



BUND CENTER INVESTMENT LTD

Third Quarter 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 SEPTEMBER 2023

	Note	Ytd Sept 2023 S\$'000	Ytd Sept 2022 S\$'000	Change %	3rd Qtr 2023 S\$'000	3rd Qtr 2022 S\$'000	Change %
Revenue	E4	62,567	51,297	22.0	21,923	17,450	25.6
Cost of sales		(35,442)	(32,225)	10.0	(12,126)	(10,518)	15.3
Gross profit		27,125	19,072	42.2	9,797	6,932	41.3
Operating expenses							
Selling expenses		(2,860)	(2,431)	17.6	(994)	(723)	37.5
General and administrative expenses		(13,382)	(11,011)	21.5	(5,034)	(3,779)	33.2
Total operating expenses		(16,242)	(13,442)	20.8	(6,028)	(4,502)	33.9
Operating profit		10,883	5,630	93.3	3,769	2,430	55.1
Financial income		3,581	4,256	(15.9)	1,125	1,327	(15.2)
Financial expenses		(5)	-	n.m.	(5)	-	n.m.
Other operating income/(expenses),net		43	(1,481)	n.m.	(839)	(1,590)	(47.2)
Profit before income tax	E5	14,502	8,405	72.5	4,050	2,167	86.9
Income tax	E6	(6,272)	(7,748)	(19.1)	(1,896)	(2,886)	(34.3)
Total profit/(loss) for the period		8,230	657	1,152.7	2,154	(719)	n.m.
Profit/(Loss) for the period attributable to:							
Owners of the Company		7,943	441	1,701.1	2,118	(785)	n.m.
Non-controlling interests		287	216	32.9	36	66	(45.5)
		8,230	657	1,152.7	2,154	(719)	n.m.

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 SEPTEMBER 2023**

	Ytd Sept 2023 S\$'000	Ytd Sept 2022 S\$'000	3rd Qtr 2023 S\$'000	3rd Qtr 2022 S\$'000
Total profit/(loss) for the period	8,230	657	2,154	(719)
Other comprehensive (loss)/income:				
<u>Item that may be reclassified subsequently to the profit or loss:</u>				
Foreign currency difference arising from consolidation, net of tax	<u>(10,907)</u>	<u>(17,125)</u>	<u>61</u>	<u>(10,626)</u>
Total comprehensive (loss)/income for the period	<u>(2,677)</u>	<u>(16,468)</u>	<u>2,215</u>	<u>(11,345)</u>
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(2,520)	(15,937)	2,178	(10,976)
Non-controlling interests	<u>(157)</u>	<u>(531)</u>	<u>37</u>	<u>(369)</u>
	<u>(2,677)</u>	<u>(16,468)</u>	<u>2,215</u>	<u>(11,345)</u>

ADDITIONAL INFORMATION

	Ytd Sept 2023 S\$'000	Ytd Sept 2022 S\$'000	Change %	3rd Qtr 2023 S\$'000	3rd Qtr 2022 S\$'000	Change %
Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation and foreign exchange (loss)/gain ("EBITDA")	31,806	29,979	6.1	8,982	9,860	(8.9)
Interest on borrowings	(5)	-	n.m.	(5)	-	n.m.
Depreciation and amortisation	(15,457)	(16,640)	(7.1)	(5,085)	(5,419)	(6.2)
Foreign exchange (loss)/gain	<u>(1,842)</u>	<u>(4,934)</u>	(62.7)	<u>158</u>	<u>(2,274)</u>	n.m.
Profit before income tax	<u>14,502</u>	<u>8,405</u>	72.5	<u>4,050</u>	<u>2,167</u>	86.9

Note: n.m. – not meaningful

B Condensed interim statements of financial position

UNAUDITED STATEMENTS OF FINANCIAL POSITION

		Group		Company	
		As at		As at	
	Note	30/9/2023 S\$'000	31/12/2022 S\$'000	30/9/2023 S\$'000	31/12/2022 S\$'000
<u>Assets</u>					
Current Assets					
Cash and cash equivalents		141,718	150,631	1,078	767
Trade receivables and other current assets		9,912	9,113	12,635	12,977
Inventories, at cost		290	310	-	-
		<u>151,920</u>	<u>160,054</u>	<u>13,713</u>	<u>13,744</u>
Non-Current Assets					
Interest in subsidiaries		-	-	410,659	410,659
Investment properties		139,676	152,811	-	-
Property, plant and equipment		111,098	119,191	-	-
Deferred tax assets		2,645	2,930	-	-
Deferred charges		445	470	-	-
		<u>253,864</u>	<u>275,402</u>	<u>410,659</u>	<u>410,659</u>
Total Assets		<u>405,784</u>	<u>435,456</u>	<u>424,372</u>	<u>424,403</u>
<u>Liabilities and Equity</u>					
Current Liabilities					
Trade and other payables		15,452	16,322	324	867
Income tax payable		1,455	1,844	-	-
Lease liability		163	-	-	-
		<u>17,070</u>	<u>18,166</u>	<u>324</u>	<u>867</u>
Non-Current Liabilities					
Long-term liabilities		9,851	11,974	-	-
Lease liability		526	-	-	-
Deferred tax liabilities		2,659	4,673	-	-
		<u>13,036</u>	<u>16,647</u>	<u>-</u>	<u>-</u>
Total Liabilities		<u>30,106</u>	<u>34,813</u>	<u>324</u>	<u>867</u>
Equity Attributable to Owners of the Company					
Share capital	E9	105,784	105,784	105,784	105,784
Share premium		304,881	304,881	304,881	304,881
Treasury shares	E9	(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		9,825	20,288	-	-
Retained earnings		12,242	25,544	14,881	14,369
		<u>362,770</u>	<u>386,535</u>	<u>424,048</u>	<u>423,536</u>
Non-Controlling Interests		12,908	14,108	-	-
Total Equity		<u>375,678</u>	<u>400,643</u>	<u>424,048</u>	<u>423,536</u>
Total Liabilities and Equity		<u>405,784</u>	<u>435,456</u>	<u>424,372</u>	<u>424,403</u>

C Condensed interim statements of changes in equity

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2023

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 2023	105,784	304,881	(1,498)	65,175	(133,639)	20,288	25,544	386,535	14,108	400,643
Profit for the period	-	-	-	-	-	-	5,825	5,825	251	6,076
Other comprehensive loss for the period – Foreign currency translation	-	-	-	-	-	(10,523)	-	(10,523)	(445)	(10,968)
Total comprehensive loss for the period	-	-	-	-	-	(10,523)	5,825	(4,698)	(194)	(4,892)
Dividend payable to non-controlling shareholders	-	-	-	-	-	-	-	-	(1,043)	(1,043)
Balance as at 30 Jun 2023	105,784	304,881	(1,498)	65,175	(133,639)	9,765	31,369	381,837	12,871	394,708
Profit for the period	-	-	-	-	-	-	2,118	2,118	36	2,154
Other comprehensive income for the period – Foreign currency translation	-	-	-	-	-	60	-	60	1	61
Total comprehensive income for the period	-	-	-	-	-	60	2,118	2,178	37	2,215
Dividend paid for 2023 (Note E10)	-	-	-	-	-	-	(21,245)	(21,245)	-	(21,245)
Balance as at 30 Sept 2023	105,784	304,881	(1,498)	65,175	(133,639)	9,825	12,242	362,770	12,908	375,678
Balance as at 1 Jan 2022	105,784	304,881	(1,498)	65,175	(133,639)	57,321	49,526	447,550	16,396	463,946
Profit for the period	-	-	-	-	-	-	1,226	1,226	150	1,376
Other comprehensive loss for the period – Foreign currency translation	-	-	-	-	-	(6,187)	-	(6,187)	(312)	(6,499)
Total comprehensive loss for the period	-	-	-	-	-	(6,187)	1,226	(4,961)	(162)	(5,123)
Dividend payable to non-controlling shareholders	-	-	-	-	-	-	-	-	(1,146)	(1,146)
Balance as at 30 Jun 2022	105,784	304,881	(1,498)	65,175	(133,639)	51,134	50,752	442,589	15,088	457,677
Loss for the period	-	-	-	-	-	-	(785)	(785)	66	(719)
Other comprehensive loss for the period – Foreign currency translation	-	-	-	-	-	(10,191)	-	(10,191)	(435)	(10,626)
Total comprehensive loss for the period	-	-	-	-	-	(10,191)	(785)	(10,976)	(369)	(11,345)
Dividend paid for 2022 (Note E10)	-	-	-	-	-	-	(26,557)	(26,557)	-	(26,557)
Balance as at 30 Sept 2022	105,784	304,881	(1,498)	65,175	(133,639)	40,943	23,410	405,056	14,719	419,775

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

<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 2023	105,784	304,881	(1,498)	14,369	423,536
Total comprehensive income for the period	-	-	-	21,669	21,669
Balance as at 30 Jun 2023	105,784	304,881	(1,498)	36,038	445,205
Total comprehensive income for the period	-	-	-	88	88
Dividend paid for 2023 (Note E10)	-	-	-	(21,245)	(21,245)
Balance as at 30 Sept 2023	<u>105,784</u>	<u>304,881</u>	<u>(1,498)</u>	<u>14,881</u>	<u>424,048</u>
Balance as at 1 Jan 2022	105,784	304,881	(1,498)	14,588	423,755
Total comprehensive income for the period	-	-	-	27,131	27,131
Balance as at 30 Jun 2022	105,784	304,881	(1,498)	41,719	450,886
Total comprehensive income for the period	-	-	-	464	464
Dividend paid for 2022 (Note E10)	-	-	-	(26,557)	(26,557)
Balance as at 30 Sept 2022	<u>105,784</u>	<u>304,881</u>	<u>(1,498)</u>	<u>15,626</u>	<u>424,793</u>

D Condensed interim consolidated statements of cash flows

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2023

	Ytd Sept 2023 <u>S\$'000</u>	Ytd Sept 2022 <u>S\$'000</u>	3rd Qtr 2023 <u>S\$'000</u>	3rd Qtr 2022 <u>S\$'000</u>
Cash flows from operating activities				
Profit/(Loss) for the period	8,230	657	2,154	(719)
Adjustments for:				
Depreciation of property, plant and equipment	6,359	6,827	2,115	2,220
Depreciation of investment properties	9,083	9,796	2,965	3,193
Amortisation of deferred charges	15	17	5	6
Allowance for/(Reversal of) impairment loss on trade receivables	803	(1)	798	-
Gain on disposal of property, plant and equipment	(349)	-	(235)	-
Property, plant and equipment written off	19	-	11	-
Interest income	(3,581)	(4,256)	(1,125)	(1,327)
Interest expense	5	-	5	-
Unrealised foreign exchange loss/(gain)	1,619	4,788	(415)	2,027
Income tax expenses	6,272	7,748	1,896	2,886
Operating cash flows before working capital changes	28,475	25,576	8,174	8,286
Changes in working capital:				
Trade receivables and other current assets	337	(7,024)	717	7
Inventories	20	27	(6)	20
Trade and other payables	(5,412)	(1,127)	(3,516)	(2,051)
Cash generated from operations	23,420	17,452	5,369	6,262
Income tax paid	(5,918)	(8,551)	(1,654)	(4,439)
Interest received	1,642	2,762	389	827
Interest paid	(5)	-	(5)	-
Net cash from operating activities	19,139	11,663	4,099	2,650
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	355	-	235	-
Capital expenditure on property, plant and equipment	(1,193)	(505)	(760)	(285)
Capital expenditure on investment properties	(545)	(1,038)	(313)	(760)
Payment of deferred expenditure	(5)	-	(5)	-
Net cash used in investing activities	(1,388)	(1,543)	(843)	(1,045)
Cash flows from financing activities				
Payment of lease liability	(11)	-	(11)	-
Payment of dividends to owner of the Company	(21,245)	(26,557)	(21,245)	(26,557)
Payment of dividends to non-controlling shareholders	(1,043)	(1,146)	(815)	(1,146)
Net cash used in financing activities	(22,299)	(27,703)	(22,071)	(27,703)
Net decrease in cash and cash equivalents	(4,548)	(17,583)	(18,815)	(26,098)
Cash and cash equivalents at beginning of the period	150,631	174,484	160,015	179,648
Effect of exchange rate changes on balances of cash held in foreign currencies	(4,365)	(7,441)	518	(4,090)
Cash and cash equivalents at end of the period	141,718	149,460	141,718	149,460

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 nine months ended 30 September 2023 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 nine months ended 30 September 2023, 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 2022.

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 2023. 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 2022.

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>Ytd Sept 2023</u>	<u>Ytd Sept 2022</u>
	S\$'000	S\$'000
Hotel revenue	32,470	13,203
Property leasing income	30,097	38,094
	<u>62,567</u>	<u>51,297</u>

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

4 Segment and revenue information (cont'd)

	Segment Profit/(Loss)	
	Ytd Sept 2023 S\$'000	Ytd Sept 2022 S\$'000
Hotel	8,809	(3,125)
Property leasing	22,300	31,353
	31,109	28,228
Depreciation and amortisation expenses	(15,457)	(16,640)
Interest income	3,581	4,256
Interest expense	(5)	-
Foreign exchange loss	(1,842)	(4,934)
Certain administrative expenses not allocated	(2,884)	(2,505)
Profit before income tax	14,502	8,405
	As at 30 September 2023	
	Segment assets S\$'000	Segment liabilities S\$'000
Hotel	112,771	3,306
Property leasing	285,235	42,146
Total segment assets/liabilities	398,006	45,452
Other unallocated assets/liabilities	415,919	392,366
Elimination of inter-segment receivables/payables	(408,141)	(407,712)
Total assets/liabilities	405,784	30,106

5 Profit before income tax

Significant expense/(income)

	Ytd Sept 2023 S\$'000	Ytd Sept 2022 S\$'000
Depreciation of investment properties	9,083	9,796
Depreciation of property, plant and equipment	6,359	6,827
Foreign exchange loss	1,842	4,934
Allowance for/(Reversal of) impairment loss on trade receivables	803	(1)
Gain on disposal of property, plant and equipment	(349)	-

Related party transactions

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

6 Income tax

	Ytd Sept 2023 S\$'000	Ytd Sept 2022 S\$'000
Current income tax expense	8,089	7,398
Deferred income tax (credit)/expense	(1,817)	350
	6,272	7,748

7 Earnings per share

	Ytd Sept 2023	Ytd Sept 2022	3rd Qtr 2023	3rd Qtr 2022
Earnings/(Loss) per ordinary share for the period:-				
(i) Based on weighted average number of ordinary shares	SGD1.05cents	SGD0.06cents	SGD0.28cents	(SGD0.10)cents
- 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 Sept 2023	As at 31 Dec 2022	As at 30 Sept 2023	As at 31 Dec 2022
Net asset value per ordinary share based on existing issued share capital of 758,768,832	S\$0.50	S\$0.53	S\$0.56	S\$0.56

9 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 2022 and 30 September 2023	<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 September 2022.

10 Dividends

	<u>Group and Company</u>	
	<u>Ytd Sept 2023</u> S\$'000	<u>Ytd Sept 2022</u> S\$'000
Interim dividends paid for the year of S\$0.028 (2022: S\$0.035) per share	<u>21,245</u>	<u>26,557</u>

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 September 2023 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 the nine months 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:

	<u>Ytd Sept 2023</u> <u>S\$'000</u>	<u>Ytd Sept 2022</u> <u>S\$'000</u>	<u>Change</u> <u>%</u>
Revenue from:			
Hotel	32,470	13,203	145.9
Property leasing	<u>30,097</u>	<u>38,094</u>	(21.0)
Total revenue	<u>62,567</u>	<u>51,297</u>	22.0
Gross Profit/(Loss) from:			
Hotel	12,893	(2,425)	n.m.
Property leasing	<u>14,232</u>	<u>21,497</u>	(33.8)
Total gross profit	<u>27,125</u>	<u>19,072</u>	42.2
Gross Profit/(Loss) Margin			
Hotel	39.7%	(18.4%)	58.1
Property leasing	47.3%	56.4%	(9.1)
Overall	<u>43.4%</u>	<u>37.2%</u>	6.2

Note: n.m. – not meaningful.

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

REVIEW OF PERFORMANCE FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

Revenue of the Group rose by 22.0% to S\$62.6 million for the nine months ended 30 September 2023 ("9M2023"), with EBITDA and net profit for the period higher at S\$31.8 million and S\$8.2 million respectively as compared to S\$30.0 million and S\$0.7 million respectively in the previous corresponding period ("9M2022"). This was primarily driven by strong business recovery in our hotel operations following the lifting of the stringent domestic and international travel restrictions since beginning of 2023.

REVENUE

The Group's revenue increased by 22.0% from S\$51.3 million in 9M2022 to S\$62.6 million. This was mainly attributable to higher hotel revenue, despite the lower average translation rate of Chinese Renminbi ("RMB") to SGD during the current period. Hotel revenue increased by 145.9% from S\$13.2 million in 9M2022 to S\$32.5 million mainly due to higher hotel occupancy and room rates in line with increased demand from both domestic and international travellers, as well as the resumption of exhibition and convention activities in Shanghai.

Leasing income from both our retail complex and office tower decreased from S\$38.1 million in 9M2022 to S\$30.1 million in the current period. This was mainly affected by lower average translation rate of RMB to SGD, coupled with lower average occupancy and leasing rate, as tenants remain cautious when making their leasing decisions amid a slow economy and market uncertainty.

GROSS PROFIT

Hotel operations recorded gross profit of S\$12.9 million in the current period, a significant turnaround from gross loss of S\$2.4 million a year ago. This was mainly contributed by higher hotel revenue while certain expenses in cost of sales, such as depreciation expenses, has remained fairly constant. Accordingly, the Group's gross profit and gross profit margin improved from S\$19.1 million and 37.2% respectively in 9M2022 to S\$27.1 million and 43.4% respectively in 9M2023.

OPERATING EXPENSES

Total operating expenses increased from S\$13.4 million in 9M2022 to S\$16.2 million in the current period. Selling expenses increased by S\$0.4 million in the current period mainly due to higher advertising and promotion expenses following the increased operating activities. General and administrative expenses increased by S\$2.4 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 increased hotel activities.

FINANCIAL INCOME, NET

Net financial income comprised net interest income after deducting lease interest expenses. Net financial income decreased from S\$4.3 million in 9M2022 to S\$3.6 million mainly in line with lower average time deposits during the current period.

OTHER OPERATING INCOME/(EXPENSES)

Net other operating income mainly comprised business assistance grants, gain on disposal of fixed assets, advertising income and other miscellaneous income, net of foreign exchange loss, allowance for impairment loss on trade receivables and donation made. The Group recorded net other operating income of S\$43,000 in 9M2023 as compared to net operating expenses of S\$1.5 million in 9M2022, mainly due to lower unrealised translation loss arising from inter-company balances.

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. Despite higher profit recorded, income tax expense was lower at S\$6.3 million in 9M2023 mainly due to lower withholding tax expenses, as well as higher deferred tax credit recorded.

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

REVIEW OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

ASSETS

The Group's total assets of S\$405.8 million mainly consist of investment properties of S\$139.7 million; property, plant and equipment of S\$111.1 million and cash and cash equivalents of S\$141.7 million. Total assets decreased by S\$29.7 million as compared to S\$435.5 million as at 31 December 2022 mainly attributable to 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

As compared to the previous year end, the Group's total liabilities decreased by S\$4.7 million to S\$30.1 million as at 30 September 2023 mainly due to lower deferred tax liabilities and lower rental deposits received.

REVIEW OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

The Group recorded a net cash generated from operating activities of S\$19.1 million in the current period as compared to S\$11.7 million in 9M2022. This was mainly due to improved operating performance and lower income tax payment for the current period.

Net cash used in investing activities of S\$1.4 million related to capital expenditure incurred on fixed assets and properties.

Net cash used in financing activities of S\$22.3 million related to dividend payments made during the current period.

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

Not applicable.

3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion, (a) updates on the efforts taken to resolve each outstanding audit issue; (b) confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern

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

We have seen recovery and growth in the hospitality industry in China as borders reopened in early 2023. The Group will continue its flexible room rate strategy to capture the expected rebound in the hospitality market include focusing on the hotel's distinctive well-being program and local attractions for both domestic and overseas market.

The operating environment for our leasing operating remains highly competitive. Tenants remain cautious when making leasing decisions amidst the aftermath impact of lock down in 2022. Coupled with the oversupply of office space, this has led to highly competitive leasing market and thus downward pressure on leasing rate. Nonetheless, the Group will also continue to monitor the business developments and adjusting its business strategies on attracting potential tenants and retaining existing tenants for its investment properties.

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

5 Dividend

(a) Current Financial Period Reported On

Name of Dividend:	Interim dividend
Dividend Type:	Cash
Dividend Amount per share:	S\$0.028 per ordinary share
Date of Payment:	8 September 2023
Tax Rate:	Tax not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend:	Interim dividend
Dividend Type:	Cash
Dividend Amount per share:	S\$0.035 per ordinary share
Date of payment:	9 September 2022
Tax Rate:	Tax not applicable

6 Interested persons transactions disclosure

There is no relevant interested persons transaction entered into during the nine months ended 30 September 2023.

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 third quarter and nine months ended 30 September 2023 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
27 October 2023

#

Submitted by Kimberley Lye Chor Mei, Company Secretary on 27 October 2023 to the SGX