



BUND CENTER INVESTMENT LTD

Half Year Financial Statement And Dividend Announcement

A Condensed interim consolidated income statement and consolidated statement of comprehensive income

**UNAUDITED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2021**

	Note	1st Half 2021 S\$'000	1st Half 2020 S\$'000	Change %	2nd Qtr 2021 S\$'000	2nd Qtr 2020 S\$'000	Change %
Revenue	E4	40,289	28,936	39.2	22,526	13,724	64.1
Cost of sales		<u>(25,607)</u>	<u>(19,932)</u>	28.5	<u>(13,103)</u>	<u>(9,037)</u>	45.0
Gross profit		<u>14,682</u>	<u>9,004</u>	63.1	<u>9,423</u>	<u>4,687</u>	101.0
Operating expenses							
Selling expenses		(2,190)	(846)	158.9	(1,168)	(338)	245.6
General and administrative expenses		<u>(8,410)</u>	<u>(6,691)</u>	25.7	<u>(4,207)</u>	<u>(2,919)</u>	44.1
Total operating expenses		<u>(10,600)</u>	<u>(7,537)</u>	40.6	<u>(5,375)</u>	<u>(3,257)</u>	65.0
Operating profit		4,082	1,467	178.3	4,048	1,430	183.1
Financial income		2,714	1,674	62.1	1,505	355	323.9
Financial expenses		(3)	(4)	(25.0)	(1)	(2)	(50.0)
Other operating income/(expenses)		<u>2,896</u>	<u>(210)</u>	n.m.	<u>1,040</u>	<u>1,158</u>	(10.2)
Profit before income tax	E5	9,689	2,927	231.0	6,592	2,941	124.1
Income tax	E6	<u>(4,247)</u>	<u>(1,877)</u>	126.3	<u>(2,657)</u>	<u>(1,397)</u>	90.2
Total profit for the period		<u>5,442</u>	<u>1,050</u>	418.3	<u>3,935</u>	<u>1,544</u>	154.9
Profit for the period attributable to:							
Owners of the Company		5,369	1,085	394.8	3,915	1,515	158.4
Non-controlling interests		<u>73</u>	<u>(35)</u>	n.m.	<u>20</u>	<u>29</u>	(31.0)
		<u>5,442</u>	<u>1,050</u>	418.3	<u>3,935</u>	<u>1,544</u>	154.9

Note: n.m. – not meaningful

A Condensed interim consolidated income statement and consolidated statement of comprehensive income (cont'd)

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2021**

	1st Half 2021 <u>S\$'000</u>	1st Half 2020 <u>S\$'000</u>	2nd Qtr 2021 <u>S\$'000</u>	2nd Qtr 2020 <u>S\$'000</u>
Total profit for the period	5,442	1,050	3,935	1,544
Other comprehensive income/(loss):				
<u>Items that may be reclassified subsequently to the profit or loss:</u>				
Foreign currency difference arising from consolidation, net of tax	<u>13,820</u>	<u>9,748</u>	<u>5,968</u>	<u>(9,129)</u>
Total comprehensive income/(loss) for the period	<u>19,262</u>	<u>10,798</u>	<u>9,903</u>	<u>(7,585)</u>
Total comprehensive income/(loss) attributable to:				
Owners of the Company	18,731	10,495	9,653	(7,299)
Non-controlling interests	<u>531</u>	<u>303</u>	<u>250</u>	<u>(286)</u>
	<u>19,262</u>	<u>10,798</u>	<u>9,903</u>	<u>(7,585)</u>

ADDITIONAL INFORMATION

	1st Half 2021 <u>S\$'000</u>	1st Half 2020 <u>S\$'000</u>	Change %	2nd Qtr 2021 <u>S\$'000</u>	2nd Qtr 2020 <u>S\$'000</u>	Change %
Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation and foreign exchange (loss)/gain ("EBITDA")	21,118	13,243	59.5	11,371	8,302	37.0
Interest on borrowings	(3)	(4)	(25.0)	(1)	(2)	(50.0)
Depreciation and amortisation	(10,848)	(10,400)	4.3	(5,434)	(5,190)	4.7
Foreign exchange (loss)/gain	<u>(578)</u>	<u>88</u>	n.m.	<u>656</u>	<u>(169)</u>	n.m.
Profit before income tax	<u>9,689</u>	<u>2,927</u>	231.0	<u>6,592</u>	<u>2,941</u>	124.1

Note: n.m. – not meaningful

B Condensed interim statements of financial position

UNAUDITED STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at		As at	
		30/6/2021	31/12/2020	30/6/2021	31/12/2020
		S\$'000	S\$'000	S\$'000	S\$'000
Assets					
Current Assets					
Cash and cash equivalents		178,630	159,869	88	87
Trade receivables and other current assets		4,081	2,491	13,607	13,410
Inventories, at cost		359	402	-	-
		<u>183,070</u>	<u>162,762</u>	<u>13,695</u>	<u>13,497</u>
Non-Current Assets					
Interest in subsidiaries		-	-	410,659	410,659
Investment properties		179,629	180,415	-	-
Property, plant and equipment		140,793	140,822	-	-
Deferred tax assets		3,588	3,624	-	-
Deferred charges		540	535	-	-
		<u>324,550</u>	<u>325,396</u>	<u>410,659</u>	<u>410,659</u>
Total Assets		<u>507,620</u>	<u>488,158</u>	<u>424,354</u>	<u>424,156</u>
Liabilities and Equity					
Current Liabilities					
Trade and other payables		19,059	20,857	514	436
Income tax payable		2,309	1,953	-	-
Lease liability	E9	-	23	-	-
		<u>21,368</u>	<u>22,833</u>	<u>514</u>	<u>436</u>
Non-Current Liabilities					
Long-term liabilities		12,085	10,924	-	-
Deferred tax liabilities		3,260	2,756	-	-
		<u>15,345</u>	<u>13,680</u>	<u>-</u>	<u>-</u>
Total Liabilities		<u>36,713</u>	<u>36,513</u>	<u>514</u>	<u>436</u>
Equity Attributable to Owners of the Company					
Share capital	E10	105,784	105,784	105,784	105,784
Share premium		304,881	304,881	304,881	304,881
Treasury shares	E10	(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		48,170	34,808	-	-
Retained earnings		66,131	60,762	14,673	14,553
		<u>455,004</u>	<u>436,273</u>	<u>423,840</u>	<u>423,720</u>
Non-Controlling Interests		15,903	15,372	-	-
Total Equity		<u>470,907</u>	<u>451,645</u>	<u>423,840</u>	<u>423,720</u>
Total Liabilities and Equity		<u>507,620</u>	<u>488,158</u>	<u>424,354</u>	<u>424,156</u>

C Condensed interim statements of changes in equity

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2021

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 2021	105,784	304,881	(1,498)	65,175	(133,639)	34,808	60,762	436,273	15,372	451,645
Profit for the period	-	-	-	-	-	-	1,454	1,454	53	1,507
Other comprehensive income for the period – Foreign currency translation	-	-	-	-	-	7,624	-	7,624	228	7,852
Total comprehensive income for the period	-	-	-	-	-	7,624	1,454	9,078	281	9,359
Balance as at 31 Mar 2021	105,784	304,881	(1,498)	65,175	(133,639)	42,432	62,216	445,351	15,653	461,004
Profit for the period	-	-	-	-	-	-	3,915	3,915	20	3,935
Other comprehensive income for the period – Foreign currency translation	-	-	-	-	-	5,738	-	5,738	230	5,968
Total comprehensive income for the period	-	-	-	-	-	5,738	3,915	9,653	250	9,903
Balance as at 30 Jun 2021	105,784	304,881	(1,498)	65,175	(133,639)	48,170	66,131	455,004	15,903	470,907
Balance as at 1 Jan 2020	105,784	304,881	(1,498)	65,175	(133,639)	19,771	73,939	434,413	15,768	450,181
Loss for the period	-	-	-	-	-	-	(430)	(430)	(64)	(494)
Other comprehensive income for the period – Foreign currency translation	-	-	-	-	-	18,224	-	18,224	653	18,877
Total comprehensive income for the period	-	-	-	-	-	18,224	(430)	17,794	589	18,383
Dividends payable to non-controlling shareholders	-	-	-	-	-	-	-	-	(561)	(561)
Balance as at 31 Mar 2020	105,784	304,881	(1,498)	65,175	(133,639)	37,995	73,509	452,207	15,796	468,003
Profit for the period	-	-	-	-	-	-	1,515	1,515	29	1,544
Other comprehensive loss for the period – Foreign currency translation	-	-	-	-	-	(8,814)	-	(8,814)	(315)	(9,129)
Total comprehensive loss for the period	-	-	-	-	-	(8,814)	1,515	(7,299)	(286)	(7,585)
Dividends paid for 2019	-	-	-	-	-	-	(7,588)	(7,588)	-	(7,588)
Balance as at 30 Jun 2020	105,784	304,881	(1,498)	65,175	(133,639)	29,181	67,436	437,320	15,510	452,830

C Condensed interim statements of changes in equity (cont'd)

<u>The Company</u>	<u>Share Capital</u> S\$'000	<u>Share Premium</u> S\$'000	<u>Treasury Shares</u> S\$'000	<u>Retained Earnings</u> S\$'000	<u>Total</u> S\$'000
Balance as at 1 Jan 2021	105,784	304,881	(1,498)	14,553	423,720
Total comprehensive income for the period	-	-	-	182	182
Balance as at 31 Mar 2021	105,784	304,881	(1,498)	14,735	423,902
Total comprehensive loss for the period	-	-	-	(62)	(62)
Balance as at 30 Jun 2021	<u>105,784</u>	<u>304,881</u>	<u>(1,498)</u>	<u>14,673</u>	<u>423,840</u>
Balance as at 1 Jan 2020	105,784	304,881	(1,498)	22,561	431,728
Total comprehensive income for the period	-	-	-	1,185	1,185
Balance as at 31 Mar 2020	105,784	304,881	(1,498)	23,746	432,913
Total comprehensive loss for the period	-	-	-	(458)	(458)
Dividends paid for 2019	-	-	-	(7,588)	(7,588)
Balance as at 30 Jun 2020	<u>105,784</u>	<u>304,881</u>	<u>(1,498)</u>	<u>15,700</u>	<u>424,867</u>

D Condensed interim consolidated statements of cash flows

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2021

	1st Half 2021 <u>S\$'000</u>	1st Half 2020 <u>S\$'000</u>	2nd Qtr 2021 <u>S\$'000</u>	2nd Qtr 2020 <u>S\$'000</u>
Cash flows from operating activities				
Profit for the period	5,442	1,050	3,935	1,544
Adjustments for:				
Depreciation of property, plant and equipment	4,560	4,459	2,276	2,224
Depreciation of investment properties	6,277	5,930	3,153	2,960
Amortisation of deferred charges	11	11	5	6
Allowance for/(Reversal of) impairment loss on trade receivables	4	(4)	4	(2)
Changes in fair value of financial assets at fair value through profit or loss	-	22	-	-
Interest income	(2,714)	(1,674)	(1,505)	(355)
Interest expense	3	4	1	2
Unrealised foreign exchange (gain)/loss	(179)	(748)	1,215	714
Income tax expenses	4,247	1,877	2,657	1,397
Operating cash flows before working capital changes	17,651	10,927	11,741	8,490
Changes in working capital:				
Trade receivables and other current assets	(739)	(889)	131	1,635
Inventories	43	(13)	18	42
Trade and other payables	(637)	(4,080)	(878)	(2,588)
Cash generated from operations	16,318	5,945	11,012	7,579
Income tax paid	(3,334)	(4,879)	(1,374)	(565)
Interest received	1,859	1,663	1,772	349
Interest paid	(3)	(4)	(1)	(2)
Net cash from operating activities	14,840	2,725	11,409	7,361
Cash flows from investing activities				
Capital expenditure on property, plant and equipment	(389)	(180)	(259)	(144)
Capital expenditure on investment properties	(186)	(23)	(31)	(23)
Proceeds from sale of short-term investments	-	1,401	-	-
Net cash (used in)/generated from investing activities	(575)	1,198	(290)	(167)
Cash flows from financing activities				
Payments of lease liability	(23)	(35)	(6)	(18)
Payment of dividends	-	(8,149)	-	(8,149)
Net cash used in financing activities	(23)	(8,184)	(6)	(8,167)
Net increase/(decrease) in cash and cash equivalents	14,242	(4,261)	11,113	(973)
Cash and cash equivalents at beginning of the period	159,869	159,522	167,432	163,192
Effect of exchange rate changes on balances of cash held in foreign currencies	4,519	3,647	85	(3,311)
Cash and cash equivalents at end of the period	178,630	158,908	178,630	158,908

E Notes to the condensed interim consolidated financial statements

1 Corporate information

Bund Center Investment Ltd (the “Company”) is listed on the Singapore Exchange and was incorporated on 5 August 2009 under the Companies Act 1981 of Bermuda as an exempted company with limited liability. The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal places of business of the Group are located at Shanghai and Ningbo, the People’s Republic of China (“PRC”). The Company is principally engaged as an investment holding company. These condensed interim consolidated financial statements as at and for half year ended 30 June 2021 comprise the condensed financial statements of the Company and its subsidiaries (the “Group”).

2 Basis of preparation

The condensed interim consolidated financial statements of the Group for half year ended 30 June 2021, have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*.

The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements for the year ended 31 December 2020.

The condensed interim consolidated financial statements are presented in Singapore dollars have been rounded to the nearest thousand (S\$’000) unless otherwise indicated.

2.1 New and revised International Financial Reporting Standards (“IFRSs”)

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with the IFRSs, except for the adoption of new and revised IFRSs effective for annual periods beginning on 1 January 2021. The adoption of the new and revised IFRSs has had no material financial impact on the condensed interim financial statements of the Group. The Group has not early adopted any other new and revised IFRSs that have been issued but are not yet effective.

2.2 Use of judgement and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Although these estimates are based on management’s best knowledge of current events and actions, actual results may actually differ from these estimates. The significant judgements made 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. Financial impact arising from revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 Seasonal operations

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

An analysis of the Group’s revenue for the year disaggregated by type of revenue streams and by reportable segments is as follows:

	Group	
	<u>1st Half 2021</u>	<u>1st Half 2020</u>
	S\$’000	S\$’000
Hotel revenue	16,183	4,883
Property leasing income	24,106	24,053
	<u>40,289</u>	<u>28,936</u>

E Notes to the condensed interim consolidated financial statements (cont'd)

4 Segment and revenue information (cont'd)

	Segment Profit	
	1st Half 2021 S\$'000	1st Half 2020 S\$'000
Hotel	213	(4,234)
Property leasing	19,693	17,542
	<u>19,906</u>	<u>13,308</u>
Depreciation and amortisation expenses	(10,848)	(10,400)
Interest income	2,714	1,674
Interest expense	(3)	(4)
Net foreign exchange (loss)/gain	(578)	88
Certain administrative expenses not allocated	(1,502)	(1,739)
Profit before income tax	<u>9,689</u>	<u>2,927</u>
	<u>As at 30 June 2021</u>	
	Segment assets S\$'000	Segment liabilities S\$'000
Hotel	145,753	4,862
Property leasing	335,009	49,118
Total segment assets/liabilities	<u>480,762</u>	<u>53,980</u>
Other unallocated assets/liabilities	433,023	388,511
Elimination of inter-segment receivables/payables	(406,165)	(405,778)
Total assets/liabilities	<u>507,620</u>	<u>36,713</u>

5 Profit before income tax

Significant items

	1st Half 2021 S\$'000	1st Half 2020 S\$'000
Depreciation of investment properties	6,277	5,930
Depreciation of property, plant and equipment	4,560	4,459
Foreign exchange (loss)/gain	(578)	88

Related party transactions

There are no material related party transactions during the financial period.

6 Income tax

	1st Half 2021 S\$'000	1st Half 2020 S\$'000
Current income tax expense	3,601	2,431
Deferred income tax expense/(credit)	646	(554)
	<u>4,247</u>	<u>1,877</u>

7 Earnings per share

	1st Half 2021	1st Half 2020	2nd Qtr 2021	2nd Qtr 2020
Earnings per ordinary share for the period:-				
(i) Based on weighted average number of ordinary shares	SGD0.71cents	SGD0.14cents	SGD0.52cents	SGD0.20cents
- 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

E Notes to the condensed interim consolidated financial statements (cont'd)

8 Net asset value per share

	The Group		The Company	
	As at 30 Jun 2021	As at 31 Dec 2020	As at 30 Jun 2021	As at 31 Dec 2020
Net asset value per ordinary share based on existing issued share capital of 758,768,832	S\$0.62	S\$0.60	S\$0.56	S\$0.56

9 Borrowings

	As at 30/6/2021			As at 31/12/2020		
	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	-	-	-	23	-	23
Total	-	-	-	23	-	23

As at 31 December 2020, the secured borrowings (lease liabilities) were collateralised by certain property, plant and equipment.

10 Share Capital and Treasury Shares

<u>Group and Company</u>	<u>No. of ordinary shares</u>		<u>Amount</u>	
	<u>Issued share capital</u>	<u>Treasury shares</u>	<u>Share capital</u> S\$'000	<u>Treasury shares</u> S\$'000
Balance as at 31 December 2020 and 30 June 2021	<u>760,489,859</u>	<u>(1,721,027)</u>	<u>105,784</u>	<u>(1,498)</u>

There were no movements in the Company's issued capital since 30 June 2020.

F Other information required by Listing Rule Appendix 7.2

1 Review

The condensed interim consolidated statement of financial position of Bund Center Investment Ltd (the "Company") and its subsidiaries as at 30 June 2021 and the related condensed consolidated income statements and statement of other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for half year then ended and certain explanatory notes have not been audited or reviewed.

2 Review of performance of the Group

Revenue and gross profit breakdown by segment:

	1st Half 2021 S\$'000	1st Half 2020 S\$'000	Change %
Revenue from:			
Hotel	16,183	4,883	231.4
Property leasing	<u>24,106</u>	<u>24,053</u>	0.2
Total revenue	<u>40,289</u>	<u>28,936</u>	39.2
Gross Profit/(Loss) from:			
Hotel	1,843	(4,831)	n.m.
Property leasing	<u>12,839</u>	<u>13,835</u>	(7.2)
Total gross profit	<u>14,682</u>	<u>9,004</u>	63.1
Gross Profit/(Loss) Margin			
Hotel	11.4%	(98.9%)	110.3
Property leasing	53.3%	57.5%	(4.2)
Overall	<u>36.4%</u>	<u>31.1%</u>	5.3

Note: n.m. – not meaningful.

F Other information required by Listing Rule Appendix 7.2 (cont'd)

REVIEW OF PERFORMANCE FOR HALF YEAR ENDED 30 JUNE 2021

The Group reported a higher revenue at S\$40.3 million with EBITDA improved from S\$13.2 million in the previous corresponding period ("1H2020") to S\$21.1 million for the half year ended 30 June 2021 ("1H2021"). This was mainly attributable to improved average hotel occupancy rate and absence of one-off cash donation of RMB20 million (equivalent to S\$4.0 million) towards the Shanghai Public Welfare for the fight against COVID-19.

REVENUE

The Group's revenue increased by 39.2% from S\$28.9 million in 1H2020 to S\$40.3 million. This was mainly attributable to the resumption of hotel operations after a temporary suspension of business activities in 1H2020 in compliance with the mandatory measure to help prevent the spread of the COVID-19 virus. Compared to 1H2020, hotel revenue for the current period has more than tripled from S\$4.9 million to S\$16.2 million as a result of the improved average occupancy rate by 41.5% to 56.1% in 1H2021 driven by higher domestic demand.

Leasing income remained fairly constant at S\$24.1 million in the current period despite the highly competitive operating environment. The Group will continue to adopt flexible and aggressive marketing strategies to attract potential tenants and to retain the existing tenants.

GROSS PROFIT

The Group's gross profit increased from S\$9.0 million in 1H2020 to S\$14.7 million in 1H2021 in tandem with higher hotel revenue. Consequently, the Group's gross profit margin improved from 31.1% in 1H2020 to 36.4%.

OPERATING EXPENSES

Total operating expenses increased from S\$7.5 million in 1H2020 to S\$10.6 million in the current period. Selling expenses increased by S\$1.3 million in the current period mainly due to higher agent commission expenses and higher advertising and promotion expenses following the increased operating activities. General and administrative expenses increased by S\$1.7 million in the current period mainly due to increases in management fee to hotel operator, salaries costs, as well as utilities, repair and maintenance expenses in view of the resumption of hotel activities.

FINANCIAL INCOME

Financial income increased from S\$1.7 million in 1H2020 to S\$2.7 million in the current period mainly in line with higher average time deposits.

OTHER OPERATING INCOME/(EXPENSES)

Net other operating income/(expenses) mainly comprised business assistance grants, advertising income and other miscellaneous income, foreign exchange gain/(loss), net of donation made. The Group recorded a net operating income of S\$2.9 million in 1H2021 as compared to a net operating expense of S\$0.2 million in 1H2020, mainly due to absence of one-off donation made towards Shanghai Public Welfare and other supports to help those impacted, especially the front line healthcare workers, ensuring that they have adequate protection in terms of medical protective supplies, consumables and disposable medical devices, disinfection supplies and cleaning supplies to Shanghai and other cities affected.

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. The current period's income tax expense was higher at S\$4.2 million mainly due to higher taxable income in certain subsidiaries in line with the improved operating results, coupled with higher non-deductible expenses.

F Other information required by Listing Rule Appendix 7.2 (cont'd)

REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2021

ASSETS

The Group's total assets of S\$507.6 million mainly consist of investment properties of S\$179.6 million; property, plant and equipment of S\$140.8 million and cash and cash equivalents of S\$178.6 million. Total assets increased by S\$19.5 million as compared to S\$488.2 million as at 31 December 2020 mainly attributable to translation effect of strengthening of Chinese Renminbi ("RMB") against Singapore dollars, as well as higher cash and cash equivalents.

LIABILITIES

The Group's total liabilities increased marginally to S\$36.7 million as at 30 June 2021 mainly due to higher income tax payable.

REVIEW OF CASH FLOWS FOR HALF YEAR ENDED 30 JUNE 2021

The Group recorded a net cash generated from operating activities of S\$14.8 million in 1H2021 as compared to S\$2.7 million in the previous corresponding period. This was mainly due to improved operating performance and lower cash used in working capital during the current period.

Net cash used in investing activities of S\$0.6 million related to capital expenditure incurred on fixed assets and properties.

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

Not applicable.

4 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

China's economy is on track for recovery, with the second quarter gross domestic product rose 1.3% from the first quarter, faster than the 0.6% pace between the first quarter of this year and fourth quarter of 2020. While mass vaccination programmes are being rolled out in all of the world's major economies, the emergence of new variants of the COVID-19 virus continue to create uncertainty and could hamper a return of activity to pre-pandemic levels. The Group is monitoring the developments and adjusting its business strategies on developing domestic market. The Group will continue to institute, without any complacency, a series of precautionary health and hygiene measures, including the stepping up of cleaning and disinfection of facilities and necessary temperature screening test of its employees, tenants and guests

F Other information required by Listing Rule Appendix 7.2 (cont'd)

5 Dividend

(a) Current Financial Period Reported On

No dividend has been declared for the half year ended 30 June 2021 as the Company generally reviews its dividend policy at the end of the financial year.

(b) Corresponding Period of the Immediately Preceding Financial Year

No dividend has been declared for the half year ended 30 June 2020.

6 Interested persons transactions disclosure

There is no relevant interested persons transaction entered into during half year ended 30 June 2021.

7 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.

8 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 second quarter and half year ended 30 June 2021 unaudited financial results to be false or misleading.

On behalf of the board of directors

Frankle (Djafar) Widjaja
Director

Chew Yow Foo
Director

BY ORDER OF THE BOARD

Frankle (Djafar) Widjaja
Director
12 August 2021

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Submitted by Kimberley Lye Chor Mei, Company Secretary on 12 August 2021 to the SGX