



**BUND CENTER INVESTMENT LTD**

.....  
**Full Year Financial Statement And Dividend Announcement**  
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**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 2016**

	<b>Full Year 2016 S\$'000</b>	<b>Full Year 2015 S\$'000</b>	<b>Change %</b>	<b>4th Qtr 2016 S\$'000</b>	<b>4th Qtr 2015 S\$'000</b>	<b>Change %</b>
Revenue	129,282	140,568	(8.0)	32,120	36,285	(11.5)
Cost of sales	<u>(60,416)</u>	<u>(68,034)</u>	(11.2)	<u>(15,112)</u>	<u>(18,066)</u>	(16.4)
Gross profit	<u>68,866</u>	<u>72,534</u>	(5.1)	<u>17,008</u>	<u>18,219</u>	(6.6)
Operating expenses						
Selling expenses	(6,870)	(6,360)	8.0	(2,007)	(1,715)	17.0
General and administrative expenses	<u>(21,973)</u>	<u>(24,575)</u>	(10.6)	<u>(5,933)</u>	<u>(6,446)</u>	(8.0)
Total operating expenses	<u>(28,843)</u>	<u>(30,935)</u>	(6.8)	<u>(7,940)</u>	<u>(8,161)</u>	(2.7)
Operating profit	40,023	41,599	(3.8)	9,068	10,058	(9.8)
Financial income	2,023	3,006	(32.7)	343	980	(65.0)
Financial expenses	(279)	(933)	(70.1)	(2)	(253)	(99.2)
Other operating income/(expenses), net	<u>3,968</u>	<u>1,744</u>	127.5	<u>(50)</u>	<u>(1,342)</u>	(96.3)
Profit before income tax	45,735	45,416	0.7	9,359	9,443	(0.9)
Income tax	<u>(17,328)</u>	<u>(15,583)</u>	11.2	<u>(4,999)</u>	<u>(3,899)</u>	28.2
Total profit for the year/period	<u>28,407</u>	<u>29,833</u>	(4.8)	<u>4,360</u>	<u>5,544</u>	(21.4)
Attributable to:						
Owners of the Company	27,311	28,657	(4.7)	4,174	5,289	(21.1)
Non-controlling interests	<u>1,096</u>	<u>1,176</u>	(6.8)	<u>186</u>	<u>255</u>	(27.1)
	<u>28,407</u>	<u>29,833</u>	(4.8)	<u>4,360</u>	<u>5,544</u>	(21.4)

**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 2016**

	<b>Full Year 2016 S\$'000</b>	<b>Full Year 2015 S\$'000</b>	<b>4th Qtr 2016 S\$'000</b>	<b>4th Qtr 2015 S\$'000</b>
Total profit for the year/period	28,407	29,833	4,360	5,544
<b>Other comprehensive income:</b>				
<u>Items that may be reclassified subsequently to the profit or loss:</u>				
Foreign currency translation differences on consolidation, net of tax	<u>(20,079)</u>	<u>11,920</u>	<u>7,177</u>	<u>(12,201)</u>
<b>Total comprehensive income for the year/period</b>	<b><u>8,328</u></b>	<b><u>41,753</u></b>	<b><u>11,537</u></b>	<b><u>(6,657)</u></b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	8,027	40,190	11,119	(6,414)
Non-controlling interests	<u>301</u>	<u>1,563</u>	<u>418</u>	<u>(243)</u>
	<b><u>8,328</u></b>	<b><u>41,753</u></b>	<b><u>11,537</u></b>	<b><u>(6,657)</u></b>

**ADDITIONAL INFORMATION**

	<b>Full Year 2016 S\$'000</b>	<b>Full Year 2015 S\$'000</b>	<b>Change %</b>	<b>4th Qtr 2016 S\$'000</b>	<b>4th Qtr 2015 S\$'000</b>	<b>Change %</b>
<b>Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss) and exceptional items ("EBITDA")</b>	70,350	74,824	(6.0)	15,360	17,733	(13.4)
Interest on borrowings	(279)	(933)	(70.1)	(2)	(253)	(99.2)
Depreciation and amortisation	(22,034)	(23,094)	(4.6)	(5,519)	(5,783)	(4.6)
Foreign exchange loss, net	<u>(2,302)</u>	<u>(5,381)</u>	(57.2)	<u>(480)</u>	<u>(2,254)</u>	(78.7)
Profit before income tax	<b><u>45,735</u></b>	<b><u>45,416</u></b>	0.7	<b><u>9,359</u></b>	<b><u>9,443</u></b>	(0.9)

**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	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	<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	60,553	120,516	544	170
Short-term investments	1,132	1,305	-	-
Trade receivables and other current assets	4,269	4,693	14,251	40,836
Inventories, at cost	488	445	-	-
	<u>66,442</u>	<u>126,959</u>	<u>14,795</u>	<u>41,006</u>
Non-Current Assets				
Interest in subsidiaries	-	-	410,659	410,659
Investment properties	227,942	251,927	-	-
Property, plant and equipment	179,712	196,458	-	-
Deferred tax assets	4,880	5,416	-	-
Deferred charges	639	699	-	-
	<u>413,173</u>	<u>454,500</u>	<u>410,659</u>	<u>410,659</u>
<b>Total Assets</b>	<b><u>479,615</u></b>	<b><u>581,459</u></b>	<b><u>425,454</u></b>	<b><u>451,665</u></b>
<b><u>Liabilities and Equity</u></b>				
Current Liabilities				
Borrowings	-	56,624	-	-
Trade and other payables	29,607	26,543	299	286
Income tax payable	7,608	5,658	-	-
Obligations under finance lease	70	19	-	-
	<u>37,285</u>	<u>88,844</u>	<u>299</u>	<u>286</u>
Non-Current Liabilities				
Long-term liabilities	10,080	11,822	-	-
Obligations under finance lease	233	22	-	-
Deferred tax liabilities	2,116	1,989	-	-
	<u>12,429</u>	<u>13,833</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>49,714</u>	<u>102,677</u>	<u>299</u>	<u>286</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	50,190	69,474	-	-
Retained earnings	22,770	51,608	15,988	42,212
	<u>413,663</u>	<u>461,785</u>	<u>425,155</u>	<u>451,379</u>
Non-Controlling Interests	16,238	16,997	-	-
Total Equity	<u>429,901</u>	<u>478,782</u>	<u>425,155</u>	<u>451,379</u>
<b>Total Liabilities and Equity</b>	<b><u>479,615</u></b>	<b><u>581,459</u></b>	<b><u>425,454</u></b>	<b><u>451,665</u></b>

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

	As at 31/12/2016			As at 31/12/2015		
	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	56,643	-	56,643
Amount repayable after one year	233	-	233	22	-	22
<b>Total</b>	<b>303</b>	<b>-</b>	<b>303</b>	<b>56,665</b>	<b>-</b>	<b>56,665</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 YEAR ENDED 31 DECEMBER 2016

	Full Year 2016 S\$'000	Full Year 2015 S\$'000
<b>Cash flows from operating activities</b>		
<b>Profit before income tax</b>	<b>45,735</b>	<b>45,416</b>
Adjustments for:		
Depreciation of property, plant and equipment	9,589	9,973
Depreciation of investment properties	12,417	13,091
Amortisation of deferred charges	28	30
Property, plant and equipment written off	24	3
Allowances for impairment loss on trade receivables	590	-
Gain on disposal of property, plant and equipment	(97)	(253)
Changes in fair value of financial assets at fair value through profit or loss	173	(495)
Interest income	(2,023)	(3,006)
Interest expense	279	933
Unrealised foreign exchange loss, net	3,180	4,105
Operating cash flow before working capital changes	69,895	69,797
Changes in working capital:		
Trade receivables and other current assets	(165)	3,447
Inventories	(43)	3
Trade and other payables	1,322	(3,932)
Cash generated from operations	71,009	69,315
Income tax paid	(14,719)	(13,620)
Interest received	2,022	3,012
Interest paid	(279)	(933)
<b>Net cash from operating activities</b>	<b>58,033</b>	<b>57,774</b>

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2016 (cont'd)**

	<b>Full Year 2016 S\$'000</b>	<b>Full Year 2015 S\$'000</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	100	322
Proceeds from short-term investments	-	1,927
Capital expenditure on property, plant and equipment	<u>(1,540)</u>	<u>(647)</u>
<b>Net cash (used in)/from investing activities</b>	<b><u>(1,440)</u></b>	<b><u>1,602</u></b>
<b>Cash flows from financing activities</b>		
Repayments of obligations under finance lease	(88)	(19)
Repayments of borrowings	(53,960)	-
Payments of dividends to owners of the Company	(56,149)	-
Payments of dividends to non-controlling shareholders	(1,060)	-
Payments for shares buy back	-	<u>(236)</u>
<b>Net cash used in financing activities</b>	<b><u>(111,257)</u></b>	<b><u>(255)</u></b>
Net (decrease)/increase in cash and cash equivalents	(54,664)	59,121
Cash and cash equivalents at beginning of the year	120,516	60,221
Effect of exchange rate changes on balances of cash held in foreign currencies	<u>(5,299)</u>	<u>1,174</u>
<b>Cash and cash equivalents at end of the year</b>	<b><u>60,553</u></b>	<b><u>120,516</u></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 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>
Balance as at 1 Jan 2015	105,784	304,881	(1,262)	6,334	415,737
Shares buy back	-	-	(236)	-	(236)
Total comprehensive income for the year	-	-	-	35,878	35,878
Balance as at 31 Dec 2015	<u>105,784</u>	<u>304,881</u>	<u>(1,498)</u>	<u>42,212</u>	<u>451,379</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**

<b>The Group</b>	← Attributable to Owners of the Company →									Total Equity
	Share Capital	Share Premium	Treasury Shares	Asset Revaluation Reserve	Merger Reserve	Foreign Currency Translation Reserve	Retained Earnings	Total	Non-Controlling Interests	
	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 year	-	-	-	-	-	-	27,311	27,311	1,096	28,407
Other comprehensive income for the year – Foreign currency translation differences on consolidation	-	-	-	-	-	(19,284)	-	(19,284)	(795)	(20,079)
Total comprehensive 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
Balance as at 1 Jan 2015	105,784	304,881	(1,262)	65,175	(133,639)	57,941	22,951	421,831	16,696	438,527
Shares buy back	-	-	(236)	-	-	-	-	(236)	-	(236)
Profit for the year	-	-	-	-	-	-	28,657	28,657	1,176	29,833
Other comprehensive income for the year – Foreign currency translation differences on consolidation	-	-	-	-	-	11,533	-	11,533	387	11,920
Total comprehensive income for the year	-	-	-	-	-	11,533	28,657	40,190	1,563	41,753
Dividends payable to non-controlling shareholders	-	-	-	-	-	-	-	-	(1,262)	(1,262)
Balance as at 31 Dec 2015	105,784	304,881	(1,498)	65,175	(133,639)	69,474	51,608	461,785	16,997	478,782

**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 30 September 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 31 December 2016.

As at 31 December 2015, the Company's issued and paid-up capital (excluding 6,887,000 ordinary shares held as treasury shares) comprised 3,035,072,440 ordinary shares of US\$0.025 each.

**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 2016 and 2015 are 758,768,832 ordinary shares of US\$0.10 each and 3,035,072,440 ordinary shares of US\$0.025 each respectively.

**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**

Movements in the Company's treasury shares during the year ended 31 December 2016 were as follows:

	<u>Number of ordinary shares of US\$0.025 each</u>	<u>Number of ordinary shares of US\$0.10 each</u>
Balance as at 1 January 2016	6,887,000	-
Share consolidation completed in May 2016	(6,887,000)	1,721,750
Transfer of treasury shares to affected shareholders pursuant to the rounding consolidation	-	(723)
Balance as at 31 December 2016	<u>-</u>	<u>1,721,027</u>

**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 2015.

**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 2016. 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>Full Year 2016</b>	<b>(Restated)<sup>(1)</sup> Full Year 2015</b>	<b>4th Qtr 2016</b>	<b>(Restated)<sup>(1)</sup> 4th Qtr 2015</b>
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares	SGD3.60cents	SGD3.76cents	SGD0.55cents	SGD0.68cents
- Weighted average numbers of shares	758,768,832	758,847,685	758,768,832	758,768,110
(ii) On a fully diluted basis	Not applicable	Not applicable	Not applicable	Not applicable

Note:

(1) Comparative earnings per ordinary share has been restated to adjust for the effect of share consolidation of every four shares of US\$0.025 each into one ordinary share of US\$0.10 each effected on 6 May 2016.

**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 31 Dec 2016</b>	<b>(Restated)<sup>(1)</sup> As at 31 Dec 2015</b>	<b>As at 31 Dec 2016</b>	<b>(Restated)<sup>(1)</sup> As at 31 Dec 2015</b>
Net asset value per ordinary share based on existing issued share capital of 758,768,832 (31 Dec 2015: 758,768,110) shares	S\$0.55	S\$0.61	S\$0.56	S\$0.59

Note:

(1) Comparative net asset value per ordinary share has been restated to adjust for the effect of share consolidation of every four shares of US\$0.025 each into one ordinary share of US\$0.10 each effected on 6 May 2016.



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:*

	<b>Full Year 2016 S\$'000</b>	<b>Full Year 2015 S\$'000</b>	<b>Change %</b>
<b>Revenue from:</b>			
Hotel	66,083	68,718	(3.8)
Property leasing	63,199	71,850	(12.0)
Total revenue	<u>129,282</u>	<u>140,568</u>	(8.0)
<b>Gross Profit from:</b>			
Hotel	31,038	30,027	3.4
Property leasing	37,828	42,507	(11.0)
Total gross profit	<u>68,866</u>	<u>72,534</u>	(5.1)
<b>Gross Profit Margin</b>			
Hotel	47.0%	43.7%	3.3
Property leasing	59.9%	59.2%	0.7
Overall	<u>53.3%</u>	<u>51.6%</u>	1.7

## REVIEW OF PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2016

The Group recorded revenue of S\$129.3 million for the year ended 31 December 2016 ("FY2016") as compared to S\$140.6 million in the previous year ("FY2015"). In tandem with lower revenue, EBITDA and net profit attributable to owners of the Company for the current year were lower at S\$70.4 million and S\$27.3 million respectively.

### REVENUE

The Group's revenue lowered by 8.0% to S\$129.3 million primarily affected by the translation effect of weakening of Chinese Renminbi ("RMB") against Singapore dollar and lower leasing income. The translation effect has resulted in a 3.8% decrease in hotel revenue from S\$68.7 million to S\$66.1 million in the current year. Comparing in RMB terms, total hotel revenue increased from RMB313.8 million in the previous year to RMB318.0 million in the current year. This was mainly due to increase in average occupancy rate from 80.3% to 82.7% in the current year, supported by higher demand from increased tourist arrivals in Shanghai.

Leasing income decreased by 12.0% to S\$63.2 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 remains competitive in view of the increased supply in office and retail spaces. Hence, the Group achieved slightly lower average leasing occupancy rate for our Bund Center office tower at 92.5% as compared to 93.1% in FY2015.

### GROSS PROFIT

The Group's gross profit decreased by 5.1% to S\$68.9 million in the current year mainly attributable to the effect of weakening of RMB. RMB depreciated by approximately 5% against Singapore dollar during the current year. The Group recorded higher gross profit margin at 53.3% as compared to 51.6% in FY2015 mainly due to lower business tax expenses following the change in indirect tax policies in China during the current year.

## **OPERATING EXPENSES**

Selling expenses of S\$6.9 million mainly comprised advertising and promotion expenses, salaries and related expenses and marketing expenses. General and administrative expenses of S\$22.0 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 by 6.8% to S\$28.8 million in FY2016 mainly due to decreases in repair and maintenance, as well as salary and related expenses.

## **FINANCIAL INCOME, NET**

Financial income (net of financial expenses) decreased from S\$2.1 million in FY2015 to S\$1.7 million in FY2016 mainly attributable to lower interest income in line with lower average time deposits in 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\$4.0 million mainly due to lower net foreign exchange loss. Net foreign exchange loss was lower at S\$2.3 million in the current year following the settlement of U.S Dollar denominated borrowings.

## **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 higher at S\$17.3 million in FY2016 as it included an under-provision of tax expenses for prior years of S\$1.7 million.

## **REVIEW OF FINANCIAL POSITION AS AT 31 DECEMBER 2016**

### **ASSETS**

The Group's total assets of S\$479.6 million mainly consist of investment properties of S\$227.9 million; property, plant and equipment of S\$179.7 million and cash and cash equivalents of S\$60.6 million. Comparing to total assets as at 31 December 2015, the decrease of S\$101.8 million was mainly attributable to lower cash and cash equivalents, as well as lower book value of investment properties and property, plant and equipment arising from translation effect of weakening RMB and depreciation expenses recorded for the current year.

### **LIABILITIES**

The Group's total liabilities decreased by S\$53.0 million to S\$49.7 million as at 31 December 2016 mainly due to repayment of bank borrowings during the current year.

## **REVIEW OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2016**

Cash and cash equivalents decreased to S\$60.6 million as at 31 December 2016 mainly due to cash used for repayment of borrowings and payment for dividends, partially offset by cash generated from operating activities 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**

Shanghai's economy grew by 6.8% year-on-year in 2016, outpaced the country's 6.7% GDP growth, with tertiary industry growing by 9.5% in 2016. This strong fundamental continued to drive demand for Shanghai's Grade A office space. However, the operating environment for our leasing operations remains challenging in view of the increased supply of new office spaces in Shanghai. The outlook for our hotel operations remains stable supported by increased visitor arrivals in Shanghai.

**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\$0.031 per consolidated ordinary share
Number of shares:	758,768,832
Date of payment:	12 December 2016
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:	First and final dividend
Dividend Type:	Cash
Dividend Amount per share:	S\$0.043 per consolidated ordinary share
Number of shares:	758,768,832
Date of payment:	24 June 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 2016.

**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
<b>Full Year 2016</b>				
Revenue from external customers	66,083	63,199	-	129,282
Adjusted EBITDA*	21,962	50,328	(3,963)	68,327
<b>Other Information</b>				
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
<b>Full Year 2015</b>				
Revenue from external customers	68,718	71,850	-	140,568
Adjusted EBITDA*	20,227	55,641	(4,050)	71,818
<b>Other Information</b>				
Capital expenditure	433	194	20	647
Depreciation and amortisation	10,092	12,952	50	23,094
Interest income	4	2,956	46	3,006
Interest expenses	-	931	2	933

\* 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		%
	2016	2015	Increase/ (Decrease)
(a) Sales reported for first half year	66,336	69,801	(5.0)
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	17,470	19,705	(11.3)
(c) Sales reported for second half year	62,946	70,767	(11.1)
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	10,937	10,128	8.0

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

	<b>2016</b> <b><u>S\$'000</u></b>	<b>2015</b> <b><u>S\$'000</u></b>
Ordinary – interim dividend	23,522	-
Ordinary – first and final dividend	-	32,627
Ordinary – total dividend	<u>23,522</u>	<u>32,627</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	60	Brother of Franky Oesman Widjaja, father of Deborah Widjaja, Directors of BCI	<p><u>BCI:</u> Executive Chairman and Chief Executive Officer since 2009</p> <p>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.</p> <p><i>Principal Subsidiary(ies):</i> <u>Shanghai Golden Bund Real Estate Co., Ltd:</u> Chairman since 2001</p>	<p>No changes</p> <p>No changes</p>

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	59	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	32	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
Jehnnny Susanty	59	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  
24 February 2017

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Submitted by Kimberley Lye Chor Mei, Company Secretary on 24 February 2017 to the SGX