

**RESPONSE TO SGX-ST QUERIES ON COMPANY'S FULL YEARLY RESULTS ANNOUNCED ON 28 FEBRUARY 2020**

Bund Center Investment Ltd (the "Company") sets out its response to the queries raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") on 6 March 2020 in relation to the Company's Full Yearly Results Announced on 28 February 2020 ("FY2019 Results Announcement"), as follows:

Query 1

We refer to the Company's Full Yearly Results announced on 28 February 2020. We noted that the Company stated that "Net other operating income was higher at S\$6.7 million mainly due to fair value gain on financial assets and unrealized foreign exchange gain recorded in the current year". Noting on page 2 of the announcement that a foreign exchange gain of S\$604k was disclosed, please disclose the breakdown of the remaining S\$6.1 million net other operating income and explain the nature of the material items. In the explanation of the fair value gain on financial assets, please disclose the type of financial assets held, the key terms of the financial assets, and provide a quantification to show how the fair value gain was computed.

Company's Response 1

The breakdown of the net other operating income of S\$6.7 million is tabulated below:

	Group	
	2019	2018
	S\$'000	S\$'000
Miscellaneous services income	2,527	1,376
Business assistance grant	2,399	2,590
Penalty on early termination of leases	250	880
Advertising income	531	584
Changes in fair value of financial assets at fair value through profit or loss (note A)	379	(308)
Property, plant and equipment written off	(1)	-
Other operating income before foreign exchange gain/(losses)	6,085	5,122
Net foreign exchange gain/(losses)	604	(3,166)
Total other operating income	6,689	1,956

Note A:

The short-term investments (classified as financial assets measured at fair value through profit or loss) represent investment in quoted funds (Agricultural Bank of China CSI 300 Index) which are denominated in RMB. The investment was revalued at its quoted market price at 31 December 2019 and has resulted a gain on fair value change of S\$0.4 million.

Query 2

We noted in Paragraph 9 that the Company disclosed that the variance between a forecast or prospect statement disclosed to shareholders previously and the actual results are “Not applicable”. Forecasts and prospect statements include both financial projections as well as qualitative comments on future plans. This includes commentary or discussions under Paragraph 10 in the Company’s 3rd quarter results announcement. Where deviation is noted, please explain the reasons for the deviations. Where there is no deviation, provide an explicit statement in the announcement.

Company’s Response 2

On paragraph 9: The Company has not been making any forecast or prospective statements in the past, other than the commentary in paragraph 10. Based on the Q4 2019, there were no deviations from its observations of industry trends as discussed under paragraph 10 of the Company’s Q3 operating performance.

Query 3

We noted in Paragraph 13 that the Company disclosed that there was no interested persons transaction (“IPT”) entered into during the year ended 31 December 2019. Please disclose whether the Company currently has an ongoing IPT mandate approved by shareholders.

Company’s Response 3

The current IPT mandate has been approved in the Annual General Meeting on 24 April 2019.

By Order of the Board

Frankle (Djafar) Widjaja
Director
9 March 2020