



BUND CENTER INVESTMENT LTD

Full Year Financial Statement And Dividend Announcement

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

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

**UNAUDITED CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Full Year 2017 S\$'000	Full Year 2016 S\$'000	Change %	4th Qtr 2017 S\$'000	4th Qtr 2016 S\$'000	Change %
Revenue	123,006	129,282	(4.9)	31,389	32,120	(2.3)
Cost of sales	<u>(57,840)</u>	<u>(60,416)</u>	(4.3)	<u>(14,637)</u>	<u>(15,112)</u>	(3.1)
Gross profit	<u>65,166</u>	<u>68,866</u>	(5.4)	<u>16,752</u>	<u>17,008</u>	(1.5)
Operating expenses						
Selling expenses	(6,557)	(6,870)	(4.6)	(1,732)	(2,007)	(13.7)
General and administrative expenses	<u>(20,534)</u>	<u>(21,973)</u>	(6.5)	<u>(5,022)</u>	<u>(5,933)</u>	(15.4)
Total operating expenses	<u>(27,091)</u>	<u>(28,843)</u>	(6.1)	<u>(6,754)</u>	<u>(7,940)</u>	(14.9)
Operating profit	38,075	40,023	(4.9)	9,998	9,068	10.3
Financial income	2,609	2,023	29.0	1,101	343	221.0
Financial expenses	(8)	(279)	(97.1)	(2)	(2)	-
Other operating income/(expenses), net	<u>5,408</u>	<u>3,968</u>	36.3	<u>1,835</u>	<u>(50)</u>	n.m.
Profit before income tax	46,084	45,735	0.8	12,932	9,359	38.2
Income tax	<u>(16,005)</u>	<u>(17,328)</u>	(7.6)	<u>(4,739)</u>	<u>(4,999)</u>	(5.2)
Total profit for the year/period	<u>30,079</u>	<u>28,407</u>	5.9	<u>8,193</u>	<u>4,360</u>	87.9
Attributable to:						
Owners of the Company	28,954	27,311	6.0	7,908	4,174	89.5
Non-controlling interests	<u>1,125</u>	<u>1,096</u>	2.6	<u>285</u>	<u>186</u>	53.2
	<u>30,079</u>	<u>28,407</u>	5.9	<u>8,193</u>	<u>4,360</u>	87.9

Note: n.m. - not meaningful

1(a) A statement of total comprehensive income together with a comparative statement for the corresponding period of the immediately preceding financial year

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Full Year 2017 S\$'000	Full Year 2016 S\$'000	4th Qtr 2017 S\$'000	4th Qtr 2016 S\$'000
Total profit for the year/period	30,079	28,407	8,193	4,360
Other comprehensive (loss)/income:				
<u>Items that may be reclassified subsequently to the profit or loss:</u>				
Foreign currency translation differences on consolidation, net of tax	(6,425)	(20,079)	1,535	7,177
Total comprehensive income for the year/period	23,654	8,328	9,728	11,537
Total comprehensive income attributable to:				
Owners of the Company	22,762	8,027	9,366	11,119
Non-controlling interests	892	301	362	418
	23,654	8,328	9,728	11,537

ADDITIONAL INFORMATION

	Full Year 2017 S\$'000	Full Year 2016 S\$'000	Change %	4th Qtr 2017 S\$'000	4th Qtr 2016 S\$'000	Change %
Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange (loss)/gain and exceptional items ("EBITDA")	69,483	70,350	(1.2)	17,494	15,360	13.9
Interest on borrowings	(8)	(279)	(97.1)	(2)	(2)	-
Depreciation and amortisation	(21,672)	(22,034)	(1.6)	(4,965)	(5,519)	(10.0)
Foreign exchange (loss)/gain, net	(1,719)	(2,302)	(25.3)	405	(480)	n.m.
Profit before income tax	46,084	45,735	0.8	12,932	9,359	38.2

Note: n.m. - not meaningful

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

UNAUDITED STATEMENTS OF FINANCIAL POSITION

	<u>Group</u>		<u>Company</u>	
	As at		As at	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Assets</u>				
Current Assets				
Cash and cash equivalents	93,904	60,553	89	544
Short-term investments	1,369	1,132	-	-
Trade receivables and other current assets	4,340	4,269	13,513	14,251
Inventories, at cost	433	488	-	-
	<u>100,046</u>	<u>66,442</u>	<u>13,602</u>	<u>14,795</u>
Non-Current Assets				
Interest in subsidiaries	-	-	410,659	410,659
Investment properties	212,454	227,942	-	-
Property, plant and equipment	168,042	179,712	-	-
Deferred tax assets	4,527	4,880	-	-
Deferred charges	610	639	-	-
	<u>385,633</u>	<u>413,173</u>	<u>410,659</u>	<u>410,659</u>
Total Assets	<u>485,679</u>	<u>479,615</u>	<u>424,261</u>	<u>425,454</u>
<u>Liabilities and Equity</u>				
Current Liabilities				
Trade and other payables	28,672	29,607	321	299
Income tax payable	6,836	7,608	-	-
Obligations under finance lease	70	70	-	-
	<u>35,578</u>	<u>37,285</u>	<u>321</u>	<u>299</u>
Non-Current Liabilities				
Long-term liabilities	10,418	10,080	-	-
Obligations under finance lease	163	233	-	-
Deferred tax liabilities	2,236	2,116	-	-
	<u>12,817</u>	<u>12,429</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>48,395</u>	<u>49,714</u>	<u>321</u>	<u>299</u>
Equity Attributable to Owners of the Company				
Share capital	105,784	105,784	105,784	105,784
Share premium	304,881	304,881	304,881	304,881
Treasury shares	(1,498)	(1,498)	(1,498)	(1,498)
Asset revaluation reserve	65,175	65,175	-	-
Merger reserve	(133,639)	(133,639)	-	-
Foreign currency translation reserve	43,998	50,190	-	-
Retained earnings	36,549	22,770	14,773	15,988
	<u>421,250</u>	<u>413,663</u>	<u>423,940</u>	<u>425,155</u>
Non-Controlling Interests	16,034	16,238	-	-
Total Equity	<u>437,284</u>	<u>429,901</u>	<u>423,940</u>	<u>425,155</u>
Total Liabilities and Equity	<u>485,679</u>	<u>479,615</u>	<u>424,261</u>	<u>425,454</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	As at 31/12/2017			As at 31/12/2016		
	Secured S\$'000	Unsecured S\$'000	Total S\$'000	Secured S\$'000	Unsecured S\$'000	Total S\$'000
Amount repayable in one year or less, or on demand	70	-	70	70	-	70
Amount repayable after one year	163	-	163	233	-	233
Total	233	-	233	303	-	303

Details of any collateral

The secured borrowings are collateralised by certain property, plant and equipment.

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

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	Full Year 2017 S\$'000	Full Year 2016 S\$'000
Cash flows from operating activities		
Profit before income tax	46,084	45,735
Adjustments for:		
Depreciation of property, plant and equipment	9,514	9,589
Depreciation of investment properties	12,135	12,417
Amortisation of deferred charges	23	28
Property, plant and equipment written off	2	24
Allowances for impairment loss on trade receivables	18	-
Trade receivables written off	51	590
Gain on disposal of property, plant and equipment	-	(97)
Changes in fair value of financial assets at fair value through profit or loss	(251)	173
Interest income	(2,609)	(2,023)
Interest expense	8	279
Unrealised foreign exchange loss, net	510	3,180
Operating cash flow before working capital changes	65,485	69,895
Changes in working capital:		
Trade receivables and other current assets	(141)	(165)
Inventories	55	(43)
Trade and other payables	(1,693)	1,322
Cash generated from operations	63,706	71,009
Income tax paid	(16,337)	(14,719)
Interest received	2,610	2,022
Interest paid	(8)	(279)
Net cash from operating activities	49,971	58,033

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017 (cont'd)**

	Full Year 2017 S\$'000	Full Year 2016 S\$'000
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	-	100
Capital expenditure on property, plant and equipment	(477)	(1,540)
Payments for deferred expenditure	(4)	-
Net cash used in investing activities	(481)	(1,440)
Cash flows from financing activities		
Repayments of obligations under finance lease	(70)	(88)
Repayments of borrowings	-	(53,960)
Payments of dividends to owners of the Company	(15,175)	(56,149)
Payments of dividends to non-controlling shareholders	-	(1,060)
Net cash used in financing activities	(15,245)	(111,257)
Net increase/(decrease) in cash and cash equivalents	34,245	(54,664)
Cash and cash equivalents at beginning of the year	60,553	120,516
Effect of exchange rate changes on balances of cash held in foreign currencies	(894)	(5,299)
Cash and cash equivalents at end of the year	93,904	60,553

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

<u>The Company</u>	<u>Share Capital S\$'000</u>	<u>Share Premium S\$'000</u>	<u>Treasury Shares S\$'000</u>	<u>Retained Earnings S\$'000</u>	<u>Total S\$'000</u>
Balance as at 1 Jan 2017	105,784	304,881	(1,498)	15,988	425,155
Total comprehensive income for the year	-	-	-	13,960	13,960
Dividends paid for 2017	-	-	-	(15,175)	(15,175)
Balance as at 31 Dec 2017	<u>105,784</u>	<u>304,881</u>	<u>(1,498)</u>	<u>14,773</u>	<u>423,940</u>
Balance as at 1 Jan 2016	105,784	304,881	(1,498)	42,212	451,379
Total comprehensive income for the year	-	-	-	29,925	29,925
Dividends paid for 2015 and 2016	-	-	-	(56,149)	(56,149)
Balance as at 31 Dec 2016	<u>105,784</u>	<u>304,881</u>	<u>(1,498)</u>	<u>15,988</u>	<u>425,155</u>

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

The Group	← Attributable to Owners of the Company →							Total	Non-Controlling Interests	Total Equity
	Share Capital	Share Premium	Treasury Shares	Asset Revaluation Reserve	Merger Reserve	Foreign Currency Translation Reserve	Retained Earnings			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jan 2017	105,784	304,881	(1,498)	65,175	(133,639)	50,190	22,770	413,663	16,238	429,901
Profit for the year	-	-	-	-	-	-	28,954	28,954	1,125	30,079
Other comprehensive loss for the year – Foreign currency translation differences on consolidation	-	-	-	-	-	(6,192)	-	(6,192)	(233)	(6,425)
Total comprehensive (loss)/income for the year	-	-	-	-	-	(6,192)	28,954	22,762	892	23,654
Dividends paid for 2017	-	-	-	-	-	-	(15,175)	(15,175)	-	(15,175)
Dividends payable to non-controlling shareholders	-	-	-	-	-	-	-	-	(1,096)	(1,096)
Balance as at 31 Dec 2017	105,784	304,881	(1,498)	65,175	(133,639)	43,998	36,549	421,250	16,034	437,284
Balance as at 1 Jan 2016	105,784	304,881	(1,498)	65,175	(133,639)	69,474	51,608	461,785	16,997	478,782
Profit for the year	-	-	-	-	-	-	27,311	27,311	1,096	28,407
Other comprehensive loss for the year – Foreign currency translation differences on consolidation	-	-	-	-	-	(19,284)	-	(19,284)	(795)	(20,079)
Total comprehensive (loss)/income for the year	-	-	-	-	-	(19,284)	27,311	8,027	301	8,328
Dividends paid for 2015 and 2016	-	-	-	-	-	-	(56,149)	(56,149)	-	(56,149)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	(1,060)	(1,060)
Balance as at 31 Dec 2016	105,784	304,881	(1,498)	65,175	(133,639)	50,190	22,770	413,663	16,238	429,901

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

There were no movements in the Company's issued capital since 30 September 2017. The details of the Company's issued and paid-up share capital are as follows:

	As at 31 Dec 2017	As at 31 Dec 2016
Number of issued and paid-up share capital (excluding treasury shares)	758,768,832	758,768,832
Number/Percentage of treasury shares	1,721,027 / 0.23%	1,721,027 / 0.23%

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

The total number of issued shares excluding treasury shares as at 31 December 2017 and 2016 are 758,768,832 ordinary shares of US\$0.10 each.

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

There are no changes in the number of ordinary shares held as treasury shares by the Company since 31 December 2017.

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

These figures have not been audited, or reviewed by the auditors.

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

Not applicable.

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

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation consistent with those used in the audited consolidated financial statements for the year ended 31 December 2016.

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

The Group has adopted various new and amendments to the International Financial Reporting Standards (“IFRSs”) that are relevant to its operations and effective for the period beginning 1 January 2017. The adoption of these new and amendments to the IFRSs has had no material impact on the true and fair presentation of the Group’s financial statements.

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

	The Group			
	Full Year 2017	Full Year 2016	4th Qtr 2017	4th Qtr 2016
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares	SGD3.82cents	SGD3.60cents	SGD1.04 cents	SGD0.55cents
- Weighted average numbers of shares	758,768,832	758,768,832	758,768,832	758,768,832
(ii) On a fully diluted basis	Not applicable	Not applicable	Not applicable	Not applicable

7. Net asset value (for the issuer and group) per ordinary share based on 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

	The Group		The Company	
	As at 31 Dec 2017	As at 31 Dec 2016	As at 31 Dec 2017	As at 31 Dec 2016
Net asset value per ordinary share based on existing issued share capital of 758,768,832	S\$0.56	S\$0.55	S\$0.56	S\$0.56

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Revenue and gross profit breakdown by segment:

	Full Year 2017 S\$'000	Full Year 2016 S\$'000	Change %
Revenue from:			
Hotel	66,170	66,083	0.1
Property leasing	56,836	63,199	(10.1)
Total revenue	<u>123,006</u>	<u>129,282</u>	(4.9)
Gross Profit from:			
Hotel	31,837	31,038	2.6
Property leasing	33,329	37,828	(11.9)
Total gross profit	<u>65,166</u>	<u>68,866</u>	(5.4)
Gross Profit Margin			
Hotel	48.1%	47.0%	1.1
Property leasing	58.6%	59.9%	(1.3)
Overall	<u>53.0%</u>	<u>53.3%</u>	(0.3)

REVIEW OF PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2017

The Group's revenue was S\$123.0 million for the year ended 31 December 2017 ("FY2017") as compared to S\$129.3 million in the previous year ("FY2016"). Despite the lower revenue, net profit attributable to owners of the Company for the current year was higher at S\$29.0 million.

REVENUE

The Group's revenue decreased by 4.9% to S\$123.0 million in the current year primarily attributable to lower leasing income from our investment properties. Leasing income decreased by 10.1% to S\$56.8 million in the current year mainly due to lower average leasing occupancy rate for both retail complex and office tower. The operating environment for leasing segment in Shanghai remains competitive in view of the increased supply of office spaces. Leasing income from our retail complex lowered by S\$2.5 million in FY2017 following the moving out of New World Departmental Store from our retail complex.

Hotel revenue remained at S\$66.2 million in the current year despite the weakening RMB. Comparing in RMB terms, hotel revenue was higher mainly due to higher average occupancy rate supported by higher demand from increased tourist arrivals and conventions and exhibitions activities in Shanghai. Average occupancy rate and average room rate remained high at 85.5% and RMB1,213 respectively in the current year.

GROSS PROFIT

The Group's gross profit for FY2017 decreased by 5.4% to S\$65.2 million in line with the lower revenue recorded. Consequently, the Group's gross profit margin decreased marginally from 53.3% in the previous year to 53.0% in the current year.

OPERATING EXPENSES

Selling expenses of S\$6.6 million mainly comprised advertising and promotion expenses, salaries and related expenses, agent commissions and marketing expenses. General and administrative expenses of S\$20.5 million mainly comprised salaries and related expenses, office and hotel supplies, repair and maintenance, professional fees and management fee payable to the hotel operator. Total operating expenses decreased from S\$28.8 million in FY2016 to S\$27.1 million mainly due to decreases in repair and maintenance, as well as professional fees.

FINANCIAL INCOME, NET

Financial income (net of financial expenses) increased from S\$1.7 million in FY2016 to S\$2.6 million in FY2017 in line with higher average time deposits during the current year.

OTHER OPERATING INCOME, NET

Net other operating income mainly comprised business assistance grants, advertising income and other miscellaneous income, after deducting the net foreign exchange loss. Net operating income was higher at S\$5.4 million mainly due to lower net foreign exchange loss and lower allowances for doubtful debts in the current year.

INCOME TAX

Income tax comprised withholding tax and corporate income tax derived by applying the varying statutory tax rates of the different countries in which the Group operates on its taxable profit and taxable temporary difference. No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

Income tax expense was lower at S\$16.0 million in FY2017 mainly due to absence of under-provision of tax expenses for prior years.

REVIEW OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

ASSETS

The Group's total assets of S\$485.7 million mainly consist of investment properties of S\$212.5 million; property, plant and equipment of S\$168.0 million and cash and cash equivalents of S\$93.9 million. Total assets increased by S\$6.1 million from S\$479.6 million as at 31 December 2016 mainly attributable to higher cash and cash equivalents, partially offset by lower book value of investment properties and property, plant and equipment due to depreciation expenses recorded for the current year.

LIABILITIES

The Group's total liabilities decreased by S\$1.3 million to S\$48.4 million as at 31 December 2017 mainly due to lower tax payable as at the end of the year.

REVIEW OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

Cash and cash equivalents were higher at S\$93.9 million as at 31 December 2017 mainly due to cash generated from operating activities of S\$50.0 million, net of cash used for capital expenditure of S\$0.5 million and dividend payment of S\$15.2 million during the current year.

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

Not applicable.

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

The outlook for our hotel operations remains stable supported by increased visitor arrivals in Shanghai and increased meetings, incentive, conventions and exhibitions (MICE) activities. The operating environment for our leasing operations remains challenging in view of the increase in supply of new office in Shanghai and the moving out of New World Departmental Store from our retail complex. The Group will continue to adopt flexible marketing strategies to improve rental yield and cost efficiency to enhance its operating performance.

11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividend:	Interim dividend
Dividend Type:	Cash
Dividend Amount per share:	S\$0.02 per ordinary share
Number of shares:	758,768,832
Date of payment:	4 December 2017
Tax Rate:	Tax not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend:	Interim dividend
Dividend Type:	Cash
Dividend Amount per share:	S\$0.031 per consolidated ordinary share
Number of shares:	758,768,832
Date of payment:	12 December 2016
Tax Rate:	Tax not applicable

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

13. Interested persons transactions disclosure

There is no relevant interested persons transaction entered into during the year ended 31 December 2017.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 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

The Group's reportable segments are strategic business units that offer different services and are managed separately because each business unit requires different marketing strategies. Set out below are the Group's reportable segments:

Hotel – ownership of hotel, which is under the management of Westin Hotel Management, L.P.; and
Property leasing – ownership and leasing of investment properties.

	Hotel S\$'000	Property Leasing S\$'000	Others S\$'000	Total S\$'000
Full Year 2017				
Revenue from external customers	66,170	56,836	-	123,006
Adjusted EBITDA*	23,619	47,281	(4,026)	66,874
Other Information				
Capital expenditure	284	36	157	477
Depreciation and amortisation	9,438	12,019	215	21,672
Interest income	-	2,572	37	2,609
Interest expenses	-	-	8	8
Full Year 2016				
Revenue from external customers	66,083	63,199	-	129,282
Adjusted EBITDA*	21,962	50,328	(3,963)	68,327
Other Information				
Capital expenditure	699	281	560	1,540
Depreciation and amortisation	9,607	12,283	144	22,034
Interest income	3	1,929	91	2,023
Interest expenses	-	269	10	279

* Adjusted EBITDA is defined as earnings before interest expenses, interest income, income tax, foreign exchange loss, and depreciation and amortisation.

No segment information by geographical location has been presented as the Group's activities are primarily carried out in the People's Republic of China.

15. A breakdown of sales

	The Group		
	S\$'000		%
	2017	2016	Increase/ (Decrease)
(a) Sales reported for first half year	61,977	66,336	(6.6)
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	14,925	17,470	(14.6)
(c) Sales reported for second half year	61,029	62,946	(3.0)
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	15,154	10,937	38.6

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

	<u>2017</u> <u>S\$'000</u>	<u>2016</u> <u>S\$'000</u>
Ordinary – interim dividend	<u>15,175</u>	<u>23,522</u>

17. Confirmation pursuant to the rule 720(1) of the listing manual

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

18. Disclosure of person occupying a managerial position in Bund Center Investment Ltd ("BCI") or any of its principal subsidiaries who is a relative of a Director or Chief Executive Officer or Substantial Shareholder of BCI pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited)

Name	Age	Family relationship with any Director, Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Frankle (Djafar) Widjaja	61	Brother of Franky Oesman Widjaja, father of Deborah Widjaja, Directors of BCI	<u>BCI:</u> Executive Chairman and Chief Executive Officer since 2009 Oversees our group's PRC Property Business, sets our strategies and leads the overall management. He is also primarily responsible for all aspects of our Hotel, Office Tower and Golden Center, including the ongoing evaluation, investment and improvement of the aforesaid properties.	No changes
			<i>Principal Subsidiary(ies):</i> <u>Shanghai Golden Bund Real Estate Co., Ltd:</u> Chairman since 2001	No changes

Name	Age	Family relationship with any Director, Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Franky Oesman Widjaja	60	Brother of Frankle (Djafar) Widjaja, uncle of Deborah Widjaja, Directors of BCI	<u>BCI:</u> Director since 2009 Member of the Nominating Committee and Remuneration Committee since 2012 <i>Principal Subsidiary(ies):</i> <u>Shanghai Golden Bund Real Estate Co., Ltd:</u> Director since 1997	No changes No changes
Deborah Widjaja	33	Daughter of Frankle (Djafar) Widjaja and niece of Franky Oesman Widjaja, Directors of BCI	<u>BCI:</u> Director since 2012 Deputy Chief Executive Officer since 2015 <i>Principal Subsidiary(ies):</i> <u>Shanghai Golden Bund Real Estate Co., Ltd:</u> Director since 2012	No changes No changes
Jehny Susanty	60	Spouse of Frankle (Djafar) Widjaja, mother of Deborah Widjaja and sister-in-law of Franky Oesman Widjaja, Directors of BCI	<i>Principal Subsidiary(ies):</i> <u>Shanghai Golden Bund Real Estate Co., Ltd:</u> Director since 2012	No changes

BY ORDER OF THE BOARD

Frankle (Djafar) Widjaja
Director
27 February 2018

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Submitted by Kimberley Lye Chor Mei, Company Secretary on 27 February 2018 to the SGX