



**BUND CENTER INVESTMENT LTD**

Third Quarter 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 PERIOD ENDED 30 SEPTEMBER 2017**

	Ytd Sept 2017 <u>S\$'000</u>	Ytd Sept 2016 <u>S\$'000</u>	Change %	3rd Qtr 2017 <u>S\$'000</u>	3rd Qtr 2016 <u>S\$'000</u>	Change %
Revenue	91,617	97,162	(5.7)	29,640	30,826	(3.8)
Cost of sales	<u>(43,203)</u>	<u>(45,304)</u>	(4.6)	<u>(14,714)</u>	<u>(14,185)</u>	3.7
Gross profit	<u>48,414</u>	<u>51,858</u>	(6.6)	<u>14,926</u>	<u>16,641</u>	(10.3)
Operating expenses						
Selling expenses	(4,825)	(4,863)	(0.8)	(1,535)	(1,535)	-
General and administrative expenses	<u>(15,512)</u>	<u>(16,040)</u>	(3.3)	<u>(5,167)</u>	<u>(5,444)</u>	(5.1)
Total operating expenses	<u>(20,337)</u>	<u>(20,903)</u>	(2.7)	<u>(6,702)</u>	<u>(6,979)</u>	(4.0)
Operating profit	28,077	30,955	(9.3)	8,224	9,662	(14.9)
Financial income	1,508	1,680	(10.2)	534	311	71.7
Financial expenses	(6)	(277)	(97.8)	(2)	(2)	-
Other operating income, net	<u>3,573</u>	<u>4,018</u>	(11.1)	<u>2,137</u>	<u>22</u>	n.m.
Profit before income tax	33,152	36,376	(8.9)	10,893	9,993	9.0
Income tax	<u>(11,266)</u>	<u>(12,329)</u>	(8.6)	<u>(3,932)</u>	<u>(3,416)</u>	15.1
Total profit for the period	<u>21,886</u>	<u>24,047</u>	(9.0)	<u>6,961</u>	<u>6,577</u>	5.8
Attributable to:						
Owners of the Company	21,046	23,137	(9.0)	6,674	6,347	5.2
Non-controlling interests	<u>840</u>	<u>910</u>	(7.7)	<u>287</u>	<u>230</u>	24.8
	<u>21,886</u>	<u>24,047</u>	(9.0)	<u>6,961</u>	<u>6,577</u>	5.8

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 PERIOD ENDED 30 SEPTEMBER 2017**

	<b>Ytd Sept 2017 <u>S\$'000</u></b>	<b>Ytd Sept 2016 <u>S\$'000</u></b>	<b>3rd Qtr 2017 <u>S\$'000</u></b>	<b>3rd Qtr 2016 <u>S\$'000</u></b>
Total profit for the period	21,886	24,047	6,961	6,577
<b>Other comprehensive (loss)/income:</b>				
<u>Items that may be reclassified subsequently to the profit or loss:</u>				
Foreign currency translation differences arising from consolidation, net of tax	<u>(7,960)</u>	<u>(27,256)</u>	<u>1,251</u>	<u>4,607</u>
<b>Total comprehensive income/(loss) for the period</b>	<b><u>13,926</u></b>	<b><u>(3,209)</u></b>	<b><u>8,212</u></b>	<b><u>11,184</u></b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the Company	13,396	(3,092)	7,844	10,789
Non-controlling interests	<u>530</u>	<u>(117)</u>	<u>368</u>	<u>395</u>
	<u>13,926</u>	<u>(3,209)</u>	<u>8,212</u>	<u>11,184</u>

**ADDITIONAL INFORMATION**

	<b>Ytd Sept 2017 <u>S\$'000</u></b>	<b>Ytd Sept 2016 <u>S\$'000</u></b>	<b>Change %</b>	<b>3rd Qtr 2017 <u>S\$'000</u></b>	<b>3rd Qtr 2016 <u>S\$'000</u></b>	<b>Change %</b>
<b>Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange (loss)/gain and exceptional items ("EBITDA")</b>	51,989	54,990	(5.5)	16,426	15,725	4.5
Interest on borrowings	(6)	(277)	(97.8)	(2)	(2)	-
Depreciation and amortisation	(16,707)	(16,515)	1.2	(5,591)	(5,427)	3.0
Foreign exchange (loss)/gain, net	<u>(2,124)</u>	<u>(1,822)</u>	16.6	<u>60</u>	<u>(303)</u>	n.m.
Profit before income tax	<u>33,152</u>	<u>36,376</u>	(8.9)	<u>10,893</u>	<u>9,993</u>	9.0

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**

	Group		Company	
	As at		As at	
	30/9/2017	31/12/2016	30/9/2017	31/12/2016
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<b><u>Assets</u></b>				
Current Assets				
Cash and cash equivalents	94,067	60,553	107	544
Short-term investments	1,111	1,132	-	-
Trade receivables and other current assets	4,879	4,269	29,025	14,251
Inventories, at cost	450	488	-	-
	100,507	66,442	29,132	14,795
Non-Current Assets				
Interest in subsidiaries	-	-	410,659	410,659
Investment properties	214,452	227,942	-	-
Property, plant and equipment	169,044	179,712	-	-
Deferred tax assets	4,575	4,880	-	-
Deferred charges	614	639	-	-
	388,685	413,173	410,659	410,659
<b>Total Assets</b>	<b>489,192</b>	<b>479,615</b>	<b>439,791</b>	<b>425,454</b>
<b><u>Liabilities and Equity</u></b>				
Current Liabilities				
Trade and other payables	32,580	29,607	3	299
Income tax payable	2,942	7,608	-	-
Obligations under finance lease	70	70	-	-
	35,592	37,285	3	299
Non-Current Liabilities				
Long-term liabilities	8,962	10,080	-	-
Obligations under finance lease	181	233	-	-
Deferred tax liabilities	1,726	2,116	-	-
	10,869	12,429	-	-
Total Liabilities	46,461	49,714	3	299
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	42,540	50,190	-	-
Retained earnings	43,816	22,770	30,621	15,988
	427,059	413,663	439,788	425,155
Non-Controlling Interests	15,672	16,238	-	-
Total Equity	442,731	429,901	439,788	425,155
<b>Total Liabilities and Equity</b>	<b>489,192</b>	<b>479,615</b>	<b>439,791</b>	<b>425,454</b>

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

	As at 30/9/2017			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	181	-	181	233	-	233
<b>Total</b>	<b>251</b>	<b>-</b>	<b>251</b>	<b>303</b>	<b>-</b>	<b>303</b>

### 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 PERIOD ENDED 30 SEPTEMBER 2017

	Ytd Sept 2017 S\$'000	Ytd Sept 2016 S\$'000	3rd Qtr 2017 S\$'000	3rd Qtr 2016 S\$'000
<b>Cash flows from operating activities</b>				
<b>Profit before income tax</b>	<b>33,152</b>	<b>36,376</b>	<b>10,893</b>	<b>9,993</b>
Adjustments for:				
Depreciation of property, plant and equipment	7,597	7,169	2,547	2,372
Depreciation of investment properties	9,093	9,325	3,038	3,048
Amortisation of deferred charges	17	21	6	7
Changes in fair value of financial assets at fair value through profit or loss	-	197	-	16
Gain on disposal of property, plant and equipment	-	(97)	-	(97)
Property, plant and equipment written off	2	16	-	8
Interest income	(1,508)	(1,680)	(534)	(311)
Interest expense	6	277	2	2
Unrealised foreign exchange loss/(gain), net	41	2,948	(2,067)	850
Operating cash flows before working capital changes	48,400	54,552	13,885	15,888
Changes in working capital:				
Trade receivables and other current assets	(610)	78	600	2,818
Inventories	38	(51)	36	8
Trade and other payables	205	(1,405)	2,793	(2,786)
Cash generated from operations	48,033	53,174	17,314	15,928
Income tax paid	(14,286)	(12,840)	(3,242)	(4,719)
Interest received	1,508	1,680	533	311
Interest paid	(6)	(277)	(2)	(2)
<b>Net cash from operating activities</b>	<b>35,249</b>	<b>41,737</b>	<b>14,603</b>	<b>11,518</b>

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2017 (cont'd)**

	<b>Ytd Sept 2017 S\$'000</b>	<b>Ytd Sept 2016 S\$'000</b>	<b>3rd Qtr 2017 S\$'000</b>	<b>3rd Qtr 2016 S\$'000</b>
<b>Cash flows from investing activities</b>				
Capital expenditure on property, plant and equipment	(384)	(1,349)	(68)	-
Proceeds from disposal of property, plant and equipment	-	100	-	97
Payment for deferred expenditure	(4)	-	-	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(388)</b>	<b>(1,249)</b>	<b>(68)</b>	<b>97</b>
<b>Cash flows from financing activities</b>				
Repayments of obligations under finance lease	(52)	(70)	(17)	(17)
Repayments of long-term borrowings	-	(53,960)	-	-
Payments of dividends to owners of the Company	-	(32,627)	-	-
<b>Net cash used in financing activities</b>	<b>(52)</b>	<b>(86,657)</b>	<b>(17)</b>	<b>(17)</b>
Net increase/(decrease) in cash and cash equivalents	34,809	(46,169)	14,518	11,598
Cash and cash equivalents at beginning of the period	60,553	120,516	79,237	56,484
Effect of exchange rate changes on balances of cash held in foreign currencies	(1,295)	(6,462)	312	(197)
<b>Cash and cash equivalents at end of the period</b>	<b>94,067</b>	<b>67,885</b>	<b>94,067</b>	<b>67,885</b>

**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**

<b><u>The Company</u></b>	<b>Share Capital S\$'000</b>	<b>Share Premium S\$'000</b>	<b>Treasury Shares S\$'000</b>	<b>Retained Earnings S\$'000</b>	<b>Total S\$'000</b>
Balance as at 1 Jan 2017	105,784	304,881	(1,498)	15,988	425,155
Total comprehensive loss for the period	-	-	-	(851)	(851)
Balance as at 30 Jun 2017	105,784	304,881	(1,498)	15,137	424,304
Total comprehensive income for the period	-	-	-	15,484	15,484
Balance as at 30 Sept 2017	105,784	304,881	(1,498)	30,621	439,788
Balance as at 1 Jan 2016	105,784	304,881	(1,498)	42,212	451,379
Total comprehensive loss for the period	-	-	-	(3,319)	(3,319)
Dividends paid for 2015	-	-	-	(32,627)	(32,627)
Balance as at 30 Jun 2016	105,784	304,881	(1,498)	6,266	415,433
Total comprehensive income for the period	-	-	-	31,777	31,777
Balance as at 30 Sept 2016	105,784	304,881	(1,498)	38,043	447,210

**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**

<b>The Group</b>	← 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 period	-	-	-	-	-	-	14,372	14,372	553	14,925
Other comprehensive loss for the period – Foreign currency translation	-	-	-	-	-	(8,820)	-	(8,820)	(391)	(9,211)
Total comprehensive income for the period	-	-	-	-	-	(8,820)	14,372	5,552	162	5,714
Balance as at 30 Jun 2017	105,784	304,881	(1,498)	65,175	(133,639)	41,370	37,142	419,215	16,400	435,615
Profit for the period	-	-	-	-	-	-	6,674	6,674	287	6,961
Other comprehensive income for the period – Foreign currency translation	-	-	-	-	-	1,170	-	1,170	81	1,251
Total comprehensive income for the period	-	-	-	-	-	1,170	6,674	7,844	368	8,212
Dividends payable to non-controlling shareholders	-	-	-	-	-	-	-	-	(1,096)	(1,096)
Balance as at 30 Sept 2017	105,784	304,881	(1,498)	65,175	(133,639)	42,540	43,816	427,059	15,672	442,731

**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**

<b>The Group</b>	← 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 2016	105,784	304,881	(1,498)	65,175	(133,639)	69,474	51,608	461,785	16,997	478,782
Profit for the period	-	-	-	-	-	-	16,790	16,790	680	17,470
Other comprehensive loss for the period – Foreign currency translation	-	-	-	-	-	(30,671)	-	(30,671)	(1,192)	(31,863)
Total comprehensive loss for the period	-	-	-	-	-	(30,671)	16,790	(13,881)	(512)	(14,393)
Dividends paid for 2015	-	-	-	-	-	-	(32,627)	(32,627)	-	(32,627)
Balance as at 30 Jun 2016	105,784	304,881	(1,498)	65,175	(133,639)	38,803	35,771	415,277	16,485	431,762
Profit for the period	-	-	-	-	-	-	6,347	6,347	230	6,577
Other comprehensive income for the period – Foreign currency translation	-	-	-	-	-	4,442	-	4,442	165	4,607
Total comprehensive income for the period	-	-	-	-	-	4,442	6,347	10,789	395	11,184
Dividends payable to non-controlling shareholders	-	-	-	-	-	-	-	-	(1,060)	(1,060)
Balance as at 30 Sept 2016	105,784	304,881	(1,498)	65,175	(133,639)	43,245	42,118	426,066	15,820	441,886

**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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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**

There were no movements in the Company's issued capital since 31 December 2016. The Company's issued and paid-up share capital (excluding 1,721,027 shares held as treasury shares) comprised 758,768,832 shares of US\$0.10 each as at 30 September 2017 and 2016.

**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 30 September 2017 and 31 December 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 were no changes in the number of ordinary shares held as treasury shares by the Company since 31 December 2016.

**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**

					<b>The Group</b>			
					<b>Ytd Sept 2017</b>	<b>Ytd Sept 2016</b>	<b>3rd Qtr 2017</b>	<b>3rd Qtr 2016</b>
Earnings per ordinary share for the period after deducting any provision for preference dividends:-								
(i) Based on weighted average number of ordinary shares					SGD2.77cents	SGD3.05cents	SGD0.88cents	SGD0.84cents
- 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**

					<b>The Group</b>		<b>The Company</b>	
					<b>As at 30 Sept 2017</b>	<b>As at 31 Dec 2016</b>	<b>As at 30 Sept 2017</b>	<b>As at 31 Dec 2016</b>
Net asset value per ordinary share based on existing issued share capital of 758,768,832					S\$0.56	S\$0.55	S\$0.58	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

## REVIEW OF PERFORMANCE FOR NINE MONTHS ENDED 30 SEPTEMBER 2017

The Group posted revenue of S\$91.6 million for the nine months ended 30 September 2017 ("9M2017"), 5.7% lower as compared to S\$97.2 million in the corresponding period in 2016 ("9M2016") mainly attributable to lower leasing income. In tandem with lower revenue, EBITDA and net profit attributable to owners of the Company were lower at S\$52.0 million and S\$21.0 million respectively in the current period.

The breakdown of our revenue and gross profit is as follows:

	<b>Ytd Sept 2017 S\$'000</b>	<b>Ytd Sept 2016 S\$'000</b>	<b>Change %</b>
<b>Revenue from:</b>			
Hotel	48,577	48,703	(0.3)
Property leasing	43,040	48,459	(11.2)
Total revenue	<u>91,617</u>	<u>97,162</u>	(5.7)
<b>Gross Profit from:</b>			
Hotel	23,110	22,623	2.2
Property leasing	25,304	29,235	(13.4)
Total gross profit	<u>48,414</u>	<u>51,858</u>	(6.6)
<b>Gross Profit Margin</b>			
Hotel	47.6%	46.5%	1.1
Property leasing	58.8%	60.3%	(1.5)
Overall	<u>52.8%</u>	<u>53.4%</u>	(0.6)

## REVENUE

The Group's revenue lowered by 5.7% to S\$91.6 million in 9M2017 primarily attributable to lower leasing income from our investment properties and the translation effect of weakening of Chinese Renminbi ("RMB") against Singapore dollar.

Hotel revenue remained almost constant at S\$48.6 million in 9M2017 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 in Shanghai as well as higher revenue contribution from meetings, incentives, conventions and exhibitions (MICE). Average occupancy rate and average room rate remained high at 85.5% and RMB1,206 respectively in the current period.

Leasing income decreased by 11.2% to S\$43.0 million in 9M2017 primarily due to lower average leasing occupancy rate for both retail complex and office tower, as well as the effect of weakening RMB. The operating environment for leasing segment remains competitive in view of the increased supply of office spaces in Shanghai. Leasing income from our retail complex decreased by S\$1.9 million in 9M2017 following the moving out of New World Departmental Store from our retail complex.

## GROSS PROFIT

The Group's gross profit decreased by 6.6% to S\$48.4 million in 9M2017 in line with the lower revenue recorded. Consequently, the Group's gross profit margin decreased from 53.4% in 9M2016 to 52.8% in the current period.

## **OPERATING EXPENSES**

Total operating expenses were marginally lower at S\$20.3 million in the current period. Selling expenses of S\$4.8 million mainly comprised advertising and promotion expenses, salaries and related expenses and marketing expenses. General and administrative expenses of S\$15.5 million mainly comprised salaries and related expenses, office and hotel supplies, repair and maintenance, professional fees and management fee payable to the hotel operator.

## **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. The Group's net operating income decreased from S\$4.0 million in 9M2016 to S\$3.6 million mainly due to lower business assistance grants received during the current period.

## **REVIEW OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2017**

### **ASSETS**

The Group's total assets of S\$489.2 million mainly consist of investment properties of S\$214.5 million; property, plant and equipment of S\$169.0 million and cash and cash equivalents of S\$94.1 million. Total assets increased by S\$9.6 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 translation effect of weakening RMB and depreciation expenses recorded for the current period.

### **LIABILITIES**

The Group's total liabilities decreased by S\$3.3 million to S\$46.5 million as at 30 September 2017 mainly due to lower income tax payable following payment made during the current period.

## **REVIEW OF CASH FLOWS FOR NINE MONTHS ENDED 30 SEPTEMBER 2017**

Cash and cash equivalents were higher at S\$94.1 million as at 30 September 2017 mainly due to cash generated from operating activities of S\$35.2 million, net of cash used for capital expenditure of S\$0.4 million during the current period.

**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 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
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? No

**(c) Date payable**

The interim dividend will be paid on 4 December 2017.

**(d) Books closure date**

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 28 November 2017 on which day no share transfer will be effected. Duly completed transfers received by the Company's Singapore Share Transfer Office and Share Transfer Agent, B.A.C.S. Private Limited, 8 Robinson Road, #03-00 ASO Building, Singapore 048544, up to the close of business at 5.00 p.m. on 27 November 2017 will be registered to determine shareholders' entitlements to the interim dividend.

**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 nine months ended 30 September 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**

Not applicable.

**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 sales**

Not applicable.

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

Not applicable.

**18. Confirmation pursuant to the rule 705(5) of the listing manual**

We, Frankle (Djafar) Widjaja and Chew Yow Foo, being two directors of Bund Center Investment Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to their attention which would render the third quarter and nine months ended 30 September 2017 unaudited financial results to be false or misleading.

On behalf of the board of directors

Frankle (Djafar) Widjaja  
Director

Chew Yow Foo  
Director

**19. 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.

**BY ORDER OF THE BOARD**

Frankle (Djafar) Widjaja  
Director  
13 November 2017

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Submitted by Kimberley Lye Chor Mei, Company Secretary on 13 November 2017 to the SGX