivables, lease receivables and unbilled receivables

The Group uses a provision matrix to calculate ECLs for trade receivables, lease receivables and unbilled receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables, lease receivables and unbilled receivables are disclosed in Note 10 and Note 11 respectively.

The carrying amount of trade receivables, lease receivables and unbilled receivables as at 31 December 2020 are \$19,769,000 (FY19: \$24,115,000), \$533,000 (FY19: \$949,000) and \$1,345,000 (FY19: \$1,190,000) respectively.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2020

2. Summary of significant accounting policies (cont'd)

2.22 Significant accounting estimates and judgements (cont'd)

(b) Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements:

Determining the lease term of contracts with renewal options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised.

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew.

The Group included the renewal period as part of the lease term for leases of office premises with shorter non-cancellable period (i.e., three to five years). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on operation if a replacement asset is not readily available.

As at 31 December 2020, potential future (undiscounted) cash outflows of approximately \$742,000 (FY19: \$743,000) have not been included in lease liabilities because it is not reasonably certain that the leases will be extended.

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Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

3. Property, plant and equipment

	Computers \$'000	Office machinery \$'000	Furniture, fittings, leasehold premises and improvements \$'000	Total \$'000
Company				
Cost				
At 1 January 2019	1,036	111	886	2,033
Effect of adopting SFRS(I) 16	–	11	6,006	6,017
Adjusted balance as at 1 January 2019	1,036	122	6,892	8,050
Additions	27	2	3	32
At 31 December 2019 and 1 January 2020	1,063	124	6,895	8,082
Additions	40	30	–	70
Disposals	(169)	–	–	(169)
At 31 December 2020	934	154	6,895	7,983
Accumulated depreciation				
At 1 January 2019	723	63	740	1,526
Depreciation charge for the financial year	138	15	1,585	1,738
At 31 December 2019 and 1 January 2020	861	78	2,325	3,264
Depreciation charge for the financial year	109	19	2,046	2,174
Disposals	(152)	–	–	(152)
At 31 December 2020	818	97	4,371	5,286
Net carrying amount				
At 31 December 2020	116	57	2,524	2,697
At 31 December 2019	202	46	4,570	4,818

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Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

3. Property, plant and equipment (cont'd)

Group	Computers \$'000	Office machinery \$'000	Motor vehicles \$'000	Furniture, fittings, leasehold premises and improvements \$'000	Total \$'000
Cost					
At 1 January 2019	5,235	1,095	130	5,089	11,549
Effect of adopting SFRS(I) 16	–	293	–	13,212	13,505
Adjusted balance as at 1 January 2019	5,235	1,388	130	18,301	25,054
Exchange differences	(36)	(12)	–	(135)	(183)
Additions	1,801	593	–	6,075	8,469
Disposals	(62)	(38)	–	(174)	(274)
At 31 December 2019 and 1 January 2020	6,938	1,931	130	24,067	33,066
Exchange differences	114	35	–	462	611
Additions	624	147	–	1,382	2,153
Disposals	(217)	(35)	–	(1,488)	(1,740)
At 31 December 2020	7,459	2,078	130	24,423	34,090
Accumulated depreciation and impairment					
At 1 January 2019	4,033	809	35	3,979	8,856
Exchange differences	(30)	(8)	–	(40)	(78)
Depreciation charge for the financial year	842	220	28	4,611	5,701
Impairment	–	–	–	105	105
Disposals	(54)	(26)	–	(169)	(249)
At 31 December 2019 and 1 January 2020	4,791	995	63	8,486	14,335
Exchange differences	98	25	–	209	332
Depreciation charge for the financial year	1,100	324	21	5,482	6,927
Impairment	–	–	–	26	26
Disposals	(199)	(33)	–	(1,488)	(1,720)
At 31 December 2020	5,790	1,311	84	12,715	19,900
Net carrying amount					
At 31 December 2020	1,669	767	46	11,708	14,190
At 31 December 2019	2,147	936	67	15,581	18,731

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

3. Property, plant and equipment (cont'd)

Additions during the year of the Company and the Group include right-of-use assets of \$23,000 and \$1,375,000 (FY19: Nil and \$5,285,000). At 31 December 2020, the carrying amounts of right-of-use assets of the Company and the Group were \$2,495,000 and \$10,644,000 (FY19: \$4,480,000 and \$14,296,000) respectively (Note 15).

Impairment loss of right-of-use asset

The Group leases an office premise under a lease that was recognised as right-of-use asset on the initial application of SFRS(I) 16. In 2019 the Group had vacated the office premise with the intention to sub-lease such vacated office premise. The Group has considered the current market rent and utilisation rate that could have an adverse impact on the recoverable amount of the right-of-use asset. Accordingly, the Group recognised an impairment loss of \$26,000 (FY19: \$105,000) in the consolidated statement of comprehensive income.

The recoverable amount of \$125,000 (FY19: \$254,000) as at 31 December 2020 was based on value in use and was determined at the level of the CGU. The CGU consisted of the Malaysia-based office premise of a subsidiary. In determining value in use for the CGU, the cash flows were discounted at a rate of 5.44%.

4. Intangible assets

	Computer software \$'000
Company	
Cost	
At 1 January and 31 December 2019	1,100
Additions	44
At 31 December 2020	1,144
Accumulated amortisation	
At 1 January 2019	994
Amortisation for the financial year	76
At 31 December 2019 and 1 January 2020	1,070
Amortisation for the financial year	34
At 31 December 2020	1,104
Net carrying amount	
At 31 December 2020	40
At 31 December 2019	30

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Boardroom Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2020

4. Intangible assets (cont'd)

	Goodwill on consolidation \$'000	Customer relationships \$'000	Computer software \$'000	Brand name \$'000	Total \$'000
Group					
Cost					
At 1 January 2019	85,421	37,873	11,877	262	135,433
Exchange differences	(653)	(605)	(189)	(6)	(1,453)
Additions	–	–	1,620	–	1,620
Disposal	–	–	(29)	–	(29)
At 31 December 2019 and 1 January 2020	84,768	37,268	13,279	256	135,571
Exchange differences	1,187	2,067	782	20	4,056
Additions	–	–	2,282	–	2,282
At 31 December 2020	85,955	39,335	16,343	276	141,909
Accumulated amortisation and impairment					
At 1 January 2019	848	11,114	4,300	262	16,524
Exchange differences	–	(236)	(53)	(6)	(295)
Amortisation for the financial year	–	2,612	890	–	3,502
Disposal	–	–	(29)	–	(29)
At 31 December 2019 and 1 January 2020	848	13,490	5,108	256	19,702
Exchange differences	–	1,032	265	20	1,317
Amortisation for the financial year	–	2,619	1,248	–	3,867
At 31 December 2020	848	17,141	6,621	276	24,886
Net carrying amount					
At 31 December 2020	85,107	22,194	9,722	–	117,023
At 31 December 2019	83,920	23,778	8,171	–	115,869

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Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

4. Intangible assets (cont'd)

Impairment testing of goodwill

Goodwill has been allocated to the following cash-generating units ("CGU") or group of CGUs for impairment testing. The carrying amounts of goodwill allocated to each CGU are as follows:

	Note	Group 2020 \$'000	2019 \$'000
Australia	4.1	21,152	19,635
Hong Kong		18,433	18,703
Malaysia	4.1	43,047	43,107
Singapore		2,475	2,475
		85,107	83,920

4.1 Goodwill arising from Australia and Malaysia

For the purpose of impairment testing, goodwill arising from Australia and Malaysia has been allocated to the region's CGUs (operating divisions) as follows:

	Group Australia \$'000	Malaysia \$'000
2020		
Company secretarial services	1,267	20,687
Accounting and payroll services	–	14,638
Share registrar services	18,187	6,609
Issuing house services	–	1,113
Employee share plan services	1,698	–
	21,152	43,047
2019		
Company secretarial services	1,176	20,715
Accounting and payroll services	–	14,659
Share registrar services	16,882	6,618
Issuing house services	–	1,115
Employee share plan services	1,577	–
	19,635	43,107

The recoverable amounts have been determined based on value in use calculations using estimated future cash flows approved by the management. The discount rate applied to the cash flow projections and the forecasted terminal growth rates used to extrapolate cash flow projections beyond the five-year period are as follows:

	Group 2020	2019
Terminal growth rates	2% to 3%	2% to 3%
Discount rates	10% to 13%	9% to 11%

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Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

4. Intangible assets (cont'd)

4.1 Goodwill arising from Australia and Malaysia (cont'd)

Key assumptions used in the value in use calculations

The calculations of value in use for the CGUs are most sensitive to the following assumptions:

Discount rates - Discount rates reflect current market assessment of the risks specific to each CGU, regarding the time value of money. This is the benchmark used by management to assess operating performance of the acquired businesses.

Budgeted revenue and expenses - Budgeted revenue and expenses are based on management's assessment of the forecasted revenue growth and expense growth, making reference to the growth rates achieved in the current and prior periods.

Terminal growth rates - The forecasted rates are based on management's assessment of the long-term average growth rates of the acquired businesses.

Sensitivity to changes in assumptions

Management believes that no reasonable possible changes in any of the above key assumptions would cause the carrying values of the CGUs to materially exceed their recoverable amounts.

Customer relationships

Customer relationships relate to the customers data that were acquired as part of the acquisitions of the business of Newreg Pty Ltd in FY11, Boardroom Integrate Pty Limited (formerly known as CRA Plan Managers Pty Ltd) in FY12, and Corporate Counsel and Symphony companies in FY18. The average remaining useful lives of these customer relationships are estimated to be 9 years (FY19: 10 years). Amortisation expense is included in the "depreciation and amortisation expenses" line item in profit or loss.

5. Investments in subsidiaries

	Company	
	2020	2019
	\$'000	\$'000
Unquoted equity investments, at cost	86,325	85,725
Impairment losses	(3,110)	(3,110)
	83,215	82,615

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Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

5. Investments in subsidiaries (cont'd)

Details of subsidiaries are as follows:

<u>Name</u>	<u>Country of incorporation/ principal place of business</u>	<u>Carrying value of investment</u>		<u>Percentage of equity held</u>		<u>Principal activities</u>
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
		\$'000	\$'000	%	%	
Boardroom Corporate & Advisory Services Pte. Ltd.	Singapore	4,258	4,258	100	100	Corporate secretarial and share registry services
Boardroom Business Solutions Pte. Ltd.	Singapore	1,198	1,198	100	100	Accounting, taxation and payroll services
Aspire CS Pte. Ltd.	Singapore	–	–	100	100	Corporate secretarial services
Boardroom Executive Services Pte. Ltd.	Singapore	3,100	2,500	100	100	Share Plan Administration, payroll services and employee benefits
Boardroom Corporate Services (HK) Limited	Hong Kong	19,750	19,750	100	100	Corporate secretarial, accounting, taxation and payroll services
Boardroom Corporate Secretaries (HK) Limited ⁽¹⁾	Hong Kong	–	–	100	100	Nominee services
Boardroom Share Registrars (HK) Limited ⁽¹⁾	Hong Kong	–	–	100	100	Share registry services
Boardroom Trustee Limited ⁽¹⁾	Hong Kong	–	–	100	100	Trust services
Boardroom (Malaysia) Sdn. Bhd.	Malaysia	17,493	17,493	100	100	Investment holding
Boardroom Corporate Services Sdn. Bhd. ⁽²⁾	Malaysia	–	–	100	100	Corporate secretarial, investor relations, accounting, payroll, other allied services and investment holding

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5. Investments in subsidiaries (cont'd)

<u>Name</u>	<u>Country of incorporation/ principal place of business</u>	<u>Carrying value of investment</u>		<u>Percentage of equity held</u>		<u>Principal activities</u>
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
		\$'000	\$'000	%	%	
Boardroom Corporate Services (Johor) Sdn. Bhd. ⁽²⁾	Malaysia	—	—	100	100	Corporate secretarial services
Boardroom Corporate Services (Penang) Sdn. Bhd. ⁽²⁾	Malaysia	—	—	100	100	Corporate secretarial services
Boardroom Nominees (Tempatan) Sdn. Bhd. ⁽³⁾	Malaysia	—	—	100	100	Dormant
Boardroom Outsource Services Sdn. Bhd. ⁽²⁾	Malaysia	—	—	100	100	Management, consultancy, accounting, payroll and allied services
Boardroom Business Solutions Sdn. Bhd. ⁽²⁾	Malaysia	—	—	100	100	Corporate secretarial, accounting, taxation and payroll services
SKY Corporate Services Sdn. Bhd. ⁽⁹⁾	Malaysia	—	—	100	100	Management consultancy services
Boardroom Share Registrars Sdn. Bhd. ⁽²⁾	Malaysia	—	—	100	100	Share registry services
Malaysian Issuing House Sdn. Bhd. ⁽²⁾	Malaysia	—	—	100	100	Administering the process of share issue
Boardroom China Holdings Pte. Ltd.	Singapore	—	—	100	100	Investment holding
Boardroom China Limited ⁽⁴⁾	China	—	—	100	100	Business advisory, consultancy, corporate secretarial, accounting, taxation and payroll services

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For the financial year ended 31 December 2020

5. Investments in subsidiaries (cont'd)

<u>Name</u>	<u>Country of incorporation/ principal place of business</u>	<u>Carrying value of investment</u>		<u>Percentage of equity held</u>		<u>Principal activities</u>
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
		\$'000	\$'000	%	%	
Boardroom Holdings Australia Pty Ltd	Australia	37,416	37,416	100	100	Investment holding
Newreg Pty Ltd ⁽⁶⁾	Australia	–	–	100	100	Investment holding
Registries Holdings Australia Pty Ltd ⁽⁷⁾	Australia	–	–	100	100	Investment holding
Registries Pty Ltd ⁽⁸⁾	Australia	–	–	100	100	Investment holding
Boardroom Pty Ltd ⁽⁷⁾	Australia	–	–	100	100	Share registry and related services
Boardroom Financial Services Pty Ltd ⁽⁸⁾	Australia	–	–	100	100	Registry related services
Boardroom (Victoria) Pty Ltd ⁽⁸⁾	Australia	–	–	100	100	Share registry and related services
Boardroom Integrate Pty Ltd ⁽⁸⁾	Australia	–	–	100	100	Consultancy services
Boardworx Australia Pty Ltd ⁽⁸⁾	Australia	–	–	100	100	Corporate secretarial services
Corporate Counsel Pty Ltd ⁽⁸⁾	Australia	–	–	100	100	Corporate secretarial services
Boardroom Nominees (HK) Ltd ⁽¹⁾	Hong Kong	–	–	100	100	Nominee services
Asialink Holdings Ltd (Seychelles) ⁽¹⁾	Seychelles	–	–	100	100	Nominee services
Kirkliston Limited ⁽¹⁾	Hong Kong	–	–	100	100	Nominee services
Asialink Limited ⁽¹⁾	British Virgin Islands	–	–	100	100	Trust services
ATL Limited ⁽¹⁾	Nevis	–	–	100	100	Nominee services

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Notes to the financial statements
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5. Investments in subsidiaries (cont'd)

<u>Name</u>	<u>Country of incorporation/ principal place of business</u>	<u>Carrying value of investment</u>		<u>Percentage of equity held</u>		<u>Principal activities</u>
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
		\$'000	\$'000	%	%	
Knapdale Ltd ⁽¹⁾	British Virgin Islands	–	–	100	100	Nominee services
Kirkcowan Ltd ⁽¹⁾	British Virgin Islands	–	–	100	100	Nominee services
Callumberg Ltd ⁽¹⁾	British Virgin Islands	–	–	100	100	Nominee services
Thornpool Ltd ⁽¹⁾	British Virgin Islands	–	–	100	100	Nominee services
Jackaroo Ltd ⁽¹⁾	British Virgin Islands	–	–	100	100	Nominee services
Karalon Ltd ⁽¹⁾	Hong Kong	–	–	100	100	Nominee services
Abagtha Ltd ⁽¹⁾	Hong Kong	–	–	100	100	Nominee services
Boardroom Secretaries Limited ⁽¹⁾	Hong Kong	–	–	100	–	Nominee services
BL Services (HK) Limited ⁽¹⁾	Hong Kong	–	–	100	–	Nominee services
		<u>83,215</u>	<u>82,615</u>			

⁽¹⁾ Subsidiary of Boardroom Corporate Services (HK) Limited

⁽²⁾ Subsidiary of Boardroom (Malaysia) Sdn. Bhd.

⁽³⁾ Subsidiary of Boardroom Corporate Services Sdn. Bhd.

⁽⁴⁾ Subsidiary of Boardroom China Holdings Pte. Ltd.

⁽⁵⁾ Subsidiary of Boardroom China Limited

⁽⁶⁾ Subsidiary of Boardroom Holdings Australia Pty Ltd

⁽⁷⁾ Subsidiary of Newreg Pty Ltd

⁽⁸⁾ Subsidiary of Boardroom Pty Limited

⁽⁹⁾ Subsidiary of Boardroom Business Solution Sdn. Bhd.

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Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

5. Investments in subsidiaries (cont'd)

During the financial year, the Company subscribed to an additional 600,000 shares in Boardroom Executive Services Pte. Ltd. for an amount of \$600,000 in cash without any resulting change in percentage of equity interest held.

6. Investment in associate

	2020 \$'000	2019 \$'000
Unquoted equity shares, at cost	3,283	3,283
Group's share of post-acquisition reserve	420	158
Exchange differences	71	(197)
Carrying amount of interest in investee at end of the year	3,774	3,244
Group's share of total comprehensive income	262	153

Details of the associate is as follow:

Name	Country of incorporation	Principal activities	Proportion (%) of ownership interest	
			2020	2019
<i>Held through subsidiary:</i>				
Definitiv Group Pty Ltd	Australia	Payroll services	31.5	31.5

7. Deferred tax assets/(liabilities)

	Company		Group			
			Consolidated balance sheet		Consolidated statement of comprehensive income	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Provisions	21	35	960	880	(8)	(167)
Unutilised tax losses	—	—	538	89	(423)	12
Unutilised capital allowance	—	6	—	44	44	(35)
Unabsorbed merger and acquisition allowance	911	1,020	911	1,020	109	(1,020)
Acquired intangibles	—	—	(6,174)	(6,578)	(715)	(846)
Differences in depreciation for tax purposes	(84)	(77)	(123)	(84)	(34)	38
Deferred tax benefit (Note 24)					(1,027)	(2,018)
Net deferred tax assets/(liabilities)	848	984	(3,888)	(4,629)		

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Notes to the financial statements
For the financial year ended 31 December 2020

7. Deferred tax assets/(liabilities) (cont'd)

	Company		Group Consolidated balance sheet	
	Balance sheet 2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Reflected in the balance sheets:				
Deferred tax assets	848	984	1,818	1,932
Deferred tax liabilities	–	–	(5,706)	(6,561)
	848	984	(3,888)	(4,629)

Recognised temporary differences relating to M&A allowance

The acquisition of the Symphony companies by the Group in FY18 was a qualifying share acquisition that was eligible for tax allowance capped at \$10,000,000 under the Mergers & Acquisitions (“M&A”) scheme in Singapore. The M&A allowance is allowed over 5 years on a straight-line basis. Any unabsorbed M&A allowance is not available for transfer under the group relief system or carry back to offset against Boardroom Limited’s assessable income for the preceding year.

Unabsorbed M&A allowance may be carried forward to offset the future taxable income of Boardroom Limited, subject to the Company satisfying the shareholding test as set out in section 37L (21) of the Income Tax Act. As at the end of the reporting period, the Group has a balance of M&A allowance brought forward of \$4,000,000 (FY19: \$6,000,000) will be allowed on a straight-line basis over the remaining 2 years (FY19: 3 years), subject to the Company meeting the qualifying conditions under the M&A scheme for each year of assessment and continuing to own more than 50% of the ordinary shares of the Symphony companies throughout the writing-down period. As at the end of the reporting period, the Group has a balance of deferred tax asset of \$911,000 (FY19: \$1,020,000) in respect of the unutilised M&A allowance. Management has determined that the qualifying conditions would be met in the foreseeable future periods and sufficient future taxable profits would be available against which the deductible temporary differences could be utilised.

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Notes to the financial statements For the financial year ended 31 December 2020

8. Amounts due from/(to) subsidiaries

	Company	
	2020 \$'000	2019 \$'000
Amounts due from subsidiaries		
Loans to subsidiaries:		
AUD loan	27,962	25,957
MYR loan	33,054	36,838
Amounts due from subsidiaries – non-trade	3,696	2,426
	64,712	65,221
Less: Allowance for expected credit losses	(242)	(242)
Total amounts due from subsidiaries	64,470	64,979
Current	7,187	5,922
Non-current	57,283	59,057
Total current and non-current	64,470	64,979
Amounts due to subsidiaries		
- Trade	(80)	(15)
- Non-trade	(518)	(958)
Total amounts due to subsidiaries	(598)	(973)

Loans to subsidiaries

(i) AUD loan

Loan to a subsidiary bears an average floating interest rate at 3.83% (FY19: 4.46%) per annum is unsecured and repayable on year 2028.

(ii) MYR loan

Loan to a subsidiary bears an average MYR floating interest rate at 4.28% (FY19: 5.27%) per annum, repayable on a half yearly basis at MYR5,680,000 for each instalment until 28 August 2021. The repayment schedule on the remaining balance of MYR89,232,000 after 28 August 2021 is to be mutually agreed, in writing, between the lender and borrower. Management would not expect the repayment of the remaining balance of loan during next twelve months.

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Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

8. Amounts due from/(to) subsidiaries (cont'd)

Amounts due from/(to) subsidiaries – trade/non-trade

The trade and non-trade amounts due from/(to) subsidiaries are unsecured, interest-free and repayable on demand.

Expected credit losses

The movement in allowance for expected credit losses of amount due from subsidiaries computed based on lifetime ECL are as follows:

	Company	
	2020 \$'000	2019 \$'000
At 31 December	(242)	(242)

9. Short-term investments

	Group	
	2020 \$'000	2019 \$'000
Financial assets measured at FVTPL		
Quoted equity securities	26	34
Unquoted equity securities	–	179
	26	213

The investments above include investments in quoted equity securities that offer the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate. The fair values of these securities are based on closing quoted market prices on the last market day of the financial year.

Unquoted equity securities pertained to investments in Islamic money market funds that earn interest based on the performance of the funds. The carrying amounts of investment in unit trusts approximate fair values due to relative short-term nature of these balances and insignificant risk of change in value.

Changes in the fair value of financial assets at fair value through profit or loss, amounting to \$3,000 (FY19: \$28,000) have been included in profit or loss for the year as part of "other operating expenses".

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Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

10. Unbilled receivables and contract liabilities

	Group		
	31 December		1 January
	2020	2019	2019
	\$'000	\$'000	\$'000
Unbilled receivables	1,345	1,190	1,835
Contract liabilities	3,122	3,677	4,421

Unbilled receivables primarily relate to the Group's unconditional rights to consideration for work completed but not yet billed at reporting date.

Management estimates the loss allowance on unbilled receivables at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the service industry. None of the unbilled receivables at the end of the reporting period is past due.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers as retainer fees. Contract liabilities are recognised as revenue as the Group performs under the contract.

Significant changes in contract liabilities are explained as follows:

	Group	
	2020	2019
	\$'000	\$'000
Revenue recognised that was included in the contract liability balance at the beginning of the year	3,636	4,346

11. Trade and other receivables

	Company		Group	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Trade receivables	–	–	22,426	27,559
Less:				
Allowance for expected credit losses	–	–	(2,657)	(3,444)
	–	–	19,769	24,115
Add:				
Sundry receivables	98	97	140	579
Lease receivables (Note 15)	533	949	533	949
Deposits	778	783	1,443	1,517
Total trade and other receivables	1,409	1,829	21,885	27,160

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Notes to the financial statements
For the financial year ended 31 December 2020

11. Trade and other receivables (cont'd)

Reflected in the balance sheets:

	Company		Group	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Current	1,306	1,296	21,782	26,627
Non-current	103	533	103	533
Total trade and other receivables	1,409	1,829	21,885	27,160

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	Group	
	2020	2019
	\$'000	\$'000
Movement in allowance accounts:		
Beginning balance	(3,444)	(3,265)
Exchange differences	(32)	19
Impairment made (Note 23)	(453)	(1,454)
Impairment utilised	1,056	1,104
Impairment written back (Note 23)	216	152
Ending balance	(2,657)	(3,444)

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12. Derivative assets

The contractual or underlying principal amounts of the derivative financial instrument and their corresponding gross positive or negative (derivative financial asset or liability) fair value at the end of the reporting period are analysed below:

Company and Group	Contract/notional amount \$'000	Fair value Positive fair value \$'000	Negative fair value \$'000
2020			
Cross currency interest rate swap	41,124	266	–
2019			
Cross currency interest rate swap	41,124	74	–

CCIRS is a transaction in which counterparties exchange principal and interest cash flows in different currencies over a period of time. These contracts are used to manage currency and/or interest rate exposures.

13. Cash and cash equivalents

	Company		Group	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Fixed deposits	–	–	137	662
Cash and bank balances	7,278	2,972	32,920	16,218
	7,278	2,972	33,057	16,880

Fixed deposits are placed with financial institutions and earned interest at the rates ranging from 2.23% to 2.79% (FY19: 2.25% to 3.60%) per annum. The fixed deposits have maturity terms of 1 month to 9 months (FY19: 1 month to 9 months) from the balance sheet date. Fixed deposits can be readily converted into known amount of cash and subject to insignificant risk of change in values.

Clients' monies held under trust represent the following:

	Group	
	2020 \$'000	2019 \$'000
Held under trust		
Clients' bank accounts - contra	28,781	35,451
Clients' ledger balances - contra	(28,781)	(35,451)
	–	–

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14. Borrowings

	Company		Group	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Current:				
Term loan	3,800	3,800	3,800	3,800
Lease liabilities (Note 15)	2,431	2,490	5,659	5,417
	6,231	6,290	9,459	9,217
Non-current:				
Term loan	29,850	33,650	29,850	33,650
Lease liabilities (Note 15)	520	2,932	5,863	10,063
	30,370	36,582	35,713	43,713
Total borrowings	36,601	42,872	45,172	52,930

Term loan commenced on 28 August 2018, is unsecured, repayable on a semi-annual basis at SGD \$1,900,000 for each instalment and a final instalment of \$24,150,000 is due on 28 August 2023. The loan bears interest at 1.66% to 3.05% per annum (FY19: 3.05% to 3.52%).

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**Notes to the financial statements
For the financial year ended 31 December 2020**

14. Borrowings (cont'd)

A reconciliation of liabilities arising from the Group's financing activities is as follows:

		Non-cash changes					
		Cash flows	Acquisition	Rent concession	Accretion of interest	Foreign exchange movement	Other*
	1.1.2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group							
Term loans							
- Current	3,800	(3,800)	-	-	-	-	3,800
- Non-current	33,650	-	-	-	-	-	(3,800)
Lease liabilities							
- Current	5,417	(6,029)	601	(220)	577	114	5,199
- Non-current	10,063	-	774	-	-	225	(5,199)
	52,930	(9,829)	1,375	(220)	577	339	-
							45,172
		Non-cash changes					
		Cash flows	Acquisition	Accretion of interest	Foreign exchange movement	Other*	
	1.1.2019	\$'000	\$'000	\$'000	\$'000	\$'000	31.12.2019
							\$'000
Group							
Term loans							
- Current	10,800	(10,800)	-	-	-	-	3,800
- Non-current	37,450	-	-	-	-	-	(3,800)
							33,650
Lease liabilities							
- Current	3,756	(4,824)	532	555	-	(19)	5,417
- Non-current	11,009	-	4,563	-	-	(92)	(5,417)
							10,063
	63,015	(15,624)	5,095	555	-	(111)	-
							52,930

*The 'other' column relates to reclassification of non-current portion of term loans and lease liabilities due to passage of time.

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Notes to the financial statements For the financial year ended 31 December 2020

15. Leases

Group as a lessee

The Company and the Group have lease contracts for various items of office premises and office machinery used in its operations. Leases of office premises generally have lease terms between 1 and 9 years, while office machinery generally have lease terms between 1 and 5 years. There are several lease contracts that include extension options, which are further discussed below.

The Company and the Group also has certain leases of office premises and office machinery with lease terms of 12 months or less and leases of office machinery with low value. The Company and the Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(a) Carrying amounts of right-of-use assets recognised within plant and equipment

	Office machinery \$'000	Furniture, fittings, leasehold premises and improvements \$'000	Total \$'000
Group			
As at 1 January 2019	293	13,212	13,505
Currency alignment	–	(92)	(92)
Additions (Note 3)	517	4,768	5,285
Depreciation charge for the financial year	(154)	(4,143)	(4,297)
Impairment	–	(105)	(105)
As at 31 December 2019 and 1 January 2020	656	13,640	14,296
Currency alignment	–	248	248
Additions (Note 3)	23	1,352	1,375
Depreciation charge for the financial year	(251)	(4,998)	(5,249)
Impairment	–	(26)	(26)
As at 31 December 2020	428	10,216	10,644
Company			
As at 1 January 2019	11	6,006	6,017
Depreciation charge for the financial year	(3)	(1,534)	(1,537)
As at 31 December 2019 and 1 January 2020	8	4,472	4,480
Additions (Note 3)	23	–	23
Depreciation charge for the financial year	(7)	(2,001)	(2,008)
As at 31 December 2020	24	2,471	2,495

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15. Leases (cont'd)

Group as a lessee (cont'd)

(b) Carrying amounts of lease liabilities recognised within borrowings

	Company		Group	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
As at 1 January	5,422	7,277	15,480	14,765
Currency alignment	–	–	339	(111)
Additions	23	–	1,375	5,095
Accretion of interest	136	155	577	555
Payments	(2,812)	(2,010)	(6,029)	(4,824)
Rent concession	182	–	(220)	–
As at 31 December	2,951	5,422	11,522	15,480
Current (Note 14)	2,431	2,490	5,659	5,417
Non-current (Note 14)	520	2,932	5,863	10,063

The maturity analysis of lease liabilities is disclosed in Note 27.

(c) Amounts recognised in profit or loss

	Group	
	2020	2019
	\$'000	\$'000
Depreciation expense of right-of-use assets	5,249	4,297
Impairment of right-of-use assets	26	105
Interest expense on leases liabilities	577	555
Expense relating to short-term leases (included in other operating expenses)	315	1,112
Expense relating to leases of low-value assets (included in other operating expenses)	38	22
Total amount recognised in profit or loss	6,205	6,091

(d) Total cash outflows

The Group had total cash outflows for leases of \$6,382,000 (FY19: \$5,958,000) in 2020. The Group also had non-cash additions to right-of-use assets and lease liabilities of \$1,375,000 and \$1,375,000 (FY19: \$5,285,000 and \$5,095,000) respectively in 2020.

(e) Options to extend

The Group has several lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension options are reasonably certain to be exercised (Note 2.22).

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Notes to the financial statements For the financial year ended 31 December 2020

15. Leases (cont'd)

Group as a lessor

During the year, the Company and the Group lease out certain part of its leased office premises that has been presented as part of a right-of-use assets under property, plant and equipment. All leases are classified as operating leases from the lessor perspective except for a sub-lease, which the Company and the Group has classified as lease receivables under trade and other receivables.

Lease receivables

During the year, the Group has sub-leased certain portion of its leased office premises that has been previously presented as part of a right-of-use assets under property, plant and equipment. This sub-lease arrangement has a term of 3 years.

Right-of-use assets relating to the head leases with sub-leases classified as finance lease is derecognised. The net investment in the sub-lease is recognised under "Trade and other receivables" (Note 11).

During the year, the Group recognised interest income on lease receivables of \$24,000. (FY19: \$27,000).

The table below analyses the maturity profile of the Company's and the Group's lease receivables based on contractual undiscounted cash flows:

	Company and Group	
	2020	2019
	\$'000	\$'000
Within one year	441	441
After one year but not more than five years	103	544
Total undiscounted lease payments	544	985
Less: Unearned finance income	(11)	(36)
Net investment in finance lease (Note 11)	533	949
Current	430	416
Non-current	103	533
Total	533	949

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Notes to the financial statements For the financial year ended 31 December 2020

16. Trade and other payables

	Company		Group	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Trade payables	91	40	8,558	6,385
Accrued operating expenses	2,681	1,846	17,758	12,238
Other payables	177	180	902	1,943
GST payables	–	–	351	1,005
Total trade and other payables	2,949	2,066	27,569	21,571

Trade and other payables are non-interest bearing. Trade payables are generally on 30 days credit term (FY19: 30 days) while other payables generally have a term of 3 to 6 months (FY19: 3 to 6 months).

17. Provision for employees benefits

Provision for employees benefits relates to provision of long term profit sharing incentives provided to senior management of a subsidiary. The incentive plan was implemented to encourage the delivery of long-term growth and shareholder value, and also to retain key talents.

The Group has recorded the expected profit-sharing payment calculated based on actual performance achieved and classified the instruments as a liability.

18. Share capital

	Company and Group			
	2020	2019	2020	2019
	Number of shares		\$'000	\$'000
Issued and fully paid:				
At 1 January and 31 December	209,660,184	209,660,184	50,034	50,034

The ordinary shares have no par value. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per share at shareholders' meetings. All shares rank equally with regard to the Company's residual assets.

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19. Other reserves

	Company		Group	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Exchange translation reserve	–	–	3,981	2,499
Hedge Reserve (OCI)	246	(33)	246	(33)
Premium paid on acquisition of non-controlling interests	–	–	(12,569)	(12,569)
	246	(33)	(8,342)	(10,103)

Exchange translation reserve arose from the financial statements of foreign operations whose functional currency are different from that of the Group's presentation currency.

The hedge reserve comprises cash flow hedge reserve and cost of hedging reserve. The cash flow hedge reserve contains the effective portion of the cash flow hedge relationships incurred as at the reporting date; and the cost of hedging reserve contains cumulative change in fair value of time value and forward element of CCIRS not designated as hedging instruments in hedge relationships.

The premium paid on acquisition of non-controlling interests are related to the acquisitions of non-controlling interests of Newreg Pty Ltd and Boardroom China Holdings Pte. Ltd. in FY11 and FY13 respectively. For Newreg Pty Ltd's acquisition, the Group paid a cash consideration of \$36,715,000 to acquire an additional 66.67% in Newreg Pty Ltd from its non-controlling interests. The difference of \$10,808,000 between the consideration and the carrying value of the additional interest acquired was recognised as "Premium paid on acquisition of non-controlling interests" within equity. For Boardroom China Holdings Pte. Ltd.'s acquisition, the Group paid a total consideration of \$1,050,000 to acquire the remaining 40% equity interest. The difference of \$1,761,000 between the consideration and the negative carrying value of the interest acquired has been recognised as "Premium paid on acquisition of non-controlling interests" within equity.

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20. Revenue

The Group derives its revenue from the transfer of services over time and at a point in time in the following major service lines.

A disaggregation of the Group's revenue for the year, is as follows:

Segments	Singapore		Malaysia		Hong Kong		Australia		China		Total revenue	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Major service lines												
Corporate secretarial services	11,288	11,457	9,748	10,233	5,362	5,938	4,645	4,535	199	281	31,242	32,444
Share registry and employee share plan services	9,766	10,403	6,971	6,019	4,864	3,021	40,164	34,061	–	–	61,765	53,504
Accounting, taxation & payroll services	10,304	10,377	5,201	5,565	2,514	2,758	505	380	1,013	1,214	19,537	20,294
	31,358	32,237	21,920	21,817	12,740	11,717	45,314	38,976	1,212	1,495	112,544	106,242
Timing of transfer of services												
At a point in time	9,766	10,403	6,971	6,019	4,864	3,021	40,164	34,061	–	–	61,765	53,504
Over time	21,592	21,834	14,949	15,798	7,876	8,696	5,150	4,915	1,212	1,495	50,779	52,738
	31,358	32,237	21,920	21,817	12,740	11,717	45,314	38,976	1,212	1,495	112,544	106,242

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20. Revenue (cont'd)

Recognition of revenue from corporate secretarial services, and accounting, taxation and payroll services over time

For the services where the Group satisfies its performance obligations over time, management has determined that an hour-based input method provides a faithful depiction of the Group's performance in transferring services to the customers, as it reflects the Group's efforts incurred to date for the services performed. The measure of progress is based on the hours charged to date multiply the hourly charge rate, adjusted with the historical recovery rate that management has predetermined.

The management relies on past experience in assessing the estimated hourly charge rate. In making these estimates, management takes into consideration the historical recovery rates of the hourly charge rate incurred in its other similar service contracts.

21. Other operating income

	Group	
	2020 \$'000	2019 \$'000
Interest income from banks	326	894
Interest income from lease receivables	24	27
Wage and other employment credit scheme	239	98
Gain on disposal of short-term investments	2	–
Government grants		
- Jobs support scheme	2,265	–
- Wage subsidies	896	–
- Rent concessions received from lessors	220	–
Other income	642	425
	4,614	1,444

Government grants relates to property tax rebates and cash grants received from the Singapore Government to help businesses deal with the impact from COVID-19. Included within government grants are COVID-19 related rent concessions received from lessors of \$220,000 (FY19: Nil) to which the Company applied the practical expedient as disclosed in Note 2.2. Rent concessions of \$37,000 (FY19: Nil) were transferred to tenants in the form of rent rebates during the financial year.

Grant income of \$2,265,000 (2019: Nil) was recognised during the financial year under the Jobs Support Scheme (the "JSS"). The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

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22. Employee benefits expense

	Group	
	2020 \$'000	2019 \$'000
Employee benefits expense (including directors):		
Salaries and bonuses	54,833	49,843
Defined contribution expenses	4,007	4,357
Other short-term benefits	2,407	3,048
	61,247	57,248
	61,247	57,248

23. Profit before tax

	Note	Group	
		2020 \$'000	2019 \$'000
Profit before tax has been arrived at after charging/(crediting):			
Allowance for credit impaired losses of trade receivables	11	453	1,454
Amortisation of intangible assets	4	3,867	3,502
Depreciation of property, plant and equipment, including right-of-use assets	3	6,927	5,701
Directors' fee		338	296
Interest expense			
- term loans and others		1,535	2,254
- lease liabilities	15	577	555
Loss on disposal of property, plant and equipment		19	24
Employee benefits expense	22	61,247	57,248
Exchange differences		(2,020)	628
Expenses related to short-term leases and leases of low-value assets		353	1,134
Impairment of right-of-use assets	3	26	105
Reclassification to profit or loss on cash flow hedges			
- Unrealised foreign exchange loss/(gain)	27	5	(42)
- Interest	27	(1)	(9)
- Cost of hedging	27	83	82
Reversal of allowance for impairment of trade receivables	11	(216)	(152)

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Notes to the financial statements For the financial year ended 31 December 2020

24. Tax expense

Major components of tax expense

The major components of tax expense for the financial year ended 31 December 2020 and 2019 are:

	Group	
	2020 \$'000	2019 \$'000
Consolidated statement of comprehensive income		
Current income tax:		
Current income taxation	4,610	3,949
Over provision in respect of prior years	(112)	(145)
	4,498	3,804
Withholding tax	307	376
Deferred income tax (Note 7):		
Reversal of temporary differences	(955)	(2,350)
(Over)/under provision in respect of prior years	(72)	332
	(1,027)	(2,018)
Tax expense recognised in profit or loss	3,778	2,162

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 December 2020 and 2019 is as follows:

	Group	
	2020 \$'000	2019 \$'000
Profit before tax	18,282	10,966
Tax at statutory rate of 17% (FY19: 17%)	3,108	1,864
Income not subject to taxation	(928)	(64)
Non-deductible expenses	326	426
Effect of partial tax exemption and tax relief	(64)	(593)
Recognition of deferred tax assets arising from M&A allowance	–	(1,020)
Difference in foreign tax rates	1,213	992
Over provision of current taxation in respect of prior years	(112)	(145)
(Over)/under provision of deferred taxation in respect of prior years	(72)	332
Withholding tax deducted at source	307	376
Others	–	(6)
	3,778	2,162

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24. Tax expense (cont'd)

Relationship between tax expense and accounting profit (cont'd)

The tax rates used in computing taxes for entities incorporated in other countries for the years ended 31 December 2020 and 2019 are as follows:

	2020	2019
Malaysia	24.0%	24.0%
Hong Kong	16.5%	16.5%
Australia	30.0%	30.0%
China	25.0%	25.0%

25. Dividends

Company and Group
2020 2019
\$'000 \$'000

Declared and paid during the financial year:

Cash dividends on ordinary shares:

2019 final one-tier tax-exempt cash dividend of \$0.020
per share paid (2018: \$0.020)

4,193	4,193
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Notes to the financial statements For the financial year ended 31 December 2020

26. Related party transactions

Sale and purchases of services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group	
	2020	2019
	\$'000	\$'000
Ultimate holding company:		
- Service fee income	1	1
Intermediate holding company:		
- Service fee income	51	65
Immediate holding company:		
- Service fee income	1	20
Related companies*:		
- Service fee income	69	69

* Related companies are subsidiaries of the ultimate holding company.

Compensation of key management personnel

	Group	
	2020	2019
	\$'000	\$'000
Directors of the Company:		
Short-term employee benefits:		
- salaries and other short-term benefits	501	538
- bonus paid	551	525
Defined contribution expenses	9	12
Directors of the subsidiaries:		
Short-term employee benefits:		
- salaries and other short-term benefits	3,620	3,735
- bonus paid	2,217	1,127
Defined contribution expenses	264	253
	7,162	6,190

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27. Financial risk management objectives and policies

The Company's and the Group's activities expose to financial risks arising from its operations and the use of financial instruments. The key financial risks include currency risk, credit risk, interest rate risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

Risk management is carried out by the Finance Division under policies approved by the Board of Directors. The Finance Division identifies, evaluates and hedges financial risks in close cooperation with the Company's and the Group's operating units.

There has been no change to the Company's and the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

The following sections provide details regarding the Company's and the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

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 operates in Asia and Australia with dominant operations in Singapore, Malaysia and Australia. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies") such as the Malaysian Ringgit ("MYR"), Hong Kong Dollar ("HKD"), Australian Dollar ("AUD") and Chinese Yuan Renminbi ("CNY").

The Group is exposed to foreign exchange fluctuation risk to the extent of the difference between the revenue earned in various currencies and the respective local components of cost of sales incurred. There are no forward currency contracts as at 31 December 2020 and 31 December 2019. The Company uses CCIRS to hedge the Group's foreign currency exposure to the MYR fluctuation. The information about the CCIRS is disclosed in Note 12.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Australia, Hong Kong, Malaysia and China. The Group's net investments in subsidiaries are not hedged as currency positions in other foreign currencies are considered to be long-term in nature.

Hedging activities

In 2018, the Company entered into a CCIRS to manage the foreign exchange risk and interest risk arising from conversion between MYR and SGD associated with the intercompany loan denominated in MYR.

The CCIRS is designated as cash flow hedge and the fair value of the swap at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and the credit risk inherent in the contract and is disclosed below.

As the critical terms of the CCIRS and their corresponding hedged item are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the CCIRS and the value of the corresponding hedged item will systematically change in opposite direction in response to movements in the underlying interest rates.

The CCIRS receives on average SGD floating interest rate of 2.21% per annum (FY19: 3.33%), pays on average MYR floating interest rate of 4.28% per annum (FY19: 5.27%) and matures on 28 August 2021.

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27. Financial risk management objectives and policies (cont'd)

Currency risk (cont'd)

The cash flow hedge reserve contains the effective portion of the cash flow hedge relationships incurred as at the reporting date.

The cost of hedging reserve contains cumulative change in fair value of time value and forward element of CCIRS not designated as hedging instruments in hedge relationships.

	Cash flow hedge reserve \$'000	Cost of hedging reserve \$'000	Total \$'000
<i>Cash flow hedge reserve</i>			
At 1 January 2019	27	220	247
Effective portion of changes in fair value of hedging instruments	(183)	–	(183)
Net amount reclassified to profit or loss			
- Unrealised foreign exchange gains	42	–	42
- Interest	9	–	9
<i>Cost of hedging reserves</i>			
Net amount reclassified to profit or loss			
- Cost of hedging	–	(82)	(82)
At 31 December 2019 and 1 January 2020	(105)	138	33
<i>Cash flow hedge reserve</i>			
Effective portion of changes in fair value of hedging instruments	(192)	–	(192)
Net amount reclassified to profit or loss			
- Unrealised foreign exchange loss	(5)	–	(5)
- Interest	1	–	1
<i>Cost of hedging reserves</i>			
Net amount reclassified to profit or loss			
- Cost of hedging	–	(83)	(83)
At 31 December 2020	(301)	55	(246)

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and short-term deposits, unbilled receivables and derivatives), the Company and the Group minimise credit risk by dealing exclusively with high credit rating counterparties.

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27. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations
- Actual or expected significant changes in the operating results of the customer
- Significant increases in credit risk on account receivables of the same customer
- Significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customers in the group and changes in the operating results of the customer

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the customer
- A breach of contract, such as a default or past due event
- It is becoming probable that the customer will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

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Notes to the financial statements
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27. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Loans to subsidiaries and amounts due from subsidiaries at amortised cost

The Group uses three categories of internal credit risk ratings for debt instruments and loans which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are determined through incorporating both qualitative and quantitative information that builds on information from external credit rating companies, such as Standard and Poor, Moody's and Fitch, supplemented with information specific to the counterparty and other external information that could affect the counterparty's behaviour.

The Group computes expected credit loss for this group of financial assets using the probability of default approach. In calculating the expected credit loss rates, the Group considers implied probability of default from external rating agencies where available and historical loss rates for each category of counterparty, and adjusts for forward looking macroeconomic data such as GDP growth and central bank base rates.

A summary of the Group's internal grading category in the computation of the Group's expected credit loss model for the debt instruments and loans is as follows:

Category	Definition of category	Basis for recognition of expected credit loss provision	Basis for Calculating interest revenue
Grade I	Customers have a low risk of default and a strong capacity to meet contractual cash flows.	12-month expected credit losses	Gross carrying amount
Grade II	Loans for which there is a significant increase in credit risk; as significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due.	Lifetime expected credit losses	Gross carrying amount
Grade III	Interest and/or principal repayments are 90 days past due.	Lifetime expected credit losses	Amortised cost of carrying amount (net of credit allowance)

There are no significant changes to estimation techniques or assumptions made during the reporting period. There were no loss allowance provision made as at each reporting date.

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27. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Loans to subsidiaries and amounts due from subsidiaries at amortised cost (cont'd)

The gross carrying amount of debt securities at amortised cost, without taking into account of any collaterals held or other credit enhancements which represents the maximum exposure to loss, is as follows:

Company		31 December 2020 \$'000
12-month ECL	Loans to subsidiaries	61,016
12-month ECL	Amounts due from subsidiaries – non-trade	3,696

Company		31 December 2019 \$'000
12-month ECL	Loans to subsidiaries	62,795
12-month ECL	Amounts due from subsidiaries – non-trade	2,426

Trade receivables, unbilled receivables and lease receivables

The Group provides for lifetime expected credit losses for all trade receivables, unbilled receivables and lease receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on geographical region. The loss allowance provision as at 31 December 2020 and 31 December 2019 is determined as follows, the expected credit losses below also incorporate forward looking information such as forecast of economic conditions where the gross domestic product will deteriorate over the next year, leading to an increased number of defaults.

Summarised below is the information about the credit risk exposure on the Group's trade receivables, lease receivables and unbilled receivables using provision matrix, grouped by geographical region:

Singapore:

31 December 2020	Unbilled receivables	Lease receivables	Less than 30 days past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross carrying amount	640	533	3,967	763	582	2,922	9,407
Loss allowance provision	–	–	(66)	(9)	(8)	(1,054)	(1,137)

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27. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Trade receivables, unbilled receivables and lease receivables (cont'd)

Singapore:

31 December 2019	Unbilled receivables	Lease receivables	Less than 30 days past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross carrying amount	589	949	3,898	1,012	613	4,261	11,322
Loss allowance provision	–	–	(66)	(13)	(9)	(1,616)	(1,704)

Other geographical areas:

31 December 2020	Unbilled receivables	Less than 30 days past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross carrying amount	705	7,866	2,402	1,211	2,713	14,897
Loss allowance provision	–	(116)	(7)	(12)	(1,385)	(1,520)

31 December 2019	Unbilled receivables	Less than 30 days past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross carrying amount	601	8,302	2,841	1,984	4,648	18,376
Loss allowance provision	–	(186)	(30)	(39)	(1,485)	(1,740)

Information regarding loss allowance movement of unbilled receivables and trade receivables are disclosed in Note 10 and Note 11 respectively.

As the Company and the Group do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet.

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Boardroom Limited and its subsidiaries

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27. Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

	Group	
	2020	2019
	\$'000	\$'000
<u>By geographical areas:</u>		
Singapore	7,097	8,080
Australia	7,109	7,710
Hong Kong	2,157	2,859
Malaysia	3,326	5,385
China	80	81
	19,769	24,115

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash deposits with financial institutions, and bank borrowings which bear interest rates pegged to the lender's cost of funds or prevailing market interest rates. The Group's policy is to obtain the most favourable interest rates available without increasing its foreign currency exposure. Interest rate risk is managed by placing deposits on varying maturities and interest rate terms.

As at 31 December 2020, if market interest rates at that date had been 25 basis points (2019: 25 basis points) higher/lower with all other variables held constant, profit for the financial year would have been S\$113,000 (2019: S\$132,000) lower/higher.

Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in meeting financial obligation due to shortage of funds. The Company's and the Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Company's and the Group's objective is to maintain a balance between sufficient cash and cash equivalents and internally generated cash flows and the use of credit facilities to finance their operating activities and committed liabilities. At the end of the reporting year, approximately 21% (FY19: 17%) of the Group's borrowings will mature in less than one year based on the carrying amount reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low as access to sources of funding is sufficiently available.

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27. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

The tables below analyses the maturity profile of the Company's and the Group's derivative and non-derivative financial instruments based on contractual undiscounted cash flows. The balances of the accounts in the below tables will approximate the balances on the balance sheet due to the short-term nature of the accounts. The Company and the Group expected cash flows on these instruments may vary from this analysis:

	Not later than one year \$'000	One to five years \$'000	Total \$'000
Company and Group			
2020			
Derivative cash flows:			
Cross currency interest rate swap:			
Cash inflows	33,899	–	33,899
Cash outflows	(34,325)	–	(34,325)
	(426)	–	(426)
2019			
Derivative cash flows:			
Cross currency interest rate swap:			
Cash inflows	4,704	33,893	38,597
Cash outflows	(5,567)	(34,197)	(39,764)
	(863)	(304)	(1,167)

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27. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

	Not later than one year \$'000	One to five years \$'000	More than five years \$'000	Total \$'000
Company				
2020				
Non-derivative cash flows:				
<i>Financial assets:</i>				
Trade and other receivables	1,317	103	–	1,420
Amounts due from subsidiaries	9,285	34,755	31,670	75,710
Cash and cash equivalents (Note 13)	7,278	–	–	7,278
Total undiscounted financial assets	17,880	34,858	31,670	84,408
<i>Financial liabilities:</i>				
Trade and other payables, excluding GST	2,949	–	–	2,949
Amounts due to subsidiaries (Note 8)	598	–	–	598
Borrowings:				
- Term loans	4,322	30,578	–	34,900
- Lease liabilities	2,488	523	–	3,011
Total undiscounted financial liabilities	10,357	31,101	–	41,458
Total net undiscounted financial assets	7,523	3,757	31,670	42,950

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Notes to the financial statements
For the financial year ended 31 December 2020

27. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

	Not later than one year \$'000	One to five years \$'000	More than five years \$'000	Total \$'000
Company				
2019				
Non-derivative cash flows:				
<i>Financial assets:</i>				
Trade and other receivables	1,321	544	–	1,865
Amounts due from subsidiaries	8,912	38,831	30,420	78,163
Cash and cash equivalents (Note 13)	2,972	–	–	2,972
Total undiscounted financial assets	13,205	39,375	30,420	83,000
<i>Financial liabilities:</i>				
Trade and other payables, excluding GST	2,066	–	–	2,066
Amounts due to subsidiaries (Note 8)	973	–	–	973
Borrowings:				
- Term loans	4,975	36,153	–	41,128
- Lease liabilities	2,626	2,991	–	5,617
Total undiscounted financial liabilities	10,640	39,144	–	49,784
Total net undiscounted financial assets	2,565	231	30,420	33,216

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Boardroom Limited and its subsidiaries

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27. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

	Not later than one year \$'000	One to five years \$'000	More than five years \$'000	Total \$'000
Group				
2020				
Non-derivative cash flows:				
<i>Financial assets:</i>				
Short term investments (Note 9)	26	–	–	26
Trade and other receivables	21,782	103	–	21,885
Unbilled receivables (Note 10)	1,345	–	–	1,345
Cash and cash equivalents (Note 13)	33,057	–	–	33,057
Total undiscounted financial assets	56,210	103	–	56,313
<i>Financial liabilities:</i>				
Trade and other payables, excluding GST	27,218	–	–	27,218
Borrowings:				
- Term loans	4,322	30,578	–	34,900
- Lease liabilities	6,129	5,074	1,379	12,582
Total undiscounted financial liabilities	37,669	35,652	1,379	74,700
Total net undiscounted financial assets/(liabilities)	18,541	(35,549)	(1,379)	(18,387)

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27. Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

	Not later than one year \$'000	One to five years \$'000	More than five years \$'000	Total \$'000
Group				
2019				
Non-derivative cash flows:				
<i>Financial assets:</i>				
Short term investments (Note 9)	213	—	—	213
Trade and other receivables	26,652	544	—	27,196
Unbilled receivables (Note 10)	1,190	—	—	1,190
Cash and cash equivalents (Note 13)	16,880	—	—	16,880
Total undiscounted financial assets	44,935	544	—	45,479
<i>Financial liabilities:</i>				
Trade and other payables, excluding GST	20,566	—	—	20,566
Borrowings:				
- Term loans	4,975	36,153	—	41,128
- Lease liabilities	5,974	9,099	1,891	16,964
Total undiscounted financial liabilities	31,515	45,252	1,891	78,658
Total net undiscounted financial assets/(liabilities)	13,420	(44,708)	(1,891)	(33,179)

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

28. Capital management

The Group's objectives when managing capital are:

- (a) To safeguard the Group's ability to continue as a going concern, so that it continues to provide returns for shareholders and benefits for other stakeholders;
- (b) To support the Group's stability and growth; and
- (c) To provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

The Group monitors capital using a current ratio, which is current assets divided by current liabilities.

	Group	
	2020 \$'000	2019 \$'000
Total current assets	58,468	46,251
Total current liabilities	41,915	36,405
Current ratio	1.39	1.27

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2020

29. Fair value of assets and liabilities

A. Fair values of financial instruments

a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability. Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2020	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
Financial assets:				
<u>Equity securities at fair value through profit or loss (Note 9)</u>				
Quoted equity securities	26	–	–	26
<u>Derivatives (Note 12)</u>				
Cross currency interest rate swap	–	266	–	266
At 31 December 2020	26	266	–	292

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2020

29. Fair value of assets and liabilities (cont'd)

A. Fair values of financial instruments (cont'd)

a) Fair value hierarchy (cont'd)

2019	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
Financial assets:				
<u>Equity securities at fair value through profit or loss (Note 9)</u>				
Quoted equity securities	34	–	–	34
Unquoted equity securities	–	179	–	179
<u>Derivatives (Note 12)</u>				
Cross currency interest rate swap	–	74	–	74
At 31 December 2019	34	253	–	287

b) Determination of fair value

(i) Derivative financial instruments

The fair value of exchange-traded derivative financial instruments is based on quoted market prices. The fair value of derivative financial instruments is estimated using discounted cash flow techniques. The valuation models incorporate inputs that are observable in the market or can be derived from observable market data.

Prices derived by using models are recognised net of valuation adjustments. The inputs used in the valuation models depend on the type of derivative and the nature of the underlying instrument and are specific to the instrument being valued. Inputs can include, but are not limited to, interest rate yield curves, foreign exchange rates, dividend yield projections, commodity spot and forward prices, recovery rates, volatilities, spot prices, and correlation.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2020

29. Fair value of assets and liabilities (cont'd)

A. Fair values of financial instruments (cont'd)

b) Determination of fair value

(i) Derivative financial instruments (cont'd)

A credit risk valuation adjustment ("CRVA") is recognised against the model value of derivatives to account for the uncertainty that either counterparty in a derivative transaction may not be able to fulfil its obligations under the transaction. In determining CRVA, the Company takes into account master netting agreements and collateral, and considers the creditworthiness of the counterparty and the Company itself, in assessing potential future amounts owed to, or by the Company.

The fair value of a derivative is partly a function of collateralization. The Company uses the relevant overnight index swap curve to discount the cash flows for collateralised derivatives as most collateral is posted in cash and can be funded at the overnight rate.

A funding valuation adjustment ("FVA") is recognised against the model value of derivatives to recognise the market implied funding costs and benefits considered in the pricing and fair valuation of uncollateralized derivatives. Some of the key drivers of FVA include the market implied cost of funding spread over the Kuala Lumpur Interbank Offered Rate ("KLIBOR") and the expected average exposure by counterparty. FVA is further adjusted to account for the extent to which the funding cost is incorporated into observed traded levels and to calibrate to the expected term of the trade. The Bank will continue to monitor industry practice, and may refine the methodology and the products to which FVA applies to as market practices evolve.

(ii) Equity securities

The fair value of equity securities is based on quoted prices in active markets, where available. Where quoted prices in active markets are not readily available, such as for private equity securities, or where there is a wide bid-offer spread, fair value is determined based on quoted market prices for similar securities or through valuation techniques, including discounted cash flow analysis, and multiples of earnings before taxes, depreciation and amortisation, and other relevant valuation techniques.

If there are trading restrictions on the equity security held, a valuation adjustment is recognised against available prices to reflect the nature of the restriction.

However, restrictions that are not part of the security held and represent a separate contractual arrangement that has been entered into by the Bank and a third-party do not impact the fair value of the original instrument.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2020

29. Fair value of assets and liabilities (cont'd)

B. Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Trade and other receivables (Note 11); Unbilled receivables (Note 10); Trade and other payables (Note 16); Amounts due from/(to) subsidiaries (Note 8); Cash and cash equivalents (Note 13); Borrowings (Note 14)

The carrying amounts of these financial assets and financial liabilities are reasonably approximate their respective fair values either due to their short-term nature or they are floating rate instruments that are re-priced to market interest rates on or near the balance sheet date.

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.

30. Authorisation of consolidated financial statements

The financial statements for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the directors on 15 March 2021.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notice of Annual General Meeting

BOARDROOM LIMITED
(Company Registration No. 200003902Z)
(Incorporated in the Republic of Singapore)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Boardroom Limited (the “**Company**”) will be convened and held by way of electronic means on Monday, 26 April 2021 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2020 together with the Auditor’s Report.
(Resolution 1)
2. To declare a first and final one-tier tax exempt dividend of 2.0 Singapore cents per share for the financial year ended 31 December 2020 (2019: First and final one-tier tax exempt dividend of 2.0 Singapore cents per share).
(Resolution 2)
3. To re-elect Mr Teo Liang Huat Thomas, a Director retiring pursuant to Article 110 of the Constitution of the Company.
(Resolution 3)
4. To re-appoint Ernst & Young LLP as the Auditor of the Company and to authorise the Directors of the Company to fix its remuneration.
(Resolution 4)
5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

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

6. **Authority to issue shares (General Mandate)**

That pursuant to Section 161 of the Companies Act, Chapter 50, authority be and is hereby given to the Directors of the Company to allot and issue shares in the Company to such persons at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, and that such authority shall remain in force until the conclusion of the Annual General Meeting commencing next after this date or the expiration of the period within which the next Annual General Meeting commencing next after this date is required by law to be held, whichever is the earlier.

(Resolution 5)

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notice of Annual General Meeting

7. Authority to issue shares (Scrip Dividend Scheme)

That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of shares of the Company as may be required to be allotted and issued pursuant to the Boardroom Limited Scrip Dividend Scheme.

(Resolution 6)

By Order of the Board

Lim Ai Min
Company Secretary
Singapore

1 April 2021

Explanatory Notes:

Resolution 6, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, to allot and issue ordinary shares of the Company pursuant to the Boardroom Limited Scrip Dividend Scheme to eligible members of the Company who, in respect of a qualifying dividend, have elected to receive scrip in lieu of the cash amount of that qualifying dividend.

Notes:

1. The Annual General Meeting (“AGM”) is being convened and will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. A member will be able to watch/listen to the proceedings of the AGM through a “live” webcast/audio feed via his/her/its mobile phones, tablets or computers. In order to do so, a member who wishes to watch/listen to the “live” webcast/audio feed must pre-register no later than 10.00 a.m. on Thursday, 22 April 2021, at the URL <https://bit.ly/BRAGM2021>. Following authentication of his/her/its status as members, authenticated members will receive email instructions on how to access the webcast and audio feed of the proceedings of the AGM by 10.00 a.m. on Friday, 23 April 2021. A member who pre-registers to watch/listen to the “live” webcast/audio feed may also submit questions related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted no later than 10.00 a.m. on Thursday, 22 April 2021:
 - (a) via the pre-registration website at the URL <https://bit.ly/BRAGM2021> ; **or**
 - (b) hard copy by sending personally or by post and lodging the same at the office of the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 during Monday to Friday (excluding Public Holidays), from 9.00 a.m. to 5.30 p.m.; **or**
 - (c) by email to Boardroom Corporate & Advisory Services Pte Ltd at br-agm@boardroomlimited.com

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Notice of Annual General Meeting

3. **Due to the COVID-19 situation, a member will not be able to attend the AGM in person.** A member (whether individual or corporate) must appoint the Chairman of the Meeting as his proxy to attend, speak and vote on his behalf at the AGM if such member wishes to exercise his voting rights at the AGM.

In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

4. Persons who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore) including CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on Wednesday, 14 April 2021.
5. The Chairman of the Meeting, as proxy, need not be a member of the Company.
6. A member who wishes to submit an instrument of proxy appointing the Chairman of the Meeting as proxy must first download, complete and sign the proxy form, before scanning and sending it by email to br-agm@boardroomlimited.com or submitting it by post to Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for holding the AGM.

In view of the current COVID-19 situation, it may be difficult for members to submit completed proxy forms by post and for the Company to process them. There may also be delays in the delivery of completed proxy forms which are submitted by post. Therefore, **members are strongly encouraged to submit completed proxy forms electronically via email to br-agm@boardroomlimited.com to ensure that they are received by the Company within the stipulated deadline.**

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the Meeting to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) and agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Important Notice from the Company on the Novel Coronavirus:

As the COVID-19 situation continues to evolve, the Company is closely monitoring the situation, including any precautionary measures which may be required or recommended by government agencies to minimise the risk of spread of COVID-19. The Company may take such further measures as may be appropriate in order to minimise any risk to the members. Members should check their email at the email address which they have used for pre-registration for the latest updates.

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Proxy Form

BOARDROOM LIMITED

(Company Registration No. 200003902Z)

(Incorporated in the Republic of Singapore)

PROXY FORM

IMPORTANT:

1. The Annual General Meeting ("AGM") is being convened and will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. **Due to the COVID-19 situation, a member will not be able to attend the AGM in person.** A member (whether individual or corporate) must appoint the Chairman of the Meeting as his proxy to attend, speak and vote on his behalf at the AGM if such member wishes to exercise his voting rights at the AGM.
3. Persons who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), including CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on 14 April 2021.

Personal Data Privacy

By submitting an instrument appointing the Chairman of the Meeting, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 1 April 2021.

I/We (Name), _____

(NRIC/Passport/UEN No.) _____

of (Address) _____

being a member/members of Boardroom Limited (the "**Company**"), hereby appoint the Chairman of the Meeting as my/our proxy to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting (the "**Meeting**") of the Company to be held by way of electronic means on **Monday, 26 April 2021 at 10.00 a.m.** and at any adjournment thereof. I/We* direct my/our proxy* to vote for or against or abstain the Resolutions to be proposed at the Meeting as indicated hereunder. **If no specific direction as to voting is given, the appointment will be treated as invalid.**

No.	Resolutions relating to:	No. of Votes For [^]	No. of Votes Against [^]	No. of Votes Abstain [^]
1	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2020			
2	Payment of first and final one-tier tax exempt dividend of 2.0 Singapore cents per share for the financial year ended 31 December 2020			
3	Re-election of Mr Teo Liang Huat Thomas as a Director of the Company			
4	Re-appointment of Ernst & Young LLP as the Auditor of the Company and to authorise the Directors to fix its remuneration			
5	Authority to issue shares (General Mandate)			
6	Authority to issue shares (Scrip Dividend Scheme)			

[^] Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" or "Abstain", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2021

Total Number of Shares in Register of Members:	No. of Shares

Signature of Member(s) or,
Common Seal of Corporate Shareholder

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF

APPENDIX 4 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2020

Boardroom Limited and its subsidiaries

Proxy Form

Notes:

1. A member should insert the total number of shares held. If the member has shares registered in his/her name in the Register of Members (maintained by or on behalf of the Company), he/she should insert that number of shares. If no number is inserted, the instrument appointing the Chairman of the Meeting shall be deemed to relate to all the shares held by the member.
2. **Due to the COVID-19 situation, a member will not be able to attend the AGM in person.** A member (whether individual or corporate) must appoint the Chairman of the Meeting as his proxy to attend, speak and vote on his behalf at the AGM if such member wishes to exercise his voting rights at the AGM. In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. Persons who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), including CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on 14 April 2021.
4. The Chairman of the Meeting, as proxy, need not be a member of the Company.
5. A member who wishes to submit an instrument of proxy appointing the Chairman of the Meeting as proxy must first download, complete and sign the proxy form, before scanning and sending it by email to br-agm@boardroomlimited.com or submitting it by post to Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for holding the AGM i.e. by 10.00 a.m. on 24 April 2021.
6. In view of the current COVID-19 situation, it may be difficult for members to submit completed proxy forms by post and for the Company to process them. There may also be delays in the delivery of completed proxy forms which are submitted by post. Therefore, **members are strongly encouraged to submit completed proxy forms electronically via email to br-agm@boardroomlimited.com to ensure that they are received by the Company within the stipulated deadline.**
7. The instrument appointing the Chairman of the Meeting must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting 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 the Chairman of the Meeting 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.
8. 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 the Chairman of the Meeting 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 the Chairman of the Meeting.

APPENDIX 5 – 1H2021 RESULTS

The 1H2021 Results set out below have been extracted from the announcement by GKGH on 13 August 2021, and was not specifically prepared for inclusion in this Circular. The figures have not been audited.

Company Registration No. 200003902Z

Boardroom Limited and its subsidiaries

Condensed Interim Consolidated Financial Statements
for the six months ended 30 June 2021

The logo for Boardroom is positioned in the bottom right corner of the page. It features the word "BoardRoom" in a large, white, serif font, with "Board" and "Room" joined. Below it, the tagline "Smart Business Solutions" is written in a smaller, white, sans-serif font. The background of the logo area is a dark grey, abstract shape that resembles a stylized mountain or a series of overlapping arches, with lighter grey curved lines within it.

BoardRoom
Smart Business Solutions

APPENDIX 5 – 1H2021 RESULTS

Boardroom Limited and its subsidiaries Condensed Interim Consolidated Financial Statements

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APPENDIX 5 – 1H2021 RESULTS

Boardroom Limited and its subsidiaries Condensed Interim Consolidated Financial Statements

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the six months ended 30 June 2021

	Note	Group 6M2021 \$'000	6M2020 \$'000
Revenue	4	56,688	51,883
Other operating income		908	2,022
Employee benefits expense		(30,042)	(29,426)
Interest on borrowings		(816)	(1,186)
Depreciation and amortisation expenses		(5,565)	(5,233)
Reversal of/(allowance for) impairment of financial assets, net		230	(581)
Other operating expenses		(13,430)	(11,481)
Share of results of associate		151	143
Profit before tax	5	8,124	6,141
Tax expense	6	(1,983)	(1,939)
Profit for the financial period, net of tax		6,141	4,202
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(94)	1,081
Net fair value changes on derivatives designated as cash flow hedges		583	(332)
Reclassification to profit or loss on cash flow hedges		(365)	278
Other comprehensive income for the financial period		124	1,027
Profit for the financial period attributable to owners of the Company		6,141	4,202
Total comprehensive income for the financial period attributable to owners of the Company		6,265	5,229

APPENDIX 5 – 1H2021 RESULTS

Boardroom Limited and its subsidiaries Condensed Interim Consolidated Financial Statements

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET as at 30 June 2021

	Note	Group 30.06.2021 \$'000	31.12.2020 \$'000
Assets			
Non-current assets			
Property, plant and equipment		11,133	14,190
Intangible assets	7	115,267	117,023
Investment in associate		3,894	3,774
Deferred tax assets		1,354	1,818
Trade and other receivables		—	103
		131,648	136,908
Current assets			
Short-term investments		23	26
Income tax receivable		540	475
Unbilled receivables		1,679	1,345
Trade and other receivables		20,084	21,782
Prepayments		1,824	1,517
Derivative assets	11	856	266
Cash and cash equivalents		24,357	33,057
		49,363	58,468
Total assets		181,011	195,376
Equity and liabilities			
Current liabilities			
Borrowings		8,748	9,459
Trade and other payables		18,051	27,569
Contract liabilities		2,150	3,122
Income tax payable		1,013	1,765
		29,962	41,915
Non-current liabilities			
Provision for employee benefits		456	456
Deferred tax liabilities		5,279	5,706
Borrowings	8	31,656	35,713
		37,391	41,875
Total liabilities		67,353	83,790
Equity attributable to owners of the Company			
Share capital	9	50,034	50,034
Other reserves		(8,218)	(8,342)
Retained earnings		71,842	69,894
Total equity		113,658	111,586
Total equity and liabilities		181,011	195,376

APPENDIX 5 – 1H2021 RESULTS

Boardroom Limited and its subsidiaries Condensed Interim Consolidated Financial Statements

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the six months ended 30 June 2021

Group	Attributable to owners of the Company					
	Share capital \$'000	Exchange translation reserve \$'000	Hedging reserve \$'000	Premium paid on acquisition of non-controlling interests \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2021	50,034	3,981	246	(12,569)	69,894	111,586
Profit for the financial period	–	–	–	–	6,141	6,141
Other comprehensive income for the financial period						
- Foreign currency translation	–	(94)	–	–	–	(94)
- Net fair value changes on derivatives designated as cash flow hedges	–	–	583	–	–	583
- Reclassification to profit or loss on cash flow hedges	–	–	(365)	–	–	(365)
Total comprehensive income for the financial period	–	(94)	218	–	6,141	6,265
<u>Contributions by and distributions to owners</u>						
Cash dividends on ordinary shares (Note 10)	–	–	–	–	(4,193)	(4,193)
Total contributions by and distributions to owners	–	–	–	–	(4,193)	(4,193)
Balance at 30 June 2021	50,034	3,887	464	(12,569)	71,842	113,658

APPENDIX 5 – 1H2021 RESULTS

Boardroom Limited and its subsidiaries
Condensed Interim Consolidated Financial Statements

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six months ended 30 June 2021

Group	Attributable to owners of the Company					Total \$'000
	Share capital \$'000	Exchange translation reserve \$'000	Hedging reserve \$'000	Premium paid on acquisition of non- controlling interests \$'000	Retained earnings \$'000	
Balance at 1 January 2020	50,034	2,499	(33)	(12,569)	59,583	99,514
Profit for the financial period	–	–	–	–	4,202	4,202
Other comprehensive income for the financial period						
- Foreign currency translation	–	1,081	–	–	–	1,081
- Net fair value changes on derivatives designated as cash flow hedges	–	–	(332)	–	–	(332)
- Reclassification to profit or loss on cash flow hedges	–	–	278	–	–	278
Total comprehensive income for the financial period	–	1,081	(54)	–	4,202	5,229
<u>Contributions by and distributions to owners</u>						
Cash dividends on ordinary shares (Note 10)	–	–	–	–	(4,193)	(4,193)
Total contributions by and distributions to owners	–	–	–	–	(4,193)	(4,193)
Balance at 30 June 2020	50,034	3,580	(87)	(12,569)	59,592	100,550

APPENDIX 5 – 1H2021 RESULTS

Boardroom Limited and its subsidiaries Condensed Interim Consolidated Financial Statements

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT for the six months ended 30 June 2021

	Note	Group 6M2021 \$'000	6M2020 \$'000
Operating activities			
Profit before tax		8,124	6,141
Adjustments for:			
Amortisation of intangible assets	7	2,129	1,764
Depreciation of property, plant and equipment		3,436	3,469
Reversal of/(allowance for) impairment of financial assets, net		(230)	581
Fair value adjustments on other investments		3	11
Exchange differences		201	(434)
Loss on disposal of property, plant and equipment		–	18
Interest income from banks		(211)	(154)
Interest income from lease receivables		(7)	(14)
Interest expense from term loans and others		583	880
Interest expense from lease liabilities		233	306
Share of associate's profits		(151)	(143)
Operating profit before working capital changes		14,110	12,425
Decrease in operating receivables and prepayments		1,424	4,502
Decrease in operating payables		(9,214)	(1,596)
Increase in unbilled receivables		(332)	(678)
Decrease in contract liabilities		(1,012)	(1,012)
Cash generated from operations		4,976	13,641
Interest paid		(577)	(867)
Tax expense paid		(2,598)	(2,568)
Net cash generated from operating activities		1,801	10,206
Investing activities			
Acquisition of property, plant and equipment		(453)	(321)
Acquisition of intangible assets	7	(1,118)	(1,245)
Proceeds from sale of short-term investments		–	182
Interest received		211	154
Net cash used in investing activities		(1,360)	(1,230)
Financing activities			
Cash dividends paid on ordinary shares	10	(4,193)	(4,193)
Payment of lease liabilities		(3,046)	(2,986)
Repayment of borrowings	8	(1,900)	(1,900)
Net cash used in financing activities		(9,139)	(9,079)
Net decrease in cash and cash equivalents		(8,698)	(103)
Effect of exchange rate changes on cash and cash equivalents		(2)	135
Cash and cash equivalents at 1 January		33,057	16,880
Cash and cash equivalents at 30 June		24,357	16,912

APPENDIX 5 – 1H2021 RESULTS

Boardroom Limited and its subsidiaries Condensed Interim Consolidated Financial Statements

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Boardroom Limited (the “Company”) is a limited liability company incorporated and domiciled in Singapore. The immediate and ultimate holding companies are Salacca Pte. Ltd. and GKG Investment Holdings Pte Ltd respectively, both incorporated in Singapore.

The registered office and principal place of business of the Company is located at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

The principal activity of the Company is investment holding.

The main principal activities of Boardroom Limited and its subsidiaries (collectively, the “Group”) are provision of corporate secretarial, share registry, employee share plan, accounting, taxation and payroll services.

2. BASIS OF PREPARATION

The Condensed Interim Consolidated Financial Statements (“Interim Financial Statements”) have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 - Interim Financial Reporting. SFRS(I) 1-34 allows the preparation of the interim financial statements in a condensed format, therefore the condensed interim financial statements must be read in conjunction with the Group’s consolidated financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

**Boardroom Limited and its subsidiaries
Condensed Interim Consolidated Financial Statements**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Impairment assessment of goodwill

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

The recoverable amounts of the cash-generating units which goodwill has been allocated to are determined based on value in use calculations. The value in use calculations are based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

During the six months ended 30 June 2021, there were no changes in the discount rates and key assumptions used on which management has based its cash flow projections that were prepared for the impairment assessments of goodwill as at 31 December 2020.

3. SEASONAL OPERATIONS

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

Boardroom Limited and its subsidiaries
Condensed Interim Consolidated Financial Statements

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. REVENUE

The Group derives its revenue from the transfer of services over time and at a point in time in the following major service lines.

A disaggregation of the Group's revenue for the financial period, is as follows:

	Singapore		Malaysia		Hong Kong		Australia		China		Total revenue	
	6M2021	6M2020	6M2021	6M2020	6M2021	6M2020	6M2021	6M2020	6M2021	6M2020	6M2021	6M2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Major service lines												
Corporate secretarial services	5,690	5,510	4,851	4,290	2,265	2,487	2,623	2,215	100	111	15,529	14,613
Share registry and employee share plan services	6,104	4,972	4,396	2,503	1,574	1,832	18,879	17,407	–	–	30,953	26,714
Accounting, taxation and payroll services	5,433	5,539	2,635	2,886	1,189	1,400	354	209	595	522	10,206	10,556
	17,227	16,021	11,882	9,679	5,028	5,719	21,856	19,831	695	633	56,688	51,883
Timing of transfer of services												
At a point in time	6,104	4,972	4,396	2,503	1,574	1,832	18,879	17,407	–	–	30,953	26,714
Over time	11,123	11,049	7,486	7,176	3,454	3,887	2,977	2,424	695	633	25,735	25,169
	17,227	16,021	11,882	9,679	5,028	5,719	21,856	19,831	695	633	56,688	51,883

APPENDIX 5 – 1H2021 RESULTS

Boardroom Limited and its subsidiaries Condensed Interim Consolidated Financial Statements

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

5. PROFIT BEFORE TAX

5.1 Significant items

The following items have been included in arriving at profit before tax:

	Group	
	6M2021	6M2020
	\$'000	\$'000
(Reversal of)/allowance for impairment of financial assets, net	(230)	581
Amortisation of intangible assets	2,129	1,764
Depreciation of property, plant and equipment	3,436	3,469
Employee benefits expense	30,042	29,426
Exchange loss/(gain)	201	(434)
Government grants		
- Jobs support scheme	(404)	(1,253)
Interest income from banks	(211)	(154)
Interest income from lease receivables	(7)	(14)
Interest expense from term loan and others	583	880
Interest expense from lease liabilities	233	306

Grant income of \$404,000 (6M2020: \$1,253,000) was recognised during the financial period under the Jobs Support Scheme (the "JSS"). The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

5.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

6. TAX EXPENSE

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	6M2021	6M2020
	\$'000	\$'000
Current income tax expense	1,792	2,081
Withholding tax expense	106	138
Deferred income tax expense relating to origination and (reversal) of temporary differences	85	(280)
	1,983	1,939

APPENDIX 5 – 1H2021 RESULTS

Boardroom Limited and its subsidiaries Condensed Interim Consolidated Financial Statements

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

7. INTANGIBLE ASSETS

Group	Goodwill on consolidation \$'000	Customer relationships \$'000	Computer software \$'000	Brand name \$'000	Total \$'000
At 31.12.2020					
Cost	85,955	39,335	16,343	276	141,909
Accumulated amortisation and impairment	(848)	(17,141)	(6,621)	(276)	(24,886)
Net book value at 31.12.2020 and 1.1.2021	85,107	22,194	9,722	–	117,023
Additions	–	–	1,118	–	1,118
Amortisation charge for 6 months ended 30 June 2021	–	(1,359)	(770)	–	(2,129)
Exchange differences	(468)	(211)	(66)	–	(745)
Net book value at 30.06.2021	84,639	20,624	10,004	–	115,267
At 30.06.2021					
Cost	85,485	38,961	17,352	274	142,072
Accumulated amortisation and impairment	(846)	(18,337)	(7,348)	(274)	(26,804)
Net book value at 30.06.2021	84,639	20,624	10,004	–	115,267

8. BORROWINGS

	Group 30.06.2021 \$'000	31.12.2020 \$'000
Current:		
Term loan (a)	3,800	3,800
Lease liabilities	4,948	5,659
	8,748	9,459
Non-current		
Term loan (a)	27,950	29,850
Lease liabilities	3,706	5,863
	31,656	35,713
Total borrowings	40,404	45,172

(a) Term loan commenced on 28 August 2018, is unsecured, repayable on a semi-annual basis at SGD \$1,900,000 for each instalment and a final instalment of \$24,150,000 is due on 28 August 2023.

APPENDIX 5 – 1H2021 RESULTS

Boardroom Limited and its subsidiaries Condensed Interim Consolidated Financial Statements

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

9. SHARE CAPITAL

	30.06.2021	Company and Group 31.12.2020	30.06.2021	31.12.2020
	Number of shares		\$'000	\$'000
Issued and fully paid	209,660,184	209,660,184	50,034	50,034

As at period ended 30 June 2021 and 31 December 2020, no shares were purchased or issued by the Company.

10. DIVIDENDS

	Company and Group 6M2021	6M2020
	\$'000	\$'000
<u>Declared and paid during the financial period</u>		
<u>Cash dividends on ordinary shares:</u>		
2020 final one-tier tax-exempt cash dividend of \$0.020 per share paid (2019: \$0.020)	4,193	4,193

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The contractual or underlying principal amounts of the derivative financial instrument and their corresponding gross positive or negative (derivative financial asset or liability) fair value at the end of the reporting period are analysed below:

	Contract/notional amount \$'000	Fair value Positive fair value \$'000	Negative fair value \$'000
30.06.2021			
Cross currency interest rate swap	41,124	856	–
31.12.2020			
Cross currency interest rate swap	41,124	266	–

APPENDIX 5 – 1H2021 RESULTS

Boardroom Limited and its subsidiaries Condensed Interim Consolidated Financial Statements

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

11.1 Fair values of financial instruments

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability. Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The following table presented the assets measured at fair value:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets:				
30.06.2021				
Cross currency interest rate swap	–	856	–	856
31.12.2020				
Cross currency interest rate swap	–	266	–	266



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The Board of Directors
Boardroom Limited
50 Raffles Place #32-01,
Singapore Land Tower, Singapore

REPORT ON REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2021 AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

Introduction

We have reviewed the accompanying condensed interim consolidated balance sheet of Boardroom Limited (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2021, the condensed interim consolidated statement of comprehensive income, changes in equity and cash flows for the six-month period then ended and explanatory notes (the “condensed interim consolidated financial statements”). Management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with Singapore Financial Reporting Standard (International) 1-34 Interim Financial Reporting (SFRS(I) 1-34). Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with SFRS(I) 1-34.



Restriction of use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we report to you on the condensed interim consolidated financial statements. Our report is included in G.K. Goh Holdings Limited's announcement for the purpose of assisting G.K. Goh Holdings Limited and the Company to comply with Rule 25 of the Singapore Code on Take-overs and Mergers, and for no other purpose. We do not assume responsibility to anyone other than the Company and G.K. Goh Holdings Limited for our work, for our report, or for the conclusion we have reached in our report.

A handwritten signature in black ink that reads 'Ernst & Young LLP'. The signature is written in a cursive, stylized font.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
11 August 2021

APPENDIX 6 – LETTER FROM THE AUDITORS IN RELATION TO THE 1H2021 RESULTS



**Building a better
working world**

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Singapore 048583

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The Board of Directors
Boardroom Limited
50 Raffles Place #32-01,
Singapore Land Tower, Singapore

REPORT ON REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2021 AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

Introduction

We have reviewed the accompanying condensed interim consolidated balance sheet of Boardroom Limited (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2021, the condensed interim consolidated statement of comprehensive income, changes in equity and cash flows for the six-month period then ended and explanatory notes (the “condensed interim consolidated financial statements”). Management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with Singapore Financial Reporting Standard (International) 1-34 Interim Financial Reporting (SFRS(I) 1-34). Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with SFRS(I) 1-34.

APPENDIX 6 – LETTER FROM THE AUDITORS IN RELATION TO THE 1H2021 RESULTS



Restriction of use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we report to you on the condensed interim consolidated financial statements. Our report is included in G.K. Goh Holdings Limited's announcement for the purpose of assisting G.K. Goh Holdings Limited to comply with Rule 25 of the Singapore Code on Take-overs and Mergers, and for no other purpose. We do not assume responsibility to anyone other than the Company and G.K Goh Holdings Limited for our work, for our report, or for the conclusion we have reached in our report.

A handwritten signature in black ink that reads 'Ernst & Young LLP'. The signature is written in a cursive, stylized font.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
11 August 2021

APPENDIX 7 – LETTER FROM THE IFA IN RELATION TO THE 1H2021 RESULTS



SAC Capital Private Limited

1 Robinson Road #21-00 AIA Tower Singapore 048542
Tel: (65) 6232 3200 Fax: (65) 6232 3244
Business Registration No.: 200401542N

7 February 2022

The Board of Directors
Boardroom Limited
1 Harbourfront Avenue,
#14-07, Keppel Bay Tower
Singapore 098632

Dear Sirs,

VOLUNTARY CONDITIONAL CASH OFFER BY UNITED OVERSEAS BANK LIMITED FOR AND ON BEHALF OF APRICUS GLOBAL PTE. LTD., TO ACQUIRE ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF BOARDROOM LIMITED (THE "COMPANY")

On 6 August 2021, United Overseas Bank Limited ("UOB") announced, for and on behalf of Apricus Global Pte. Ltd. (the "Offeror"), that subject to the satisfaction and/or waiver of certain pre-conditions (the "Pre-Conditions"), the Offeror intends to make a voluntary conditional general offer (the "Offer") for all the issued and paid-up ordinary shares in the capital of the Company (excluding shares held in treasury), in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the "Code").

On 10 January 2022, UOB announced for and on behalf of the Offeror, that the Pre-Conditions have been satisfied and accordingly, the Offeror announced its firm intention to make the Offer.

We have examined the unaudited condensed interim consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") for the 6 months ended 30 June 2021 (the "6M2021 Results") and have discussed the same with the management of the Company who are responsible for its preparation. We have also considered the independent auditors' review report dated 11 August 2021 prepared by Ernst & Young LLP, the auditors of the Company, to the board of directors of the Company (the "Directors") on the 6M2021 Results.

We have relied on the accuracy and completeness of all financial and other information provided to us by the Company and have assumed such accuracy and completeness for the purposes of providing this report. Save as provided in this report, we do not express any other opinion on the 6M2021 Results.

Based on the above, we are of the opinion that the 6M2021 Results (for which the Directors of the Company are solely responsible) have been prepared and made after due and careful enquiry.

We have provided this report solely to the Directors of the Company in compliance with Rule 25 of the Code and for no other purposes. We do not accept responsibility to any other person(s), other than the Directors of the Company, in respect of, arising out of, or in connection with this report.

Yours faithfully,
for and on behalf of
SAC CAPITAL PRIVATE LIMITED

A handwritten signature in black ink, appearing to read "Bernard Lim".

Bernard Lim
Executive Director

APPENDIX 8 – SELECTED TEXTS OF THE CONSTITUTION

All capitalised terms used in the following extracts shall have the same meanings given to them in the Constitution, a copy of which is available for inspection at the registered office of the Company at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632, during normal business hours until the Closing Date.

The rights of Shareholders in respect of capital, dividends and voting as set out in the Constitution are as follows:

(a) The rights of Shareholders in respect of capital

“SHARE CAPITAL

5. *Subject to the Act and these Articles relating to new shares and to any special rights attached to any share for the time being issued, all shares shall be under the absolute control of the Members in General Meeting but subject thereto, the Directors may allot and issue shares, grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration and at such times and subject or not to the payment of any part of the amount thereof in cash as the Directors may determine. Provided that:-*

- (a) (subject to any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 60 with such adaptations as are necessary shall apply; and*
- (b) any other issue of shares, the aggregate of which would exceed the limits referred to in Article 61 shall be subject to the approval of the Company in General Meeting.*

6. *Subject to the provisions of these Articles and of the Act relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, all new shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.*

7. *Any share in the Company may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine, and subject to the provisions of the Act (and these Articles) the Company may issue preference shares which are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue thereof may by Ordinary Resolution determine. Preference shares may be issued subject to such limitation thereof as may be prescribed by any stock exchange upon which shares in the Company may be listed.*

8. *In the event of the Company at any time issuing preference capital, the Company shall have power to issue further preference capital ranking equally with or in priority to the preference shares already issued and the rights conferred upon the holders of preference shares shall not unless otherwise expressly provided by the conditions of issue of such shares be deemed to be altered by the creation or issue of such further preference capital ranking equally with or in priority thereto.*

9. *Whenever the share capital is divided into different classes of shares, subject to the provisions of the Act, preference capital other than redeemable preference capital may be repaid and the special rights attached to any class may be modified, affected, altered or abrogated either with the consent in writing of the holders of three-quarters of the issued shares of the class or the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of the class (but not otherwise) and may be so repaid, modified, affected, altered or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate meeting all the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy not less than one-third of the issued shares of the class and that every such holder shall on a poll have one vote for every share of the class held by him.*

APPENDIX 8 – SELECTED TEXTS OF THE CONSTITUTION

Provided that where the necessary majority for such a Special Resolution is not obtained at the meeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned within two months of the meeting shall be as valid and effectual as a Special Resolution carried at the meeting. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

10. *Preference shareholders shall have the same rights as ordinary shareholders as regards the receiving of notices, reports and balance sheets and the attending of General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital of the Company or winding up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or where the dividend on the preference shares is more than six months in arrears.*

11. *If by the conditions of allotment of any shares, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the persons who for the time being, and from time to time, shall be Members in respect of the shares, or their legal personal representatives.*

12. *The Company may pay commissions or brokerage to any person in consideration of his subscribing, or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the capital of the Company or options therefor. Any such commissions or brokerage may be paid in whole or in part in cash or fully or partly paid shares of the Company or options therefor as may be arranged, and the Company may, in addition to, or in lieu of, such commission or brokerage, confer on any such person an option call within a specified time for a specified number or amount of shares in the Company at a specified price and on such other terms and conditions as the Directors may deem fit. The payment or agreement to pay a commission or brokerage or the conferring of an option shall be in the discretion of the Directors on behalf of the Company.*

13. (1) *The Company shall not be bound to register more than three persons as the registered joint holders of any share except in the case of executors or administrators (or trustees) of the estate of a deceased Member.*

(2) *If two or more persons are entered in the Register or (as the case may be) the Depository Register as joint holders of a share, any one of such persons may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of such share and such joint holders shall, subject to the provisions of the Act, be severally as well as jointly liable for the payment of all instalments and calls and interest due in respect of such share.*

(3) *Joint holders whose names are entered in the Register or (as the case may be) the Depository Register shall be deemed to be one Member. The delivery of a certificate for a share to one of several registered joint holders shall be sufficient delivery to all such holders.*

14. *Save as herein otherwise provided the Company shall be entitled to treat the registered holder (other than the Depository or its nominee (as the case may be)) of any share as the absolute owner thereof and a Depositor as the absolute owner of the number of shares which are entered against his name in the Depository Register and accordingly shall not be bound (except as ordered by a court of competent jurisdiction or as by law required) to recognise even when having notice of any equitable or other claim to or interest in any such share on the part of any person.*

15. *No person shall exercise any rights or privileges as a Member until his name shall have been entered in the Register or the Depository Register and he shall have paid all calls and other moneys for the time being due and payable on any share in respect of which he is a Member alone or jointly with any other person.*

APPENDIX 8 – SELECTED TEXTS OF THE CONSTITUTION

16. The Company shall not give any financial assistance for the purpose of or in connection with the acquisition or proposed acquisition of any shares in the Company or its holding company (if any) unless the same is permitted by law.

17. (1) The Company may, subject to and in accordance with the Act, purchase or otherwise acquire its issued shares on such terms and in such manner as the Company may from time to time think fit. If required by the Act, any share which is so purchased or acquired by the Company shall, unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these Articles, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.

(2) The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.

(3) Notwithstanding Article 17(1), subject to and in accordance with the provisions of the Act, the listing rules of the Exchange, and other written law, the Company may purchase or otherwise acquire shares, options, stocks, debentures, debenture stocks, bonds, obligations, securities, and all other equity, derivative, debt and financial instruments issued by it on such terms as the Company may think fit and to the extent permitted and in the manner prescribed by law.

SHARE CERTIFICATE

18. Every certificate for shares shall be under the Seal or the Share Seal (as provided in Article 135) and shall specify the number and class of shares to which it relates and the amount paid and amount (if any) unpaid thereon and shall bear the autographic or facsimile signatures of one Director and the Secretary or a second Director or some other person appointed by the Directors. The facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors. No certificate shall be issued representing shares of more than one class.

19. Every person whose name is entered as a Member in the Register shall be entitled to receive, within ten Market Days (or such other period as may be approved by any stock exchange upon which shares in the Company may be listed) of the closing date for any application for shares or, as the case may be, the date of lodgement of a registered transfer (as defined in Article 41) (other than such transfer as the Company is for any reason entitled to refuse to register and does not register), one certificate for all his shares of any one class or several certificates in such denominations as the Company shall, in its absolute discretion, consider reasonable each for a part of the shares so allotted or transferred. Where such a Member transfers part only of the shares comprised in a certificate, the old certificate shall be cancelled and a new certificate or certificate for the balance of such shares issued in lieu thereof and such Member shall pay a maximum fee of S\$2 for each new certificate (or such other sum as the Directors shall from time to time determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which shares in the Company may be listed).

20. (1) Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.

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(2) If any person whose name is entered in the Register shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of S\$2 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof—as may be prescribed by any stock exchange upon which shares in the Company may be listed.

(3) In the case of shares registered jointly in the names of several persons any such request may be made by any one of the registered joint holders.

21. Subject to the provisions of the Act, if any such certificate shall be defaced, worn out, destroyed, stolen or lost, it may be replaced on such evidence being produced and on such indemnity or undertaking (if required) being given by the Member, transferee, person entitled, purchaser, member firm or member company of any stock exchange upon which shares in the Company may be listed or on behalf of its client as the Directors shall require and (in the case of defacement or wearing out) on delivery up of the old certificate and (in any case) on payment of such sum not exceeding S\$2 per replacement certificate as the Directors may from time to time require. In the case of theft, destruction or loss the Member or person entitled to such replacement certificate shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such theft, destruction or loss and to such indemnity or undertaking.

22. The certificates of shares, or options in respect of shares, registered in the Register in the names of two or more persons may, without prejudice to the provisions of Articles 19 and 20, be delivered to the person first named on the Register or, in the case of shares or option entered in the Depository Register, to the Depository or its nominee (as the case may be).

CONVERSION OF SHARES INTO STOCK

55. The Company in General Meeting may by Ordinary Resolution convert any paid-up shares into stock and may from time to time reconvert such stock into paid-up shares.

56. When any shares have been converted into stock the holders of such stock may transfer the same or any part thereof in the same manner and subject to the same Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances will admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.

57. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges, and advantages as regards dividends, return of capital, voting and other matters, as if they held the shares from which the stock arose, but so that none of such rights, privileges or advantages (except the participation in the dividends, profits and assets of the Company) shall be conferred by the number of stock units as would not, if existing in shares, have conferred such rights, privileges or advantages; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

58. All such provisions of these Articles as are applicable to paid-up shares shall apply to stock and in all such provisions the words “shares” and “shareholder” or similar expressions herein shall include “stock” and “stockholder”.

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ALTERATION OF CAPITAL

59. Subject to the Act and to these Articles and any special rights for the time being attached to any existing class of shares, all new shares shall be issued upon such terms and conditions (including such consideration) and with such rights and privileges annexed thereto as the General Meeting resolving upon the same shall direct and, in particular (but without prejudice to the generality of the foregoing) such new shares may be issued with a preferential, qualified or postponed right to dividends, and in the distribution of assets of the Company, and with a special or without any right of voting, or otherwise.

60. Unless otherwise determined and subject to such other terms and conditions as may be determined by the Company in General Meeting, or unless permitted under the listing rules of the Exchange as may be in force from time to time, all new shares shall, before issue, be offered to such Members as at the date of the offer are entitled to receive notices from the Company of General Meetings, in proportion, as nearly as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may (subject to these Articles) dispose of those shares in such manner as they think most beneficial to the Company Provided Always that the Directors shall have the absolute discretion to determine whether or not such offer shall be made to any Member in any country or jurisdiction outside the Republic of Singapore. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to the shares of the persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered in the manner hereinbefore provided or which are not offered to Members outside the Republic of Singapore.

61. Notwithstanding Article 60, the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:-

- (a) (i) issue shares in the capital of 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) warrants, debentures or other instruments convertible into shares; and
- (b) (notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,

provided that:-

- (1) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Exchange;
- (2) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of the Exchange for the time being in force (unless such compliance is waived by the Exchange) and these Articles; and
- (3) (unless revoked or varied by the Company in General Meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).

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62. (1) *Except so far as otherwise provided by the conditions of issue or by these Articles, all new shares shall be subject to the provisions of the Act and of these Articles with reference to allotment, payment of calls, transfer, transmission, forfeiture, lien and otherwise.*

(2) *Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within ten Market Days of the closing date (or such other period as may be approved by any stock exchange upon which shares in the Company may be listed) of any such application. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register as the holder or (as the case may be) before that share is entered against the name of a Depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.*

63. *The Company may by Ordinary Resolution:-*

- (a) *consolidate and divide all or any of its shares;*
- (b) *subdivide its shares or any of them (subject, nevertheless to the provisions of the Act), and so that the resolution whereby any share is so subdivided may determine that, as between the holders of the shares resulting from such subdivision, one or more of such shares may, as compared with the others, may have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to new shares; and*
- (c) *subject to the provisions of the Act, convert any class of shares into any other class of shares.*

64. *The Company may reduce its share capital or any undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.*

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

152. (1) *Subject to the approval of the Company in General Meeting (whether such approval is pursuant to an Ordinary Resolution authorising the Directors to exercise the power of the Company to issue shares generally pursuant to Article 61 or otherwise), the Directors may:-*

- (a) *issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register or (as the case may be) in the Depository Register at the close of business on:-*
 - (i) *the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or*
 - (ii) *(in the case of an Ordinary Resolution passed pursuant to Article 61) such other date as may be determined by the Directors,**in proportion to their then holdings of shares; and/or*
- (b) *capitalise any sum for the time being standing to the credit of any of the Company's reserve funds (whether of a capital or income nature) or other undistributable reserve or the profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-*
 - (i) *the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or*
 - (ii) *(in the case of an Ordinary Resolution passed pursuant to Article 61) such other date as may be determined by the Directors,*

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in proportion to their then holdings of shares and applying such sum on their behalf in paying up any amounts for the time being unpaid on any shares held by them respectively or paying up in full new shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst them in the proportion aforesaid or partly in the one way and partly in the other.

(2) *The Directors may do all acts and things required to give effect to any such bonus issue and/or capitalisation under Article 152(1), with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may also authorise any person to enter on behalf of the Members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.*

(3) *In addition and without prejudice to the powers provided for by Article 151(1) and (2), the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting and on such terms as the Directors shall think fit.”*

(b) The rights of Shareholders in respect of dividends

“LIEN ON SHARES

23. *The Company shall have a first and paramount lien on every share (not being a fully-paid share) and all dividends or interests from time to time declared in respect thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company's lien shall be restricted to unpaid calls and instalments, costs, charges and expenses referred to in Article 29 and interest (if any) on the specific shares in respect of which such amounts are due and unpaid and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.*

24 *For the purpose of enforcing such lien the Directors may sell all or any of the shares subject thereto in such manner as they think fit, but no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof are presently payable, and until a notice in writing stating the amount due and demanding payment, and giving notice of intention to sell in default, shall have been served in such a manner as the Directors shall think fit on such Member or the person (if any) entitled by transmission to the shares, and default in payment shall have been made by him or them for seven days after such notice.*

25. *The net proceeds of any such sale shall be applied in or towards satisfaction of the amount due and the residue (if any) shall be paid to the Member or his executors, administrators or assignees or as such Member shall direct.*

26. *To give effect to any such sale the Directors may authorise some person to transfer or effect the transfer of the shares sold to the purchaser and the Directors may enter the purchaser's name in the Register as holder of the shares or (where the purchaser is a Depositor) may request the Depository to enter the purchaser's name in the Depository Register as the holder thereof, and the purchaser shall not be bound to see to the regularity or validity of, or be affected by any irregularity or invalidity in the proceedings or be bound to see to the application of the purchase money, and after his name has been entered in the Register or (as the case may be) the Depository Register the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only.*

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FORFEITURE OF SHARES

33. *If any Member fails to pay the whole or any part of any call or instalment or interest, costs, charges or expenses referred to in Article 29 on or before the day appointed for the payment of the same, the Directors may at any time thereafter during such time as the call or instalment or interest, costs, charges or expenses remain unpaid serve a notice on such Member requiring him to pay the same, together with any interest (including interest upon interest) and expenses that may have been incurred by the Company by reason of such non-payment.*

34. *The notice shall name a further day (not being less than fourteen days from the date of service of the notice) and a place on and at which such call or instalment or interest, costs, charges or expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable shall be liable to be forfeited.*

35. *If the Member shall fail to comply with the requirements of any notice as aforesaid, any share in respect of which the notice has been given, may at any time thereafter, before payment of all such calls or instalments or interest, costs, charges and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.*

36. *Any share so forfeited or surrendered shall be deemed to be the property of the Company, and the Directors may sell, re-allot, or otherwise dispose of the same either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as they think fit. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may authorise some person to transfer or effect a transfer of the share in favour of the person to whom the share is sold or disposed and his name shall thereupon be entered in the Register or the Depository Register, as may be appropriate, in respect of the share and he shall not be bound to see the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.*

37. *When any share shall have been so forfeited notice of the resolution shall be given to the Member in respect of such share prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the Register and (in the case of a Depositor) the Company shall request the Depository to make a corresponding entry in the Depository Register. The provisions of this Article are directory only and no forfeiture shall be in any manner invalidated by any omission to give such notice or to make such entry as aforesaid.*

38. *The Directors may at any time before any share so forfeited or surrendered shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender thereof upon such conditions as they think fit.*

39. *Any Member whose or in respect of whom shares shall have been forfeited or surrendered shall cease to be a Member in respect of the forfeited or surrendered shares but shall, notwithstanding, be liable to pay, and shall forthwith pay to the Company all calls or instalments or interest, costs, charges and expenses owing upon or in respect of such shares at the time of forfeiture, as if the shares had not been forfeited and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture or surrender without any deduction or allowance for the value of the shares at the time of forfeiture or surrender together with any interest thereon from the time of forfeiture or surrender until payment, at the rate of eight per cent per annum and the Directors may enforce the payment of such moneys or any part thereof if they think fit, but shall not be under any obligation to do so. Any residue after the satisfaction of the unpaid calls, accrued interest, costs, charges and expenses shall be paid to the Member, his executor, administrator or assignee or as he directs.*

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40. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that shares in the Company have been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSMISSION OF SHARES

51. (1) In the case of the death of a Member whose name is entered in the Register, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person(s) recognised by the Company as having any title to or interest in respect of his shares, but nothing herein contained shall release the estate of a deceased holder or Depositor from any liability in respect of any share in respect of which he was a Member solely or jointly.

(2) In the case of the death of a Member who is a Depositor, the survivors or survivor where the deceased is a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased Member, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.

(3) Nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

52. (1) Any person becoming entitled to the legal title, in a share in consequence of the death or bankruptcy of a person whose name is entered in the Register may (subject as hereinafter provided) upon producing to the Company such evidence as the Directors may reasonably require to show his legal title to the share, either be registered himself as the holder of the share upon giving to the Company notice in writing of such desire or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registrations of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the person whose name is entered in the Register had not occurred and the notice or transfer were a transfer executed by such person.

Provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with in accordance with these Articles within ninety days the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

(2) In the case of any person becoming entitled to the interest of a Depositor in respect of a share in consequence of the death of the Depositor, Section 130K(1) of the Act shall apply.

53. Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share pursuant to Article 51(1) or 51(2) or Article 52 (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to receive and give a discharge for any dividends or other moneys payable in respect of the share, but he shall have no right to receive notice of or to attend or vote at meetings of the Company, or (save as aforesaid) to any of the rights or privileges of a Member in respect of the share, unless and until he shall have been registered as a Member in the Register or his name shall have been entered in the Depository Register in respect thereof.

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54. *The Company shall be entitled to charge a fee not exceeding S\$10 or such other sum as the Directors may from time to time determine in respect of the registration of every probate, letter of administration, death or marriage certificate, power of attorney, stop notice or other instrument relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.*

DIVIDENDS

138. *Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Act:-*

- (a) *all dividends in respect of shares must be paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and*
- (b) *all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.*

For the purposes of this Article, an amount paid or credited as paid on a share in advance of a call is to be ignored.

139. *The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.*

140. *No dividend shall be payable except out of the profits of the Company available for distribution under the provisions of the Act. No dividend or other moneys payable on or in respect of a share shall carry interest as against the Company.*

141. (1) *Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.*

(2) *The declaration of the Directors as to the net profits of the Company shall be conclusive.*

142. *If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.*

143. *The Directors may retain any dividends or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities, or engagements in respect of which the lien exists.*

144. *A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer in the Register or the entry of the transfer in the Depository Register, as the case may be.*

145. *The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend wholly or in part by the distribution of specific assets, and in particular of wholly or partly paid-up shares, debentures, or debenture stock of the Company, or wholly or partly paid-up shares, debentures, or debentures stock of any other company, or in any one or more of such ways, and the*

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Directors shall give effect to such resolution; and where any difficulty arises in regard to the distribution, they may settle the same as they think expedient, and in particular may issue fractional certificates, and may fix the value for distribution of such specific assets, or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed, in order to adjust the rights of all parties, and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Directors.

145A. (1) *Whenever the Directors or the Company in general meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary shares of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:-*

- (a) the basis of any such allotment shall be determined by the Directors;*
- (b) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article 145A;*
- (c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of the election has been accorded provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and*
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "Elected Ordinary Shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the Elected Ordinary Shares on the basis of allotment determined as aforesaid and for such purpose (notwithstanding any provision of the Articles to the contrary), the Directors shall*
 - (i) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis, or*
 - (ii) apply the sum which would otherwise have been payable in cash to the holders of Elected Ordinary Shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis.*

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(2) (a) *The ordinary shares allotted pursuant to the provisions of paragraph (1) of this Article 145A shall rank pari passu in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.*

(b) *The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Article 145A, with full power to make such provisions as they think fit in the case of fractional entitlements to ordinary shares (including, notwithstanding any provision to the contrary in these Articles, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the Members).*

(3) *The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article 145A, determine that the rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or the Depository Register, as the case may be, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of this Article 145A shall be read and construed to such determination.*

(4) *The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article 145A, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to Members whose registered addresses entered in the Register of Members or the Depository Register, as the case may be, is outside Singapore or to such other Members or class of Members as the Directors may in their sole discretion decide and in such event the only entitlements of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.*

(5) *Notwithstanding the foregoing provisions of this Article 145A, if at any time after the Directors' resolution to apply the provisions of paragraph (1) of this Article 145A in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that, by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever, it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and as they deem fit in the interest of the Company, cancel the proposed application of paragraph (1) of this Article 145A.*

146. *The Company may retain the dividends payable upon shares or any part thereof in respect of which any person is, under the provisions of these Articles as to the transmission of shares, entitled to become entered in the Register or the Depository Register, as the case may be, as a Member, or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.*

147. *If two or more persons are registered in the Register or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of such persons may give effectual receipts for dividends or other moneys payable or property distributable on or in respect of such share.*

148. *Notice of declaration of any dividend, whether interim or otherwise, may be given by advertisement.*

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149. (1) *Unless otherwise directed, any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque, warrant or Post Office Order, sent through the post to the address as appearing in the Register or the Depository Register, as the case may be, of a Member or person entitled thereto (or, if two or more persons are registered in the Register or entered in the Depository Register, as the case may be, as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such Member or person or persons may by writing direct. Every such cheque, warrant or Post Office Order so sent shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque, warrant or Post Office Order shall be sent at the risk of the person entitled to the money represented thereby.*

(2) *Notwithstanding the provisions of Articles 141(1) and 149(1), the payment by the Company to the Depository of any dividend payable or distribution due to a Depositor shall, to the extent of the payment or distribution made to the Depository, discharge the Company from any liability in respect of that payment or distribution.*

150. *The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable, may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or any such moneys unclaimed after a period of six years from the date they are first payable may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the moneys so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six years has elapsed from the date such dividend or other moneys were first payable.*

151. *So long as shares in the capital of the Company are listed for quotation on the Exchange, the Directors shall have power generally to take such steps (not inconsistent with these Articles) as they may deem necessary, advisable or appropriate to achieve or facilitate the trading of the Company's shares, debentures or other securities through the Central Depository System established under the Act.*

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

152. (1) *Subject to the approval of the Company in General Meeting (whether such approval is pursuant to an Ordinary Resolution authorising the Directors to exercise the power of the Company to issue shares generally pursuant to Article 61 or otherwise), the Directors may:-*

- (a) *issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register or (as the case may be) in the Depository Register at the close of business on:-*
 - (i) *the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or*
 - (ii) *(in the case of an Ordinary Resolution passed pursuant to Article 61) such other date as may be determined by the Directors,*

in proportion to their then holdings of shares; and/or

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(b) *capitalise any sum for the time being standing to the credit of any of the Company's reserve funds (whether of a capital or income nature) or other undistributable reserve or the profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-*

(i) *the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or*

(ii) *(in the case of an Ordinary Resolution passed pursuant to Article 61) such other date as may be determined by the Directors,*

in proportion to their then holdings of shares and applying such sum on their behalf in paying up any amounts for the time being unpaid on any shares held by them respectively or paying up in full new shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst them in the proportion aforesaid or partly in the one way and partly in the other.

(2) *The Directors may do all acts and things required to give effect to any such bonus issue and/or capitalisation under Article 152(1), with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may also authorise any person to enter on behalf of the Members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.*

(3) *In addition and without prejudice to the powers provided for by Article 151(1) and (2), the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting and on such terms as the Directors shall think fit.*

RESERVE FUND

153. *The Directors may, before declaring any dividend or bonus in respect of any class of shares out of or in respect of the earnings or profits of the Company for any yearly or other period, cause to be reserved or retained and set aside out of such sum as they may determine to form a Reserve Fund to meet contingencies or depreciation in the value of the property of the Company, or for equalising dividends or for special dividends or for distribution of bonuses or for repairing, improving and maintaining any of the property of the Company, or for such other purposes as the Directors shall, in their absolute discretion, think conducive to the interests of the Company."*

(c) The rights of Shareholders in respect of voting

"GENERAL MEETINGS

69. *In addition to any other meetings, a General Meeting shall be held once at least in every calendar year, at such time and place as may be determined by the Directors, but so that no more than fifteen months shall be allowed to elapse between any two such General Meetings.*

70. *The abovementioned General Meetings shall be called Annual General Meetings. All other General Meetings shall be called Extraordinary General Meetings.*

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71. *The First Annual General Meeting of the Company shall be held at such time within a period of not more than eighteen months from the date of incorporation of the Company and at such time and place as the Directors may determine.*

72. *The Directors may call an Extraordinary General Meeting of the Company whenever they think fit.*

73. *The Directors shall, on the requisition of the Members holding no less than one-tenth of the issued shares in the capital of the Company (excluding treasury shares) upon which all calls or other sums then due have been paid, proceed with proper expedition to convene an Extraordinary General Meeting of the Company, and in the case of such requisition the following provisions shall have effect:-*

- (a) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Office, and may consist of several documents in like form each signed by one or more requisitionists.*
- (b) If the Directors of the Company do not proceed to cause a meeting to be held within twenty-one days from the date of the requisition being so deposited, the requisitionists or any of them representing more than one-half of the voting rights of all of them may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit.*
- (c) In the case of a meeting at which a resolution is to be proposed as a Special Resolution the meeting shall be deemed not to be duly convened by the Directors if they do not give such notice as is required by the provisions of the Act.*
- (d) Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by Directors.*

74. *Subject to the provisions of the Act relating to the convening of meetings to pass Special Resolutions and agreements for shorter notice, fourteen clear days' notice at the least specifying the place, day, and hour of the meeting, and in case of special business, the general nature of such business, shall be given to all Members other than such as are not under the provisions of these Articles and the Act entitled to receive such notices from the Company, and (so long as shares in the Company are listed on a stock exchange) each stock exchange (other than the Exchange) upon which the Company is listed. In the case of the Exchange, any notice convening a meeting (other than for the purpose of passing a Special Resolution) shall be provided to the Exchange at least ten Market Days before such meeting is held (or such other period as may be approved by the Exchange) and a notice convening a meeting to pass a Special Resolution shall be provided to the Exchange at least fifteen Market Days before such meeting is held (or such other period as may be approved by the Exchange). Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolutions in respect of such special businesses. Such a notice or a summary thereof shall be published in at least one English Language daily newspaper circulating in Singapore at least fourteen days before such meeting, unless the Directors determine that such publication is impracticable or impossible.*

75. *Any Member entitled to be present and vote at a meeting or his proxy may submit any resolution to any General Meeting Provided That at least for the prescribed time before the day appointed for the meeting he shall have served upon the Company a notice in writing by him containing the proposed resolution, and stating his intention to submit the same. The prescribed time abovementioned shall be such that, between the date that the notice is served and the day appointed for the meeting, there shall be not less than seven nor more than fourteen intervening days.*

76. *Upon receipt of such notice as in the last preceding Article mentioned, the Secretary shall include in the notice of the meeting in any case where the notice of intention is received before the notice of the meeting is issued, and shall in any other case issue as quickly as possible to the Members notice that such resolution will be proposed.*

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77. *The omission to give any notice to or non-receipt of any such notice by any Member shall not invalidate the meeting or any resolution passed or proceedings at any such meeting.*

PROCEEDINGS AT GENERAL MEETINGS

78. *All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all business that is transacted at an Annual General Meeting with the exception of the consideration of the accounts, balance sheets and reports (if any) of the Directors and Auditors, the fixing of the fees of Directors, the election of Directors in the place of those retiring, the declaration of dividends and the appointment of and the fixing of the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed.*

79. *Except at any time when a corporation is the sole Member, two Members present in person or by proxy shall be a quorum for a General Meeting and no business other than the appointment of a Chairman shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the business. For the purposes of this Article "Member" includes a person attending as a proxy. Provided that (i) a proxy representing more than one Member shall only count as one Member for the purpose of determining the quorum; and (ii) where a Member is represented by more than one proxy such proxies shall count as only one Member for the purpose of determining the quorum. A corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of Article 94.*

80. *If within half an hour from the time appointed for the meeting (or such longer interval as the Chairman of the Meeting may think fit to allow) a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day is a public holiday, then to the next business day following that public holiday), at the same time and place, or to such other day and at such other time and place as the Directors may by not less than ten days' notice appoint and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Members present in person or by proxy shall be a quorum.*

81. *The Chairman of the Board of Directors or, in his absence, the Deputy Chairman (if any) shall preside as Chairman at every General Meeting, but if there is no such Chairman or Deputy Chairman, or if at any meeting neither shall be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, the Directors present shall choose one of their number, (or, if no Director be present, or if all the Directors present decline to take the chair, the Members present shall choose one of themselves) to be Chairman of the meeting.*

82. *The Chairman of any General Meeting at which a quorum is present may, with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. Whenever any meeting is adjourned for fourteen days or more or sine die, at least seven days' notice of the place and hour of such adjourned meeting shall be given as in the case of the original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.*

83. *At every General Meeting a resolution put to the vote of the meeting shall be decided by poll.*

84. *A poll shall be taken in such a manner (including the use of ballot or voting papers or electronic means) as the Chairman directs, and the results of the poll shall be deemed to be the resolution of the meeting. A poll may be taken by electronic means or any other manner as the Chairman may direct*

85. *In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.*

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86. No poll shall be demanded on the election of a Chairman of a meeting or on a question of adjournment. A poll shall be taken immediately or at such time (not being more than thirty days from the date of the meeting) and place as the Chairman of the meeting directs. No notice need be given of a poll not taken immediately.

87. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, or at any adjournment thereof, and unless in the opinion of the Chairman at the meeting or at any adjournment thereof as the case may be, it shall be of sufficient importance to vitiate the result of the voting.

88. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

VOTES OF MEMBERS

89. Subject to any rights or restrictions for the time being attached to any class or classes of shares and to these Articles, at a meeting of Members or classes of Members, each Member entitled to be present and to vote may vote in person or by proxy. On a poll, every Member who is present in person or by proxy shall have one vote for each share he holds or represents and upon which all calls or other sums due thereon to the Company have been paid Provided Always That:-

for the purpose of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares appearing against his name in the Depository Register as at forty-eight hours prior to the commencement of the relevant General Meeting as certified by the Depository to the Company.

90. In the case of joint holders of a share, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register or the Depository Register, as the case may be.

91. Save as herein expressly provided, no person other than a Member who is duly registered in the Register or (being a Depositor) is certified by the Depository as named in the Depository Register forty-eight hours before the General Meeting and who shall have paid everything for the time being due from him and payable to the Company in respect of his shares, shall be entitled to be present or to vote on any question either personally or by proxy at any General Meeting.

92. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, on a poll by the committee, curator bonis, or other person in the nature of a committee or curator bonis appointed by that Court, and any such committee, curator bonis, or other person may, on a poll, vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting.

93. Votes on a poll may be given either personally or by proxy, attorney or in the case of a corporation by its representative and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

94. Any corporation which is a Member may, by resolution of its directors or other governing body, authorise any person to act as its representative at any meetings of the Company; and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual Member of the Company and such corporation shall for the purposes of these Articles (but subject to the Act) be deemed to be present in person at any such meeting if a person so authorised is present thereat.

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95. (1) *The instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve, and:-*

(a) *in the case of an individual, shall be:*

- (i) *executed under the hand of the appointor or his attorney if the instrument is delivered personally or sent by post; or*
- (ii) *authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and*

(b) *in the case of a corporation, shall be:*

- (i) *executed under seal or signed on its behalf by an attorney or a duly authorised officer of the corporation or, in the case of the Depository or its nominee, signed by its duly authorised officer by some method or system of mechanical signature as the Depository or its nominee may deem appropriate, if the instrument is delivered personally or sent by post; or*
- (ii) *authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication. The Directors may designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.*

(2) *The signature on, or authorization of an instrument of proxy shall not, unless the Directors in their absolute discretion determine otherwise, be required to be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the next following Article, failing which the instrument may be treated as invalid.*

96. *The instrument appointing a proxy must be deposited at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, sent personally or by post at the Office), or if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the General Meeting, and in either case, not less than forty-eight hours before the time for holding the meeting, or adjourned meeting, and in default the instrument of proxy shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered in accordance with this Article 96 for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.*

97. (1) *A Member may appoint not more than two proxies to attend and vote at the same General Meeting, Provided that if the Member is a Depositor, the Company shall be entitled and bound:-*

- (a) *to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Depository Register as at forty-eight hours before the time of the relevant General Meeting as certified by the Depository to the Company; and*

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(b) *to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at forty-eight hours before the time of the relevant General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.*

(2) *The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.*

(3) *In any case where an instrument of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument of proxy.*

(4) *A proxy need not be a Member of the Company.*

98. *A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid notwithstanding the previous death of the principal or revocation of the proxy or transfer of the share in respect of which the vote is given Provided That no notice in writing of the death or revocation or transfer shall have been received at the Office at least forty-eight hours before the time fixed for holding the meeting or adjourned meeting at which the vote is cast.*

99. *The instrument appointing a proxy shall be deemed to move any resolution or amendment thereto and to speak at the meeting.*

100. *No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the Chairman of the meeting whose decision shall be final and conclusive."*