

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FULL YEARLY RESULTS

Issuer & Securities

Issuer/ Manager

BOARDROOM LIMITED

Securities

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Please refer to the attached announcement.

Additional Details

For Financial Period Ended

31/12/2018

Attachments

[Boardroom-Q4%20FY18_25Feb2019.pdf](#)

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BOARDROOM LIMITED

(Registration No. 200003902Z)

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

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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

NM : Not Meaningful

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

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

STATEMENT OF FINANCIAL POSITION

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

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

Notes:

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

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

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

Amount repayable after one year

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

Details of any collateral

NIL

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP			
	S\$'000			
	4th Qtr 1 Oct 2018 to 31 Dec 2018	4th Qtr 1 Oct 2017 to 31 Dec 2017	12M18 1 Jan 2018 to 31 Dec 2018	12M17 1 Jan 2017 to 31 Dec 2017
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax	447	5,165	9,256	12,305
Adjustments for:				
Depreciation & amortisation	1,434	769	3,843	2,831
Loss from disposal of property, plant and equipment	28	2	28	2
Allowance for impairment of trade receivables	396	210	475	637
Impairment of Goodwill	-	61	-	61
Exchange differences	1,587	(8)	2,413	16
Interest income	(224)	(69)	(798)	(246)
Interest expense	649	62	1051	245
Share of associates' loss/(profits)	12	-	(5)	-
Operating profit before working capital changes	4,329	6,192	16,263	15,851
Increase in operating receivables and prepayments	(623)	(2,440)	(806)	(4,287)
Increase in operating payable	2,778	1,597	1,689	1,829
Increase in contract liabilities	520	772	337	198
Cash generated from operations	7,004	6,121	17,483	13,591
Interest expense paid	(414)	(44)	(817)	(227)
Income tax paid	(960)	(724)	(2,032)	(1,924)
Net cash generated from operating activities	5,630	5,353	14,634	11,440
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of property, plant and equipment	(916)	(1,039)	(1,320)	(1,729)
Acquisition of computer software	(413)	(612)	(1,812)	(1,745)
Acquisition of an associate	(49)	-	(3,283)	-
Acquisition of subsidiaries (note A)	-	-	(39,920)	(1,921)
Proceeds from sale of property, plant and equipment	2	-	2	-
Interest received	224	69	798	246
Net cash used in investing activities	(1,152)	(1,582)	(45,535)	(5,149)
CASH FLOW FROM FINANCING ACTIVITIES				
Dividends paid	-	-	(4,842)	(3,873)
Repayment of bank borrowings	(1,337)	(750)	(2,701)	(1,500)
Proceeds from bank borrowings (note B)	-	-	42,451	-
Net cash (used in) / generated from financing activities	(1,337)	(750)	34,908	(5,373)
Net increase in cash and cash equivalents	3,141	3,021	4,007	918
Cash and cash equivalents at beginning of the period	21,598	17,947	20,899	20,185
Exchange loss arising from translation of foreign currencies cash and cash equivalents	(117)	(69)	(284)	(204)
CASH AND CASH EQUIVALENTS AT PERIOD END	24,622	20,899	24,622	20,899

Note A:**Acquisition of Subsidiaries**

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

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

Note B:**Proceeds from bank borrowings**

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

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

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

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

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

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

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

During the financial year, 16,000,000 new ordinary shares were issued as part of the purchase consideration for the acquisition of Malaysian Issuing House Sdn Bhd, Symphony Share Registrars Sdn Bhd, Symphony Corporatehouse Sdn Bhd and Sky Corporate Services Sdn Bhd ("the Symphony companies"). In accordance to SFRS(I) 3 Business Combinations, these shares were fair valued at \$0.78 per share based on the last traded share price as at 28 August 2018 which was the completion date of the acquisition. Accordingly, the Company's share capital increased from \$37,553,746 as at 30 June 2018 to \$50,033,746 as at 30 September 2018. The Company's share capital remains unchanged at \$50,033,746 as at 31 December 2018.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

c) Adoption of SFRS(I) 9 Financial Instruments

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

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

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

	GROUP	
	31 Dec 2018	31 Dec 2017
Earnings per ordinary share for the period attributable to owners of the parent after deducting any provision for preference dividends :-		
(a) Based on weighted average number of ordinary shares on issue; and	3.49 cents	5.46 cents
(b) On a fully diluted basis	3.49 cents	5.46 cents

Notes:

- The earnings per share is calculated on the profit after tax attributable to owners of the parent on the weighted average number of shares in issue of 198,993,517 (31 December 2017 – 193,660,184).
- The diluted earnings per share is calculated on the profit after tax attributable to owners of the parent on the number of shares in issue adjusted for the effect of dilutive potential ordinary shares. The total weighted average number of shares amounted to 198,993,517 (31 December 2017 – 193,660,184).

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

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

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

REVIEW OF PERFORMANCE OF THE GROUP

3 months to 31 December 2018

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

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

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

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

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

12 months to 31 December 2018

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

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

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

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

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

Statement of Financial Position

Non-current assets

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

Net Current Assets Position of the Group

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

Term loan

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

Dividend

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

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

None.

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

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

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

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

11. Dividend

(a) Current Financial Period Reported On

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

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

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

(c) Date payable

To be fixed later.

(d) Books closure date

Not applicable.

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

Not applicable.

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

The Group does not have an interested person transaction mandate.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENTS

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

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

SEGMENTED REVENUE AND RESULTS

BY GEOGRAPHICAL SEGMENTS	Singapore S\$'000	Australia S\$'000	Hong Kong S\$'000	Malaysia S\$'000	China S\$'000	TOTAL GROUP S\$'000
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2018 REVENUE						
External Sales	31,025	35,194	11,307	12,463	1,602	91,591
2018 RESULTS						
Profit before taxation	774	4,654	2,353	1,554	(79)	9,256
Income taxes	(371)	(1,219)	(213)	(503)	-	(2,306)
Profit After Taxation	403	3,435	2,140	1,051	(79)	6,950

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

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

Not applicable

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

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

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

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

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

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

On behalf of the Board of Directors

Goh Geok Khim
Chairman

Kim Teo Poh Jin
Chief Executive Officer

BY ORDER OF THE BOARD

Kim Teo Poh Jin
Chief Executive Officer
25th February 2019