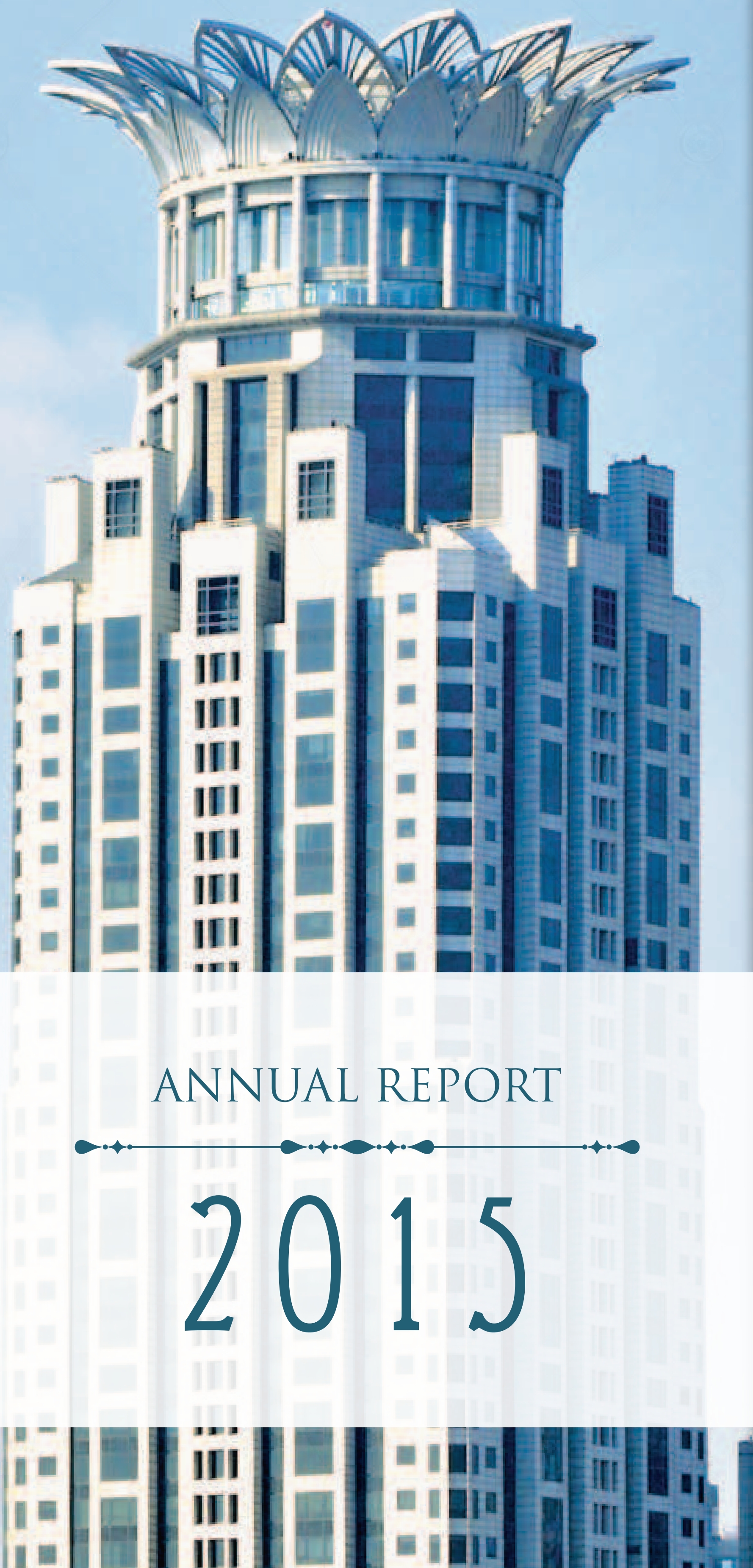
Bund Center Investment Ltd
Listed on the Singapore Exchange



ANNUAL REPORT 2015

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01 Corporate Profile

CORPORATE PROFILE

The Group is engaged in investment holding property businesses in PRC. Currently, it is engaged in:

(a) the ownership of The Westin Bund Center Shanghai, a five-star hotel in Shanghai that is currently managed by Westin Hotel Management, L.P.; and

(b) the ownership and management of commercial and retail properties, namely the Bund Center Office Tower in Shanghai and the Golden Center, a six-storey retail complex in Ningbo, Zhejiang Province, PRC.

CORPORATE OVERVIEW

Listed on the Singapore Exchange on 30 June 2010, the Group owns The Bund Center and Golden Center.

THE BUND CENTER, SHANGHAI

The Bund Center, spanning approximately 189,100 sq ft, was completed in 2002 and comprised our Office Tower, our Hotel, a podium which contained several retail outlets and a carpark.

Our Office Tower

Our Office Tower with a total gross floor area of approximately 1,414,600 sq ft, comprises 43 storeys (including podium) of premium office premises. Being one of the tallest structures in the Bund skyline and its crown rooftop, it is now an iconic landmark on the Bund.

In 2002, our Office Tower was awarded the Shanghai Magnolia award for excellent engineering and construction and in 2004, our Office Tower received the FIABCI Prix d'Excellence Award. In September 2005, our Office Tower was named "Top Ten Best Office Building in China" by China Business Newspaper (中国经营报).

Our Office Tower has maintained a high average annual occupancy of above 90% in the last ten years and continues to command premium rental rates. Key advantages of our Office Tower are its strategic location, which is at the center of the prestigious Shanghai Bund, Super Grade A quality of the building and the convenience of having a leading hotel in the same property. Our Office Tower also provides added facilities and services to our tenants, including operating free shuttle bus services to the main public transport hub, providing concierge services, laundry pickup, cleaning and collection services, indoor air quality system and a new staff cafeteria. In addition, our Office Tower has in place stringent security measures such as card access security gates and round-the-clock patrol dogs that are trained in detecting explosive materials.

Our Hotel

The five-star Westin Bund Center Shanghai is strategically located in the historic and magnificent Bund area, at the center of the commercial area of Shanghai and easily accessible to our Office Tower, convention centers, luxury branded shops and celebrated restaurants in the Bund area.

Our Hotel which comprising two 22-storey towers with about 570 tastefully decorated guest rooms, is currently one of the flagship Westin hotels in Shanghai. It is also one of the hotels that are frequently involved in staging large scale corporate and fashion events in Shanghai. Our Hotel hosted many high profile events for many renowned international brands, including fashion shows, gala events, product launches, international blockbuster movies premieres, as well as provided catering services for numerous high-end motor vehicle brands at the Autoshow.

Since its opening in 2002, our Hotel has won many accolades and has established itself as a world class luxury hotel offering premium services. It has been recognised consistently by influential global publications as an outstanding hotel. Our reputation for excellent dining experience has been acknowledged, with numerous significant industry and culinary awards and acclaim received.

GOLDEN CENTER, NINGBO

The Golden Center complex with a total gross floor area of 1,936,800 sq ft is developed by the Group. The whole complex consists of a 6-storey Golden Center retail complex, a 32-storey Ningbo Financial Center office tower - the headquarter of Ningbo People's Bank of China and a 52-storey luxurious residential tower, "Riviere Mansion" - the tallest residential tower in Zhejiang province then. It is strategically located in the central business district area of Ningbo, at the south west side of the junction of Zhongshan East Road and Jiangdong North Road facing the entrance of Jiangxia Bridge in Jiangdong District of Ningbo, which is one of the major bridges connecting Jiangdong District to the centre of Haishu District. This locality, known as Sanjiangkou (three estuaries), is a popular commercial and retail area.

The Group currently owns the Golden Center six-level retail complex with a total gross floor area of 340,600 sq ft. It has established a reputation for itself as a high quality shopping center in Ningbo, offering a comprehensive shopping experience with a wide variety of shopping outlets selling mid to luxury goods including renowned international brands. Accordingly, Golden Center has maintained a higher average annual occupancy of above 90% in the last eight years.

CORPORATE STRUCTURE

BUND CENTER INVESTMENT LTD

HONG KONG/CHINA

Shareholding	Company
96.79%	Shanghai Golden Bund Real Estate Co., Ltd
89.21%	Ningbo Zhonghua Land Co., Ltd
89.21%	Ningbo Golden Department Store Co., Ltd
100%	Koon Chung Limited

OTHERS

Company	Shareholding
Casleton International Limited	100%
Handful Resources Limited	100%
Smart Investment Ltd	100%
Primewyn Management & Services Pte Ltd	100%

PROPERTY PORTFOLIO

Name and Location of Mixed Development	Tenure	Site Area (sq ft)	Gross Floor Area (sq ft)	Lettable Rooms/ Net Lettable Area (sq ft)	Valuation
The Bund Center: An integrated development compromising:	**50-year lease till 2045**	**189,100**	**2,050,700**		**RMB8,794 million [1] ($1,917 million)**
(a) Hotel Located at 88 Henan Road Central, Huangpu District Shanghai 200002, PRC			636,100	570 rooms	RMB2,793 million [1] ($609 million)
(b) Office Tower Located at 222 Yanan Road East, Huangpu District Shanghai 200002, PRC			1,414,600	872,600	RMB6,001 million [1] ($1,308 million)
Golden Center		**66,500**	**340,600**	**168,300**	**RMB818 million [2] ($179 million)**
(a) Golden Center, Ningbo A 6-storey retail complex. Located at 279 Zhongshan Road East, Jiangdong District, Ningbo City 315040, Zhejiang Province, PRC	50-year lease till 2045	65,700	295,400	131,900	
(b) Annex to Golden Center	40-year lease till 2033	800	45,200	36,400	
Grand Total					**RMB9,612 million ($2,096 million)**

Notes:

[1] Valuation as assessed by the independent valuers, Savills Valuation and Professional Services Limited as at 25 February 2015.

[2] Valuation derived from valuation as assessed by the independent valuers, Savills Valuation and Professional Services Limited as at 25 February 2015.

BOARD OF DIRECTORS

Mr. Frankle Widjaja is the Executive Chairman and Chief Executive Officer of Bund Center Investment Ltd ("BCI" or the "Company"). He was appointed as a Director of BCI in September 2009, and his last re-election as a Director was in 2015. As Executive Chairman and Chief Executive Officer, Mr. Frankle Widjaja oversees the business, sets the strategies and leads the overall management of the BCI Group. He is also primarily responsible for all aspects of the Group's Hotel, Office Tower and Golden Center, including the ongoing evaluation, investment and improvement of the aforesaid properties. He took charge of the China property business in Shanghai and Ningbo since 1992.

Mr. Frankle Widjaja, aged 59, graduated from the University of California, Berkeley, USA with a degree of Bachelor of Science in 1978.

Mr. Frankle Widjaja has extensive management and operational experience and, since 1979, he has been involved in the management and operations of pulp and paper, financial services, food and agriculture and real estate businesses. From the mid-eighties to the early nineties, Mr. Frankle Widjaja had held various senior positions including that as the Head of Property Development, PT Duta Pertiwi Tbk; President of several factories for pulp and paper and agri-business, and assumed responsibilities for the expansion of the paper business. Mr. Frankle Widjaja was previously a director of Sinarmas Land Limited ("SML") until he retired from SML board of directors in April 2012 to focus on his current appointments.

In 1999, Mr. Frankle Widjaja was appointed as a Director of Golden Agri-Resources Ltd ("GAR") where he holds a non-executive function since December 2006. Presently, Mr. Frankle Widjaja also sits on the boards of several subsidiaries of BCI, GAR and SML. Both GAR and SML are listed on the Official List of the Singapore Exchange Securities Trading Limited.

Since 1998, Mr. Frankle Widjaja has been the Director of both the Shanghai Overseas Friendship Association and the Shanghai Overseas Exchange Association. He was the Deputy Chairman of the Shanghai Overseas Chinese Chamber of Commerce. Mr. Frankle Widjaja was awarded the Third Shanghai Charity Star Special Awards in 2008; the Top Ten Overseas Chinese Award in 2007; the Five Star Diamond Award in 2006; the Shanghai Magnolia Honorable Award in 2006; and the Shanghai Magnolia Memorial Award in 2004. He is an honorary citizen of Ningbo City.

Mr. Franky Widjaja is a Non-Executive Director of BCI and a member of its Nominating and Remuneration Committees. He was appointed as a Director in September 2009, and his last re-election as a Director was in 2013.

Mr. Franky Widjaja, aged 58, graduated from Aoyama Gakuin University of Japan with a Bachelor's degree in Commerce in 1979. Mr. Franky Widjaja has extensive management and operational experience, and since 1982, has been involved with different businesses including agricultural, property, chemical, financial services and pulp and paper.

Mr. Franky Widjaja also sits on the board of directors of GAR and SML, both listed on the Official List of the Singapore Exchange Securities Trading Limited. He has been a director and the Chief Executive Officer of GAR since 1996, and the Chairman of GAR since 2000. Mr. Franky Widjaja has also been a director of SML since 1997, and the Executive Chairman of SML since 2006.

Mr. Franky Widjaja is a member of the boards of several subsidiaries of BCI, GAR and SML. Since 2003, he has been the President Commissioner of PT Sinar Mas Agro Resources and Technology Tbk, a subsidiary of GAR listed on the Indonesia Stock Exchange("IDX"). Mr. Franky Widjaja is also Vice President Commissioner of PT Puradelta Lestari Tbk, a subsidiary of SML listed on IDX.

Currently, Mr. Franky Widjaja is the Co-Chairman of Partnership for Indonesia Sustainable Agriculture ("PISAgro"); Co-Chair of World Economic Forum("WEF"): Grow Asia and he is a member of WEF: Global Agenda Trustee for World Food Security and Agriculture Sector; Vice Chairman of the Indonesian Chamber of Commerce and Industry for Agribusiness, Food and Forestry Sector; and a member of the Advisory Board of the Indonesian Palm Oil Association (GAPKI).

In 2015, Mr. Franky Widjaja was conferred the EY Asean Entrepreneurial Excellence award.

Previously, from 2007 to 2015, Mr. Franky Widjaja was Vice President Commissioner of PT Bumi Serpong Damai Tbk and PT Duta Pertiwi Tbk, both subsidiaries of SML listed on IDX.

Mrs. Deborah Widjaja-Shih was appointed as an Executive Director of BCI in May 2012, and was promoted as Deputy Chief Executive Officer on 2 March 2015. Her last re-election as a Director was in 2013.

Mrs. Deborah Widjaja-Shih, aged 32, graduated Magna Cum Laude with a Bachelor of Arts degree from the University of Southern California, Los Angeles, USA, in December 2006. Mrs. Deborah Widjaja-Shih was a USC Renaissance Scholar double majoring in International Relations and Communication with a minor in Cinema-Television. During her undergraduate studies, she was on the Dean's list for six semesters and a member of two National Honors Societies, Alpha Lamda Delta and Lamda Pi Eta, and was awarded two Outstanding Leadership Awards from the International Students' Assembly. After graduating from university, she enrolled in the New York Film Academy in 2007, and had written, directed, and produced four short films.

Mrs. Deborah Widjaja-Shih is currently an Executive Director and Deputy Chief Executive Officer of Shanghai Golden Bund Real Estate Co., Ltd. ("SGB"), a subsidiary of BCI. Since 2010, she has held senior management positions in SGB. Prior to joining SGB as a Personal Assistant to the Chairman in 2010, Mrs. Deborah Widjaja-Shih undertook various work experience/ research internship positions at the Singapore Economic Development Board and at The Westin Bund Center Shanghai, where she obtained management trainee experience in the areas of Public Relations, Sales & Marketing, Food & Beverage and Finance, as well as led marketing initiatives to launch the grand opening of the new hotel tower.

BOARD OF DIRECTORS

Mr. Chew Yow Foo is an Executive Director and the Chief Financial Officer of BCI. He was appointed as a Director in September 2009 and his last re-election as a Director was in 2014. Mr. Chew sits on the boards of several subsidiaries of BCI.

Mr. Chew, aged 56, holds an MBA from the University of Durham(Dunelm) and a BSSc (Hons) in Accounting with Economics from the Queens University of Belfast(QUB), UK.

Mr. Chew joined SML group as Chief Internal Auditor for its PRC property business in 2006. In 2007, he was re-designated as Chief Financial Officer for its property business in the PRC and Singapore.

Before he joined SML group, Mr. Chew was a general manager and the head of the property investment division at Sichuan Veritas Investment Consulting (Singapore) Co. Ltd., a company which provides consultation services in property development, from January 2005 to April 2006.

From October 2002 to December 2004, Mr. Chew was an acting president and financial controller at Shanghai Firstreach Real Estate Development Co., Ltd., a real estate development company located in the Putuo district of Shanghai. Between October 1995 and October 2002, Mr. Chew was with Anastoria Sdn Bhd, a company involved in the property development business of residential and commercial projects in Malaysia, where he was a finance manager from October 1995 to July 1997 and a regional manager (in charge of the northern regional office) from August 1997 to October 2002.

Prior to 1995, Mr. Chew was involved in financial and management accounting, corporate finance, treasury management, budget and costing, auditing, taxation and corporate secretarial matters in the manufacturing industry.

Mr. Lim Jun Xiong, Steven is the Lead Independent Director of BCI, Chairman of BCI's Audit Committee, and a member of its Nominating Committee and Remuneration Committee. Mr. Lim has been a Director of the Company since September 2009, and his last re-election as a Director was in 2013.

Mr. Lim, aged 60, holds a Bachelor of Commerce majoring in Accounting and Finance from the University of Newcastle, Australia. Mr. Lim is a Fellow member of CPA Australia, the Institute of Singapore Chartered Accountants and a member of the Society of Trusts and Estate Practitioners. Mr. Lim currently provides consultancy advice in the field of global wealth solutions.

Mr. Lim was the Chief Executive Officer of SG Trust (Asia) Ltd, a wholly-owned subsidiary and fiduciary services arm of Societe Generale Private Bank that provides wealth management, estate and succession planning services until October 2014. Prior to this, he was the Managing Director and subsequently a Senior Consultant at HSBC Private Bank (Suisse) SA Global Wealth Solutions. Mr. Lim started his career at PricewaterhouseCoopers.

Presently, Mr. Lim is an Independent Director of Mirach Energy Limited, the Lead Independent Director of Keong Hong Holdings Limited, an Independent Director and Non-Executive Chairman of Sapphire Corporation Limited and an Independent and Non-Executive Director of Hong Fok Corporation Limited, all of which are listed on the Official List of the Singapore Exchange Securities Trading Limited.

Mr. David Yeow is an Independent Director of BCI, Chairman of BCI's Remuneration Committee and a member of its Audit Committee and Nominating Committee. He has been a Director of the Company since February 2010, and his last re-election as a Director was in 2015.

Mr. Yeow, aged 55, graduated from the National University of Singapore with a Bachelor of Laws (Honours) degree. Mr. Yeow is an Advocate and Solicitor of the Supreme Court of Singapore. He is a Senior Partner and (since 1999) also an executive committee member of Rajah & Tann Singapore LLP.

Mr. Yeow is presently also an Independent and Non-Executive Director of Noble Group Limited, a company listed on the Official List of the Singapore Exchange Securities Trading Limited.

Mr. Willy Shee Ping Yah @ Shee Ping Yan is an Independent Director of BCI, Chairman of BCI's Nominating Committee and a member of its Audit Committee and Remuneration Committee. He has been a Director of the Company since February 2010, and his last re-election as a Director was in 2014. He sits on the board of BCI's subsidiary, Shanghai Golden Bund Real Estate Co., Ltd.

Mr. Shee, aged 67, holds a Diploma in Urban Valuation from the University of Auckland, New Zealand (under the Colombo Plan Scholarship 1968-70). He is a Fellow Member of the Singapore Institute of Surveyors and Valuers, a Fellow Member of the Association of Property and Facility Managers and an associate member of the New Zealand Property Institute (formerly known as the New Zealand Institute of Valuers). Mr Shee is a Licensed Estate Agent in Singapore and a full member of the Singapore Institute of Directors.

Mr Shee is currently the Chairman, Asia, of CBRE Pte Ltd and oversees the operations of all the offices of CBRE in Asia. From 1991 to June 2005, Mr. Shee was the managing director of CB Richard Ellis (Pte) Ltd, Singapore office, and was responsible for its growth and overall operations.

Other boards which Mr. Shee sits on include Sunway REIT Management Sdn Bhd, manager for Sunway Real Estate Investment Trust which is listed on the Malaysia Stock Exchange, NTUC Fairprice Co-operative Ltd, Lafe (Emerald Hill) Development Pte. Ltd., and Mercatus Co-operative Ltd.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, it is my pleasure to present the annual report of Bund Center Investment Ltd ("BCI" or the "Company" and together with its subsidiaries, the "Group") for the financial year ended 31 December 2015 ("FY2015").

GROUP PERFORMANCE

Despite the challenging business environment during the financial year, the Group continued to deliver credible improvement in its operating performance with revenue improving 8.5% to $140.6 million and EBITDA 1.7% to $74.8 million for FY2015. The Group recorded a total profit of $29.8 million.

The Bund Center, which consist of the Office Tower and the Westin Bund Center Shanghai Hotel, remains the main contributor to the Group's operating results.

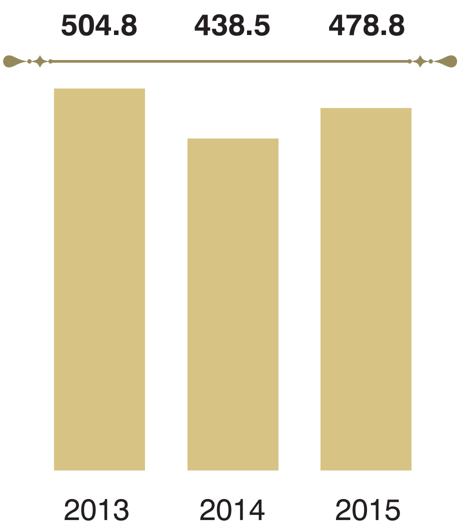
The Group's revenue increased primarily due to higher leasing and hotel income from our investment properties, particularly the Bund Center Office Tower and Westin Bund Center respectively. The leasing income increased by 4.6% to $71.9 million, mainly attributable to the achievement in Office Tower occupancy rate of 93.1% and higher average rent rate, resulted from sustained demand from multinational and domestic companies for office space.

"THE GROUP CONTINUED TO DELIVER CREDIBLE IMPROVEMENT IN ITS OPERATING PERFORMANCE WITH REVENUE IMPROVING 8.5% TO $140.6 MILLION AND EBITDA 1.7% TO $74.8 MILLION RESPECTIVELY. "

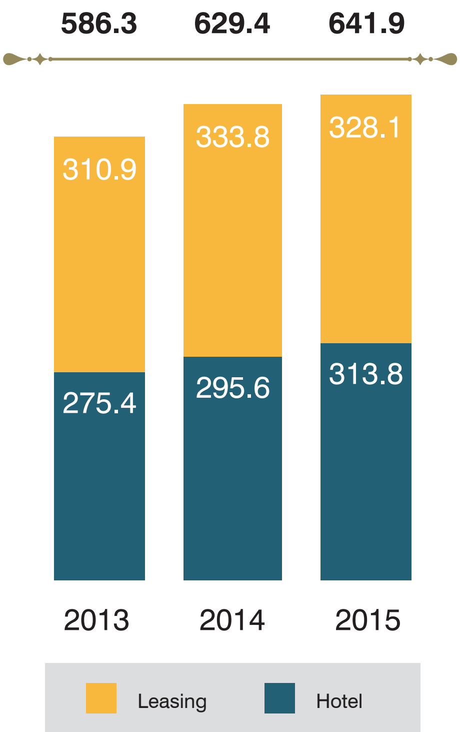
The hotel operations achieved a higher average occupancy rate of 80.3% due to the higher demand for hotel rooms and services following the adoption of a more flexible pricing strategy. The hotel was able to improve its average room rate to RMB1,243, higher than the average room rate achieved by five-star hotels in Shanghai for FY2015.

Financial income of $3 million in FY2015 was mainly attributable to deposits placements during the financial year.

TOTAL EQUITY ($'MIL)



REVENUE (RMB'MIL)



As at 31 December 2015, the Group's total assets increased from $537.7 million to $581.5 million, mainly attributable to cash flows generated from operations. The Group's total liabilities increased from $99.2 million to $102.7 million attributable to borrowings reported following the strengthening of US dollar.

The cash and cash equivalents increased to $120.5 million as at 31 December 2015 mainly due to net cash generated from operating activities in the current financial year in line with better operating cash flows, after payments for shares bought and held as treasury shares and capital expenditure incurred during the financial year.

The stable cash inflows allow the Group to maintain a strong financial position and a high level of financial flexibility to seize opportunities when available.

OUTLOOK

The operating environment in China is expected to continue to be challenging. We will remain cautiously optimistic and will continue to enhance our competitiveness by enhancing our service level and improving our cost efficiency in the Group's business operation in office leasing, hotel and retail in China.

APPRECIATION

I wish to thank our shareholders, business associates, customers and community for the continued support, and express my appreciation to my fellow Board members, management and staff for their dedication and contribution toward the Group's sustainable growth.

FRANKLE (DJAFAR) WIDJAJA
Executive Chairman
14 March 2016

OPERATIONS REVIEW

OFFICE

Bund Center Office Tower

The Bund Center Office Tower continued to enjoy its prominent position as a Shanghai landmark and one of the best Super Grade A office buildings in the city since 2002. With its location in the historically famous bund area ("the Bund") or major central business district ("CBD") in Puxi and offering the conveniences of the five-star Westin Bund Center Shanghai hotel, Bund Center Office Tower has always been recognised as one of the most prestigious office buildings serving world renowned multinational corporations.

During the financial year 2015, 17 renewal deals and 13 new deals were achieved; Norwegian Consulate, Regus, South African Consulate, CMA, Herbert Smith, Ao Xin and Mitsubishi were among those leading tenants being both successfully retained or newly joined Bund Center. With its magnificent crown rooftop, the building is also one of the tallest structures in the Bund skyline, offering international standard high-quality office space. The property management of the building is performed by Colliers International and the major tenants of the building include multi-national companies such as Deloitte Touche Tohmatsu, Clifford Chance, Herbert Smith, CMA, Saint Gobain, Mitsubishi, Pillsbury, Norwegian Consulate and South African Consulate.

In spite of increasing office space supply, Bund Center Office Tower has successfully achieved its leasing rate to 93.1% and with a higher average rental rate, resulted from sustained demand from multinational and domestic companies for office space.

Facilities and services improvement remain as the top priority and most important objectives of the building operations and property management. On the services aspect, the property management team continued to make progress in areas such as the tenant moving-in-and-out process, faulty reporting center, tenant renovations, customer communication, relationship and services, upgraded indoor air quality system, a new staff cafeteria etc. Shuttle-bus and concierge service remain as the most recognisable features of all services in Bund Center. In addition, we have also held prominent short-term events and exhibitions in the lobby in collaboration with tenants' business and promotion activities. The concierge counter continued to provide tenants and visitors' premium services which are normally available in hotel. The basement staff cafeteria has also substantially uplifted the corporate image of Bund Center, offering tenants a wide variety of affordable and convenient food options. All these upgrades have enriched the quality of our services and facilities provided, as well as given us a distinctive advantage over our competitors, hence boosting our presence and visibility amidst an increasing supply of office space in the corporate real estate leasing market.

On facilities aspect, the property management team has made a significant progress in the upgrading of the car-park management system. The new system provides proximity card service and tenants no longer need to carry access card to go in and out of the car park. The property management has adopted a more proactive approach in facilities up-keeping and maintenance to ensure Bund Center always look and feel new.

HOTEL

The Westin Bund Center Shanghai

Since its opening in 2002, The Westin Bund Center Shanghai has won many accolades and established itself as a world class hotel offering premium services. The hotel is prominent landmark center of the Bund. It has 570 tastefully decorated guestrooms including 25 suites ranging between 60 m^2 to 249 m^2.

All rooms are designed to provide guests with rejuvenating experience and equipped with an upgraded indoor air conditioning filtration that will reduce 75% of PM2.5 particles and allergens from the outdoors. With 1842 m^2 of meeting and banquet space supported by audio-video facilities, the hotel received numerous significant industry and culinary awards and acclaims in 2015 as in previous years.

The Westin Bund Center Shanghai is a flagship hotel and one of the most stylish and iconic buildings in the Shanghai skyline.

The hotel continues to garner numerous international hotel awards including "China's Top 40 Hotels" by Conde Nast Traveler Reader's Choice Awards 2015", One of the "World's Best Hotels" Asia City Hotels by Travel+Leisure World's Best Awards 2015, "Best Business Hotel in Shanghai" by TTG China Travel Awards 2015, "Best City Landmark Hotel"by Vantage Hotel Awards 2015, "Best Hotel Brunch" by City Weekend and That's Shanghai.

These recognitions further reinforces the hotel's reputation for offering guests the highest levels service complemented by a very modern aesthetic.

Despite increasing competition from new hotels in Shanghai, the hotel improved in average occupancy to 80.3% against the previous financial year of 77.4%. It also achieved a high average daily rate of RMB 1,243 which is higher than the average five-star hotel in Shanghai. The hotel continued to show significant improvement in term of guest satisfaction and employee engagement index according to professional independent surveys engaged by Starwood.

OPERATIONS REVIEW

RETAIL

GOLDEN CENTER, NINGBO

Zhejiang province continued with economic growth and Ningbo registered a GDP growth of 6.9% with an increase in average disposable income by 8.4% against FY2014.

Despite Ningbo's increasing levels of income, conducive business environment and development of leisure tourism projects, the new supply of large scale mega-malls poses a challenge for us, particularly in the mid-high and upscale markets, which have become intensely competitive in Ningbo retail industry. Nonetheless, Golden Center continued to maintain a high average occupancy of approximately 94.2% in FY2015 as a result of its strategised aggressive marketing efforts.

Golden Center will continue to upgrade and accelerate its brand positioning, broaden product lines and improve excellent quality services with selective retention of reputable tenants with unique branding and sound business track records. Tenants such as Rodrigo, Lublam, OG, Marco Azali, Starbucks, Coodo (Apple) Store, Amass, DT Dupont etc. will be retained and the company will attract new customers by having unique products assortment, offering better services and benefits than competitors. Golden Center also strategises to provide our valued customers a new, comfortable, modern and safe shopping environment by means of continuing effort to uplift its interior and exterior outlook.

Going forward, given the slowing down of the China economy, Golden Center will continue consolidating its marketing positioning in the highly competitive retail industry in Ningbo. With an enhancement of our proactive management approach towards customers' needs and continuing to improve excellent quality services to loyal customers, we will also continue to promote our corporate philosophy - "Challenge to the limit – Pursuit of Excellence" and in Chinese "挑战极限, 追求完美" and strive for cost effectiveness and efficiency in Golden Center.

OUTLOOK FOR 2016

The operating environment in China is expected to continue to be challenging and the Group will continue to drive on yield strategy and improve cost efficiency to enhance the operating performance and its market share.

The completion of the refurbishments and upgraded air conditioning filtration of the hotel in FY2015 has further enhanced its competitive advantages by creating a new arrival and staying experiences and will continue to seize every business opportunity amidst the highly competitive operating environment. The Group will also continue to cautiously explore business opportunities for expansion.

Given the Group's broad exposure and invaluable experience of its employees, loyal customers, steady cash inflow and consistent innovation of the products and services, the outlook of the Group's performance will remain positive and shall stay ahead in the competitive market.

CORPORATE DIRECTORY

BOARD OF DIRECTORS
Frankle (Djafar) Widjaja
(Executive Chairman and Chief Executive Officer)

Franky Oesman Widjaja
(Non-Executive Director)

Deborah Widjaja
(Executive Director and Deputy Chief Executive Officer)

Chew Yow Foo
(Executive Director and Chief Financial Officer)

Lim Jun Xiong, Steven
(Independent Director)

David Yeow
(Independent Director)

Willy Shee Ping Yah @ Shee Ping Yan
(Independent Director)

AUDIT COMMITTEE
Lim Jun Xiong, Steven (Chairman)
David Yeow
Willy Shee Ping Yah @ Shee Ping Yan

NOMINATING COMMITTEE
Willy Shee Ping Yah @ Shee Ping Yan (Chairman)
Lim Jun Xiong, Steven
David Yeow
Franky Oesman Widjaja

REMUNERATION COMMITTEE
David Yeow (Chairman)
Willy Shee Ping Yah @ Shee Ping Yan
Lim Jun Xiong, Steven
Franky Oesman Widjaja

COMPANY SECRETARY
Lye Chor Mei (ACIS)

ASSISTANT COMPANY SECRETARY
Codan Services Limited

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Fax: +1 (441) 292 4720

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Fax: (65) 6329 5709

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Codan Services Limited
Clarendon House, 2 Church Street,
Hamilton HM 11, Bermuda
Tel: +1 (441) 295 5950
Fax: +1 (441) 292 4720

SINGAPORE SHARE TRANSFER OFFICE AND SHARE TRANSFER AGENT
B.A.C.S. Private Limited
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Singapore 048544
Tel: (65) 6593 4848
Fax: (65) 6593 4847

AUDITORS
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Public Accountants and Chartered Accountants
10 Anson Road, #29-15 International Plaza,
Singapore 079903
Tel: (65) 6221 3771
Fax: (65) 6221 3815
Partner-in-charge: Ng Chiou Gee Willy
(Appointed since the financial year ended
31 December 2012)

PRINCIPAL BANKER
Agricultural Bank of China (Shanghai Branch)

DATE AND COUNTRY OF INCORPORATION
5 August 2009, Bermuda

SHARE LISTING
The Company's shares are listed on the Singapore Exchange Securities Trading Limited

DATE OF LISTING
30 June 2010

Bund Center Investment Ltd (the "Company" or BCI" and together with its subsidiaries, the "Group") remains committed to observing high standards of corporate governance, to promote corporate transparency and to enhance shareholder value. The Company has complied substantively with the principles and guidelines set out in the Code of Corporate Governance 2012 ("2012 Code") through effective self-regulatory corporate practices.

This report sets out the Company's corporate governance processes and activities with specific reference to the guidelines of the 2012 Code, and provides explanation for deviations from the recommendations under the 2012 Code. For easy reference, the principles of the 2012 Code are set out in italics in this report.

A. BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and the Management remains accountable to the Board.

1.1 The Board's Role

The primary function of the Board of Directors of the Company ("Board") is to provide effective leadership and direction to enhance the long-term value of the Group to its shareholders and other stakeholders. The Board has the responsibility to fulfil its role which includes the following:-

(a) ensuring that the long-term interests of the shareholders are being served and safeguarding the Company's assets;

(b) assessing major risk factors relating to the Company and its performance, and reviewing measures, including internal controls, to address and mitigate such risks;

(c) reviewing and approving Management's strategic and business plans, including developing a depth of knowledge of the business being served, understanding and questioning the assumptions upon which plans are based, and reaching an independent judgement as to the probability that the plans can be realised;

(d) monitoring the performance of Management against plans and goals;

(e) reviewing and approving significant corporate actions and major transactions;

(f) assessing the effectiveness of the Board;

(g) ensuring ethical behaviour (including ethical standards) and compliance with laws and regulations, auditing and accounting principles, and the Company's own governing documents; and

(h) performing such other functions as are prescribed by law, or assigned to the Board in the Company's governing documents.

1.2 Independent Judgement

All Directors are expected to objectively discharge their duties and responsibilities, in the interests of the Company. Directors who are in any way, directly or indirectly, interested in a transaction or proposed transaction are required to declare the nature of their interests, and voting on the resolution is prohibited if he/she has personal material interest, in accordance with the provisions of the Bye-laws of the Company ("Bye-laws").

The Board currently consists of 7 members, as shown below together with their membership on the Board committees of the Company ("Board Committee"):-

	Board Appointment	Board Committee Appointment
Frankle (Djafar) Widjaja	Executive, non-independent Director	-
Franky Oesman Widjaja	Non-executive, non-independent Director	Member of NC and RC
Deborah Widjaja	Executive, non-independent Director	-
Chew Yow Foo	Executive, non-independent Director	-
Lim Jun Xiong, Steven	Non-executive, independent Director	Chairman of AC Member of RC and NC
David Yeow	Non-executive, independent Director	Chairman of RC Member of AC and NC
Willy Shee Ping Yah @ Shee Ping Yan	Non-executive, independent Director	Chairman of NC Member of AC and RC

Abbreviation:-
AC: Audit Committee
NC: Nominating Committee
RC: Remuneration Committee

A majority of our Board members are non-executive. Of the 4 non-executive Directors, 3 are independent Directors making up more than one-third of the composition of the Board, thereby providing a strong and independent element on the Board. This is fundamental to good corporate governance as it facilitates the exercise of independent and objective judgement on corporate affairs. It also ensures discussion and review of key issues and strategies in a critical yet constructive manner.

1.3 Delegation by the Board

To assist the Board, the Board has delegated certain functions to the 3 Board Committees, namely, the AC, the NC and the RC, at the same time recognizing that the ultimate responsibility on all matters rest with the Board. Each of these Board Committees has its own written terms of reference. Please refer to pages 22 to 31 of this report for further information on these Board Committees.

1.4 Key Features of Board Processes

To assist Directors in planning their attendance at meetings, the dates of Board meetings, Board Committee meetings and annual general meeting together with agenda items are scheduled up to one year in advance, with Directors meeting each quarter. In addition to the regular scheduled meetings, ad-hoc meetings are convened as and when circumstances warrant. Besides physical meetings, the Board and the Board Committees may also make decisions by way of circular resolutions under the Bye-laws and their respective terms of reference.

Board meetings are conducted in Singapore or overseas where participation by Board members by means of teleconference, videoconference or similar communication equipment is permitted under the Bye-laws. In 2015, the Board and Board Committees held a total of 12 meetings, with the year-end meeting focusing on annual budget and strategic issues.

1.5 Attendance at Board and Board Committee Meetings in 2015

Details on the number of Board and Board Committee meetings held in 2015, and the attendance of Directors and Board Committee members at those meetings are disclosed below:-

	No. of meetings attended by members			
Name	**Board Meetings**	**Audit Committee Meetings**	**Nominating Committee Meetings**	**Remuneration Committee Meetings**
EXECUTIVE DIRECTORS				
Frankle (Djafar) Widjaja	4/4	-	-	-
Deborah Widjaja	4/4	-	-	-
Chew Yow Foo	4/4	-	-	-
NON-EXECUTIVE DIRECTORS				
Franky Oesman Widjaja*	3/4	1/1	1/1	2/2
Lim Jun Xiong, Steven	4/4	5/5	1/1	2/2
David Yeow	4/4	4/5	1/1	2/2
Willy Shee Ping Yah @ Shee Ping Yan	4/4	5/5	1/1	2/2
Number of Meetings Held	4	5	1	2

* Ceased as a member of AC on 2 March 2015

1.6 Matters Requiring Board Approval

Matters specifically requiring the Board's approval are set out in the Company's Internal Guidelines, which include the following corporate events and actions:-

- approval of results announcements
- approval of annual report and financial statements
- dividend declaration/proposal
- convening of shareholders' meetings
- shares issuance
- material acquisitions and disposals of assets
- annual budgets
- interested person transactions
- corporate governance

1.7 Board Orientation and Training for New Directors

Procedures are in place whereby newly appointed Directors will be provided with a formal appointment letter setting out the terms of appointment, duties and obligations. They will also be given relevant governing documents of the Company and contact particulars of senior Management. Directors who do not have prior experience as a director of a Singapore listed company will be required to attend externally conducted training on the roles and responsibilities as a director of a listed company in Singapore.

Newly appointed non-executive Directors who are not familiar with the Group's business may, upon recommendation of the Chairman or the NC, be provided with orientation through overseas trips and/or Management briefings and presentations, to familiarise them with the Group's operations. Management will also brief new Directors on the Group's business as well as governance practices.

1.8 2015 Director Training Programme

The NC reviews and makes recommendations on Directors' training which are arranged and funded by the Company. The Company has an annual training budget to fund any Director's participation/attendance at seminars and training programmes that are relevant to his/her duties as a Director.

In conformity with the framework for Directors' Training as approved by the Board, the 2015 Director Training Programme provided a 3-step approach to training as follows, through:-

(1) Externally conducted courses on audit / financial reporting matters and other relevant topics subject to course availability

(2) Quarterly management updates on operations and industry specific trends and development

(3) Quarterly continuing education on regulatory changes and updates, which includes briefings to AC members on changes to accounting standards and issues

Directors having attended external courses/seminars, in turn shared their experience and knowledge with fellow Directors.

Principle 2: Board Composition and Guidance

There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

2.1 Board Size and Composition

Each year, the Board examines its size, composition, skills and core competencies of its members to ensure an appropriate balance and diversity of skills, experience, knowledge and gender. The Board comprises Directors from different industries and background, with business and management experience, knowledge and expertise that collectively as a group provide the core competencies for the leadership of the Company. Currently, the Board includes a female Director.

Taking into account the scope and nature of operations of the Group, the Board considers that the current board size of 7 Directors is appropriate to facilitate effective decision making.

Please refer to pages 6 to 9 of this Annual Report for key information, including qualifications, on the Directors of the Company.

2.2 Directors' Independence Review

The ensuing paragraphs set out the criteria and processes to determine a Director's independence.

The Board has adopted guidelines set out in the 2012 Code on relationships, the existence of which, would deem a Director not to be independent. A Director who has no relationship with the Company, its related corporations, officers or its shareholders with shareholdings of 10% or more in the voting shares of the Company that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company, is considered to be independent.

The NC is tasked to determine on an annual basis and, as and when the circumstances require, whether or not a Director is independent, bearing in mind the 2012 Code and any other salient factor which would render a Director to be deemed not independent. For the purpose of determining independence, each Director is required to complete a self-declaration checklist, at the time of appointment and annually, based on these guidelines.

Having conducted the relevant reviews, the NC/Board has considered that the following Directors are regarded as independent Directors of the Company:-

Mr. Lim Jun Xiong, Steven
Mr. David Yeow
Mr. Willy Shee Ping Yah @ Shee Ping Yan

None of the independent Directors has served on the Board for more than 9 years.

Each independent Director has abstained from the NC/Board's determination of his independence.

2.3 Non-executive Directors

Non-executive Directors are encouraged, in line with corporate governance practice, to constructively challenge and help develop proposals on strategy; to review the performance of Management in meeting agreed goals and objectives; to monitor the reporting of performance; and to meet regularly without the presence of Management.

The non-executive independent Directors, including the lead independent Director, meet and/or hold discussions at least annually without the presence of other executive Directors, non-independent Directors and Management.

Principle 3: Chairman and Chief Executive Officer

There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

3.1 Chairman and Chief Executive Officer

Our Chairman and Chief Executive Officer ("CEO") is Mr. Frankle (Djafar) Widjaja. We believe that the independent Directors have demonstrated a high commitment in their roles as Directors and have ensured that there is a good balance of power and authority.

The Chairman is responsible for:-

(a) leading the Board to ensure its effectiveness on all aspects of its role;

(b) setting the agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;

(c) ensuring that the Directors receive complete, adequate and timely information;

(d) ensuring effective communication with shareholders;

(e) encouraging constructive relations within the Board and between the Board and Management;

(f) facilitating the effective contribution of non-executive Directors in particular; and

(g) promoting high standards of corporate governance.

3.2 Lead Independent Director

In view that the Chairman and CEO positions are being held by the same person, the AC chairman, Mr. Lim Jun Xiong, Steven acts as the Lead Independent Director, whom shareholders with concerns may contact, care of the company secretary, when contact through the normal channels has failed to resolve or is inappropriate.

Principle 4: Board Membership

There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

4.1 Nominating Committee Composition and Role

The NC comprises the following 4 Directors, 3 of whom, including the NC chairman, are non-executive and independent Directors:-

Willy Shee Ping Yah @ Shee Ping Yan (NC Chairman)
Lim Jun Xiong, Steven
David Yeow
Franky Oesman Widjaja

The NC's role and responsibilities are described in its terms of reference.

The NC is primarily responsible for:-

(a) reviewing and recommending the nomination or re-nomination of the Directors, having regard to each Director's contribution and performance;

(b) determining annually whether or not a Director is independent;

(c) deciding whether or not a Director is able to and has been adequately carrying out his/her duties as a Director;

(d) in respect of a Director who has multiple board representations on various companies, to review and decide whether or not such Director is able to and has been adequately carrying out his/her duties as Director, having regard to the competing time commitments that are faced by the Director when serving on multiple boards;

(e) making recommendations to the Board regarding training and professional development programmes for the Board; and

(f) reviewing and approving any new employment of related persons and the proposed terms of their employment.

4.2 Process for Selection and Appointment, Re-appointment of Directors

All new Board appointments are considered, reviewed and recommended by the NC first, before being brought up to the Board for approval. Potential candidates to fill casual vacancies or as an additional Director are sourced with recommendations from Directors, Management or external consultants. The NC then evaluates the suitability of potential candidates for the position taking into account, *inter alia,* the candidate's age, gender, knowledge, skills, experience and ability to contribute to the Board's effectiveness. Upon the NC's recommendation, the Board approves the new appointment. In the event that the membership of the NC falls below the minimum number of 3 members, it shall be dissolved, and any new nominations are channeled directly to the Board for approval after which the NC is reconstituted with the requisite number of members.

Pursuant to the Bye-laws, each Director shall retire at least once every 3 years and a retiring Director shall be eligible for re-election at the annual general meeting ("AGM") of the Company. In addition, any Director appointed by the Board shall retire at the next AGM and shall then be eligible for re-election at that meeting.

In its deliberation on the re-election of retiring Directors, the NC takes into consideration the Director's attendance, participation, contribution and performance during the year. Ms. Deborah Widjaja, Mr. Franky Oesman Widjaja and Mr. Lim Jun Xiong, Steven retire from office by rotation at the forthcoming AGM under Bye-law 86 of the Bye-laws and, being eligible, have offered themselves for re-election. The NC has recommended their re-election at the forthcoming AGM.

4.3 Directors' Time Commitments and Multiple Directorships

It is recommended under the 2012 Code that the Board considers providing guidance on the maximum number of listed company representations which each Director of the Company may hold in order to address competing time commitments faced by Directors serving on multiple boards. The Board believes that each Director, when accepting new appointments or who already sit on multiple boards, has the individual responsibility to personally determine the demands of his or her competing directorships and obligations, and ensure that he/she can allocate sufficient time and attention to the affairs of each company. The Board is of the view that setting a numerical limit on the number of listed company directorships that a Director may hold is arbitrary, given that time requirements for each person vary, and therefore prefers not to be prescriptive. As a safeguard, the NC will review annually each Director's ability to devote sufficient time and attention to the affairs of the Company. The NC is satisfied with the time committed by each Director to attend meetings.

Principle 5: Board Performance

There should be a formal annual assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

5.1 Board Evaluation Process

The NC is tasked to carry out the processes as implemented by the Board for the purpose of assessing the effectiveness of the Board as a whole and for assessing the contribution by each individual Director to the effectiveness of the Board on an annual basis.

The Company has in place a system to assess the effectiveness / performance of the Board and acts, where appropriate, on feedback from Board members, on improvements.

During the evaluation process, each Director is required to complete the respective forms for self-assessment as well as for assessment of the Board's performance, based on the pre-determined approved performance criteria.

When deliberating on the performance of a particular Director who is also a member of the NC, that member abstains from the discussions in order to avoid any conflict of interests.

The Board considers the current assessment of the Board and individual Director as being sufficient for the Company, rather than excessive if additional assessments of 3 Board Committees and Chairman are introduced.

Principle 6: Access to Information

In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

6.1 Complete, Adequate and Timely Information

In order to ensure that the Board is able to fulfill its responsibilities, Management provides the Board with complete and adequate information in a timely manner. Such information extends to documents on matters to be brought up at Board meetings which, as a standard procedure, are circulated to Board members in advance for their review and consideration. Senior Management and other professionals who can provide additional insights into the matters to be discussed at Board meetings are also invited to be present at these meetings, where relevant. As Directors may have further queries on the information provided, they have separate and independent access to the Company's senior Management who accordingly addresses individual Director's request for additional information / documents.

Management provides the Board with financial statements and management reports of the Group on a quarterly basis, and upon request as and when required. Explanations are given by Management for material variance (if any) between any projections in the budget and actual results.

6.2 Company Secretary

The Directors may separately and independently contact the company secretary, who attends and prepares minutes for all Board meetings. The company secretary's role is defined which includes responsibility for ensuring that board procedures are followed and that applicable rules and regulations are complied with.

The appointment and the removal of the company secretary are matters requiring the Board's approval.

6.3 Independent Professional Advice

The process is in place whereby the Directors, either individually or as a group, in the furtherance of their duties, require professional advice, the company secretary can assist them in obtaining independent professional advice, at the Company's expense.

B. REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

Principle 8: Level and Mix of Remuneration

The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

7.1 Remuneration Committee Composition and Role

The RC comprises 4 Directors, a majority of whom, including the RC chairman, are independent Directors. All members of the RC are non-executive Directors as follows:-

David Yeow (RC Chairman)
Willy Shee Ping Yah @ Shee Ping Yan
Lim Jun Xiong, Steven
Franky Oesman Widjaja

The RC has written terms of reference that describes its roles and responsibilities.

The duties of the RC include recommending to the Board for approval, the following:-

(a) a framework of remuneration for the Board and key management personnel;

(b) the specific remuneration packages for each Director and key management personnel; and

(c) the Company's obligations arising in the event of termination of executive Directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

During its annual review of remuneration of Directors and key management personnel, the RC may seek advice from external remuneration consultants as and when it deems necessary.

None of the members of the RC is involved in deliberations in respect of any remuneration, fee, compensation, incentives or any form of benefits to be granted to him.

7.2 Long-Term Incentive Schemes

Currently, the Company does not have long-term incentive schemes, including share schemes.

8.1 Remuneration of Executive Directors and Key Management Personnel

In designing the compensation structure, the Company seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate.

The remuneration structure for executive Directors and key management personnel consists of (a) fixed remuneration, (b) variable bonus and/or (c) other benefits. Executive Directors do not receive Directors' fees.

The level of remuneration is determined by various factors including performance of the Group, industry practices and the individual's performance and contributions towards achievement of corporate objectives and targets.

Payments are made based on the extent of the individual's achievement of performance conditions for the year under review.

8.1.1 The use and application of clawback provisions in remuneration contracts of executive Directors and key management personnel is subject to further consideration by the Company.

8.2 Remuneration of Non-Executive Directors

8.2.1 Non-Executive Independent Directors

Non-executive independent Directors receive Directors' fees, which are subject to shareholders' approval at AGMs ("Directors' Fees").

Directors' Fees are determined based on a scale of fees comprising a basic fee, AC chairman fee, AC member fee, RC chairman fee, RC member fee, NC chairman fee, and NC member fee. Additional fee is paid to the independent Director appointed to the board of the overseas principal subsidiary.

The level of Directors' Fees is reviewed annually by the RC and the Board, during which factors such as contributions, regulatory changes and responsibilities and market benchmarks are taken into consideration.

8.2.2 Non-Executive Director

No remuneration was paid to the non-executive Director during the year.

Principle 9: Disclosure on Remuneration

Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

9.1 Directors' Remuneration

The Directors' remuneration for the year ended 31 December 2015 in bands of S$250,000 is set out in the table below:-

Name of Directors	Fixed Salary	Bonus paid or payable/ Benefit	Directors' Fees	Total
Executive Director				
S$1,500,000 to below S$1,750,000				
Frankle (Djafar) Widjaja	61.3%	38.7%	-	100%
Executive Directors				
S$250,000 to below S$500,000				
Chew Yow Foo	72.5%	27.5%	-	100%
Deborah Widjaja	76.0%	24.0%	-	100%
Non-Executive Independent Directors				
Below S$250,000				
Lim Jun Xiong, Steven	-	-	100%	100%
David Yeow	-	-	100%	100%
Willy Shee Ping Yah @ Shee Ping Yan	-	-	100%	100%
Non-Executive Director				
Nil				
Franky Oesman Widjaja	-	-	-	-

Variable bonus is based on performance in the same financial year.

Each Director's remuneration is expressed in bands of S$250,000 rather than to the nearest dollar, given that remuneration continues to be a sensitive subject. The Company believes that the current format of disclosure in bands of S$250,000 with a percentage breakdown, is sufficient indication, for the time being, of each Directors' remuneration package.

9.2 Remuneration of Top 5 Key Management Personnel

The top 5 key management personnel of the Group who are not Directors of the Company ("KMP") for the year ended 31 December 2015 and their remuneration falling in bands of S$250,000, are as follows:-

Andreas Trauttmansdorff
Carolyn Wu Hong
Thomas Rappl
Hor Chai Yuen
Alex Ryu

KMPs' Remuneration Band	Number of KMP
S$500,000 to below S$750,000	1
Below S$250,000	4

The total remuneration paid to the top 5 KMP for the year ended 31 December 2015 amounted to S$1,320,151.

The Company believes that it is not in the Group's interest to disclose the remuneration of its KMPs to the full extent recommended, due to continuing sensitivity and confidentiality of executives' remuneration and, moreover, such disclosure may encourage peer comparisons and discontent, and may also hamper the Group's ability to retain its talent pool in a competitive environment.

9.3 Remuneration of employees who are immediate family members of a Director/CEO

The remuneration of employees who are immediate family members of a Director or the CEO, and whose remuneration exceeds S$50,000 for the year ended 31 December 2015, being two, Ms. Jehnny Susanty and Mr. Joshua Wijaya, the spouse and son, respectively of Mr. Frankle (Djafar) Widjaja, are as follows:-

Remuneration Band	Number
Below S$250,000	2

Mr. Frankle (Djafar) Widjaja and Mr. Franky Oesman Widjaja are brothers. Ms. Deborah Widjaja is the daughter of Mr. Frankle (Djafar) Widjaja. Other than disclosed above, none of the Directors had immediate family members who were employees and whose remuneration exceeded S$50,000 for the year ended 31 December 2015.

In view of the confidential nature of employee remuneration and the sensitiveness of such information, the remuneration of relatives is disclosed in the band of S$250,000.

C. ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

10.1 Accountability

The Board reviews and approves the results announcements before its release. In presenting the quarterly and annual financial statements to shareholders, the Board aims to provide shareholders with a balanced and clear assessment of the Company's performance, position and prospects.

For the financial year under review, the CEO and the Chief Financial Officer ("CFO") have provided assurance to the Board on the integrity of the financial statements of the Company and its subsidiaries. For interim financial statements, the Board provided a negative assurance confirmation to shareholders.

Principle 13: Internal Audit

The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

13.1 Internal Audit

The Company has established an in-house internal audit function. The role of the internal auditors is to assist the AC to ensure that the Company maintains a sound system of internal controls.

The Head of Internal Audit's primary reporting line is to the AC chairman, with an administrative line of reporting to the Chairman. The Head of Internal Audit has met the standards set by nationally or internationally recognized professional bodies including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The AC approves the hiring and removal of the Head of Internal Audit and ensures that the internal audit function is adequately staffed and has appropriate standing within the Company. It also ensures the adequacy of the internal audit function.

The annual internal audit plan is established in consultation with, but independent of, Management, and is reviewed and approved by the AC. At AC meetings, the AC reviews and discusses with Management, internal audit findings, recommendations and status of remediation.

Principle 12: Audit Committee

The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

12.1 Audit Committee Composition and Role

The AC comprises the following 3 Directors, all of whom, including the AC chairman, are non-executive and independent Directors:-

Lim Jun Xiong, Steven (AC Chairman)
David Yeow
Willy Shee Ping Yah @ Shee Ping Yan

The Board considers that the members of the AC are appropriately qualified to discharge the responsibilities of the AC.

The AC's roles and responsibilities are described in its terms of reference.

The AC has the explicit authority to investigate any matter within its terms of reference. In addition, the AC has full access to and co-operation of Management and full discretion to invite any Director or executive officer to attend its meetings. Reasonable resources are made available to enable the AC to discharge its functions properly.

The duties of the AC include the following:-

(a) reviewing the audit plans of the Company's internal and external auditors, their evaluation of the system of internal controls, their audit reports, their management letter and our management's response;

(b) reviewing the co-operation given by our Company's management to the external auditors;

(c) considering and recommending the appointment or re-appointment of the Company's external auditors and matters relating to resignation or dismissal of auditors;

(d) considering the appointment or re-appointment of an internal auditor or compliance adviser;

(e) reviewing the financial statements of the Company and the Group before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with the Listing Manual (as defined below) and any other relevant statutory/regulatory requirements;

(f) reviewing interested person transactions (if any);

(g) reviewing potential conflicts of interests (if any) and to set out a framework to resolve or mitigate any potential conflict of interests;

(h) undertaking such other reviews as may be requested by the Board, and reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(i) reviewing the internal controls and procedures and ensure co-ordination between the external auditors and management, reviewing the assistance given by management to the auditors, and discussing problems and concerns, if any, arising from interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the management where necessary);

(j) generally undertaking such other functions and duties as may be required by statute, regulations or the listing manual ("Listing Manual") of the Singapore Exchange Securities Trading Limited, or by such amendments as may be made thereto from time to time;

(k) reviewing arrangements by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and ensuring that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and

(l) conducting periodic review of foreign exchange transactions and hedging policies (if any) undertaken by the Group.

Apart from the above functions, the AC will commission and review the findings of internal investigations into matters where there is suspicion of fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation, which has or is likely to have a material impact on the Company's operating results and/or financial position.

The AC reviews with Management, and where relevant, the auditors, the results announcements, annual report and financial statements, interested person transactions and corporate governance, before submission to the Board for approval or adoption.

In performing its functions, the AC meets with the internal auditors and external auditors, and reviews the audit plans and overall scope of both internal and external audits, and the co-operation and assistance given by Management to the respective auditors. Where necessary, the AC also meets with the internal auditors and external auditors whereby any issues may be raised directly with the AC, without the presence of Management. The internal and external auditors have unfettered access to the AC.

12.2 Auditor Independence

The AC reviews the independence of the external auditors. During this process, the AC also reviews all non-audit services provided by the external auditors to satisfy itself that the nature and extent of such non-audit services would not affect their independence. The external auditors did not provide any non-audit services during the financial year ended 31 December 2015. The AC has recommended to the Board that the external auditors be re-appointed for the ensuing year subject to shareholders' approval at the forthcoming AGM.

In appointing the audit firms for the Group, the AC is satisfied that the Company has complied with Rules 712 and 715 of the Listing Manual.

12.3 Whistle-Blowing Procedures

The Board is committed to uphold the Company's values and standards, and has put in place whistle-blowing procedures by which staff may, in confidence, raise concerns or complaints about possible improprieties relating to matters of financial reporting or other matters.

Under these procedures, the AC may, if it deems appropriate, engage appropriate external independent advisors, at the Company's expense.

The Company is committed to treat all complaints as confidential, and the anonymity of the whistle-blower concerned will be maintained until the whistle-blower indicated that he or she does not wish to remain anonymous.

12.4 Annual Confirmation on Procedures relating to Rights of First Refusal ("ROFR")

In accordance with paragraph 4.2 of the circular dated 12 November 2014 ("Circular") to shareholders of the Company, the AC confirms that no ROFR (details of which are set out in the Circular) has been granted to and/or exercised by Sinarmas Land Limited and the Company during the period from 1 January 2015 to 31 December 2015.

Principle 11: Risk Management and Internal Controls

The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

11.1 Responsibilities for Risk Management and Internal Controls

The Board, with assistance from the Enterprise Risk Management Committee ("ERMC") and the AC, is responsible for the governance of risk by ensuring that Management maintains a system of risk and internal controls to safeguard shareholders' interests and the Group's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving strategic objectives.

11.2 The ERMC

The ERMC, comprising the following members during the year under review, was formed in 2013 to assist Management in its role of managing risks, as part of the Group's efforts to strengthen its risk management processes and framework:-

Mr. Frankle (Djafar) Widjaja	-	CEO
Ms. Deborah Widjaja	-	Executive Director and Deputy CEO
Mr. Chew Yow Foo	-	Executive Director and CFO
Mr. Mah Chon Seong	-	General Manager – Property Management
Mr. Andreas Trauttmansdorff	-	General Manager – Westin Bund Center
Mr. Lai Foong Nin	-	Head of Internal Audit (Monitoring Function)

11.3 ERM Processes

The integrated ERM process of the Group has covered a comprehensive reporting system that would ensure, *inter alia*, the Board fulfilling its reporting obligations with regards to Principle 11 of the 2012 Code relating to risk management and internal controls.

To ensure that the Group's internal controls and risk management systems and processes are in place and adequate, the following has been executed during the ERM implementation:

(a) performed an analysis to identify and prioritize the Group critical risks management activities;

(b) rolled out time frame and plan to manage these Group existing risk management activities; and

(c) reviews conducted by the external auditors, internal auditors and the ERMC.

11.4 Assurance from the CEO and the CFO

The Board has received assurance from the CEO and the CFO that:-

(a) the financial records of the Group for the financial year ended 31 December 2015 have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances in accordance with the applicable financial reporting framework that are free from material misstatement; and

(b) the internal financial controls, operational and compliance controls, and risk management policies and systems established by the Company for the financial year ended 31 December 2015 are adequate, based on the internal audit activities conducted in 2015.

The CEO and CFO have obtained similar assurance from the business heads in the Group.

11.5 Opinion on Adequacy and Effectiveness of Internal Control and Risk Management System

The AC is responsible for making the necessary recommendations to the Board such that the Board may make an opinion regarding the adequacy and effectiveness of the risk management and internal control systems of the Group. In this regard, the AC is assisted by the external auditors, internal auditors and the ERMC.

The AC has reviewed the Company's key financial risk areas and noted that save for the exchange rate differences, the Group has not entered into any financial contracts which will give rise to significant financial risks. Please refer to paragraph 7 on page 39 of the Financial Report.

The Board is satisfied that there is appropriate and adequate review by the AC of the adequacy of the Company's internal financial controls, operational and compliance controls, and risk management policies and systems established by Management. In its review, the AC had been assisted by the external auditors and the internal auditors, and this review is conducted at least once every year.

During the course of the audit, the external auditors carried out a review of the effectiveness of the Group's material internal controls, including financial, operational, compliance and information technology controls to the extent of their scope as laid out in their audit plan. Material non-compliance and internal control weaknesses noted during their audit are reported to the AC together with their recommendations.

In addition, based on the ERM framework established and maintained, the work performed by the ERMC and the internal audit function as well as the assurance received from the CEO and the CFO, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls including financial, operational, compliance and information technology controls, and risk management systems, were adequate as at 31 December 2015 to meet the needs of the Group in its current business environment.

The Board notes that the Company's system of internal controls and risk management provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledge that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

D. SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14: Shareholder Rights

Companies should treat all shareholders fairly and equitably, and should recognize, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

14.1 Shareholder Rights

The Company recognizes the importance of maintaining transparency and accountability to its shareholders. The Board ensures that the Company's shareholders are treated fairly and equitably, and their rights are protected.

The Company is committed to providing shareholders with adequate, timely and sufficient information pertaining to the Group's business which could have a material impact on the Company's share price.

All shareholders of the Company are entitled to attend and vote at general meetings in person or by proxy. Shareholders also receive the annual reports of the Company and notices of general meetings, which are also advertised in the newspapers.

Principle 15: Communication with Shareholders

Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

15.1 Communication with Shareholders

Shareholders are kept informed of corporate developments by announcements and annual reports posted on the SGX website. General information on the Group may also be found on the Company's website.

The Company announces its results on a quarterly basis. The Company does not practice selective disclosure of material information. In line with continuous disclosure obligations of the Company under the Listing Manual, the Company conveys material information and its quarterly financial results through announcements made via SGXNET. Results announcements and annual reports are announced or issued within the specified/stipulated period.

The current situation does not warrant it nor is it cost effective for having a dedicated investor relations personnel or team. Nonetheless, the Executive Directors and Management of the Company remain open to address queries of shareholders and other stakeholders on the Group's operations and related corporate actions. The Directors meet with shareholders at least annually at the AGM.

15.2 Dividend Policy

Based on Management recommendations, the Directors determine on a quarterly basis the amount, if any, of dividends to be declared taking into account all relevant factors. Any payouts will be clearly communicated to shareholders via announcements posted on SGXNET.

The Board has recommended payment of a first and final dividend of S$0.01075 per ordinary share with a par value of US$0.025 each for the financial year ended 31 December 2015, subject to shareholders' approval at the forthcoming AGM. Subject to shareholders' approval of the proposed share consolidation at the special general meeting to be held after the AGM, payment of the first and final dividend will, post share consolidation, be based on S$0.043 per consolidated ordinary share with a par value of US$0.10 each.

Principle 16: Conduct of Shareholder Meetings

Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

16.1 Conduct of Shareholder Meetings

During the AGMs which are held in Singapore, shareholders are given the opportunity to express their views and to engage the Board and Management on the Group's business activities and financial performance. Directors are encouraged to attend shareholders' meetings. In particular, members of the AC, NC and RC and the external auditors are asked to be present to address questions at such meetings.

At general meetings, each distinct issue is proposed as a separate resolution. Absentia voting methods are currently not permitted, as the authentication of shareholder identity information and other related integrity issues still remain a concern.

Since the 2013 AGM, in support of greater transparency and to allow for a more efficient voting process, the Company has employed electronic poll voting for all resolutions put at general meetings. Votes cast for and against and the respective percentages, on each resolution were instantly displayed on screen. The breakdown of results showing the total number of votes cast for and against each resolution and the respective percentages were also announced after the general meetings via SGXNET.

Dealings in Securities

The Company has complied with Rule 1207(19) of the Listing Manual on dealings in securities, and has devised and adopted its own internal compliance code to provide guidance with regard to dealings in the Company's securities by the Company, its Directors and officers, including the prohibition on dealings in the Company's securities on short-term considerations.

Dealings in the Company's securities are prohibited during the period commencing (i) two weeks before announcement of the Company's first, second and third quarter results and (ii) one month before the announcement of the Company's full year results, and ending on the date of the announcement of the results. Such dealings in the securities of the Company as well as securities of other listed companies are also prohibited whilst in possession of unpublished material price-sensitive information in relation to those securities.

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FINANCIAL REPORT

CONTENTS

REPORT OF THE DIRECTORS

31 DECEMBER 2015

The directors are pleased to present their report together with the audited consolidated financial statements of Bund Center Investment Ltd ("BCI" or the "Company") and its subsidiaries (the "Group") for the financial year ended 31 December 2015 and the statement of financial position of the Company as at 31 December 2015.

1 Directors

The directors of the Company in office at the date of this report are:

Frankle (Djafar) Widjaja
Franky Oesman Widjaja
Deborah Widjaja
Chew Yow Foo
Lim Jun Xiong, Steven
David Yeow
Willy Shee Ping Yah @ Shee Ping Yan

2 Arrangements to Enable Directors to Acquire Benefits by Means of the Acquisition of Shares and Debentures

Neither at the end of nor at any time during the financial year did there subsist any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

3 Directors' Interest in Shares and Debentures

Except as disclosed below, no directors who held office at the end of the financial year had an interest in the shares or debentures of the Company, or of related corporations, either at the beginning or at the end of the financial year.

	Shareholdings registered in the name of directors or their spouse		Shareholdings in which directors are deemed to have an interest	
Name of director in which interests are held	At the beginning of the year	At the end of the year	At the beginning of the year	At the end of the year
The Company Ordinary shares of US$0.025 each				
Lim Jun Xiong, Steven	2,666	2,666	-	-

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2016.

4 Directors' Receipt and Entitlement to Contractual Benefits

Since the beginning of the financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except that certain directors have received remuneration in their capacity as directors and/or executives and as disclosed in the notes to the financial statements.

There were certain transactions (disclosed in the notes to the financial statements) with corporations in which certain directors have an interest.

5 Share Options

There were no options granted during the financial year to subscribe for unissued shares of the Company and its subsidiaries.

No shares have been issued during the financial year by virtue of the exercise of an option to take up unissued shares of the Company and its subsidiaries.

There were no unissued shares under option at the end of the financial year in respect of shares of the Company and its subsidiaries.

6 Interested Person Transactions Disclosure

There were no relevant interested person transactions entered into during the year ended 31 December 2015.

7 Risk Management

The management reviews regularly the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks within the Group's policies and strategies. In addition, the external auditors carry out in the course of their statutory audit, a review of the effectiveness of the Company's material internal controls, including financial, operational and compliance controls. Material non-compliance and internal control weaknesses (if any) noted during their audit are reported to the Audit Committee together with their recommendations. Management will follow up on the auditors' recommendations (if any) so as to strengthen the Group's internal control systems.

The following key financial risks areas have been discussed by the Board:

(a) Capital risk management;

(b) Interest rate risk;

(c) Foreign currency risk;

(d) Price risk;

(e) Credit risk; and

(f) Liquidity risk.

These key financial risk areas are discussed in Note 4 to the financial statements.

8 Independent Auditors

The auditors, Moore Stephens LLP, Public Accountants and Chartered Accountants have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors,

FRANKLE (DJAFAR) WIDJAJA
Director

CHEW YOW FOO
Director

Singapore
14 March 2016

STATEMENT BY DIRECTORS

31 DECEMBER 2015

In the opinion of the directors,

(a) the accompanying statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 43 to 74 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2015 and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company and the Group will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors,

FRANKLE (DJAFAR) WIDJAJA
Director

CHEW YOW FOO
Director

Singapore
14 March 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BUND CENTER INVESTMENT LTD

Report on the Financial Statements

We have audited the accompanying financial statements of Bund Center Investment Ltd (the "Company") and its subsidiaries (the "Group") set out on pages 43 to 74, which comprise the statements of financial position of the Company and of the Group as at 31 December 2015, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements are present fairly, in all material respects, the financial position of the Company and of the Group as at 31 December 2015, and the financial performance, changes in equity and cash flows of the Group for the year then ended in accordance with International Financial Reporting Standards.

Other Matters

This report, including the opinion, has been prepared for and only for you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

MOORE STEPHENS LLP
Public Accountants and
Chartered Accountants

Singapore
14 March 2016

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	2015 S$'000	2014 S$'000
Revenue	6	140,568	129,534
Cost of sales		(68,034)	(63,097)
Gross profit		72,534	66,437
Operating expenses			
Selling expenses		(6,360)	(5,455)
General and administrative expenses		(24,575)	(21,391)
Total operating expenses		(30,935)	(26,846)
Operating profit		41,599	39,591
Financial income	7	3,006	4,501
Financial expenses	7	(933)	(792)
Other operating income	8	1,744	13,153
Profit before income tax	9	45,416	56,453
Income tax	10	(15,583)	(21,953)
Profit for the year		29,833	34,500
Profit for the year attributable to:			
Owners of the Company		28,657	33,211
Non-controlling interests		1,176	1,289
		29,833	34,500
Earnings per share (Singapore cents)			
Basic and diluted	11	0.94	1.09

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	2015 S$'000	2014 S$'000
Profit for the year	29,833	34,500
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency differences arising from consolidation	11,920	(20)
Total comprehensive income for the year, net of income tax	41,753	34,480
Total comprehensive income for the year attributable to:		
Owners of the Company	40,190	32,995
Non-controlling interests	1,563	1,485
	41,753	34,480

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

		Group		Company	
	Note	2015	2014	2015	2014
		S$'000	S$'000	S$'000	S$'000
ASSETS					
Current Assets					
Cash and cash equivalents	12	120,516	60,221	170	919
Short-term investments	13	1,305	2,628	-	-
Trade receivables and other current assets	14	4,693	8,146	40,836	4,434
Inventories, at cost		445	448	-	-
		126,959	71,443	41,006	5,353
Non-Current Assets					
Interest in subsidiaries	15	-	-	410,659	410,659
Investment properties	16	251,927	258,882	-	-
Property, plant and equipment	17	196,458	201,095	-	-
Deferred tax assets	18	5,416	5,585	-	-
Deferred charges	19	699	712	-	-
		454,500	466,274	410,659	410,659
Total Assets		581,459	537,717	451,665	416,012

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION (cont'd)

AS AT 31 DECEMBER 2015

	Note	Group 2015 S$'000	Group 2014 S$'000	Company 2015 S$'000	Company 2014 S$'000
LIABILITIES AND EQUITY					
Current Liabilities					
Trade and other payables	20	26,543	29,665	286	275
Income tax payable		5,658	3,855	-	-
Borrowings	21	56,624	-	-	-
Obligations under finance lease	22	19	19	-	-
		88,844	33,539	286	275
Non-Current Liabilities					
Borrowings	21	-	52,134	-	-
Obligations under finance lease	22	22	41	-	-
Long-term liabilities	23	11,822	11,370	-	-
Deferred tax liabilities	18	1,989	2,106	-	-
		13,833	65,651	-	-
Total Liabilities		102,677	99,190	286	275
Equity Attributable to Owners of the Company					
Share capital	24	105,784	105,784	105,784	105,784
Share premium		304,881	304,881	304,881	304,881
Treasury shares	24	(1,498)	(1,262)	(1,498)	(1,262)
Asset revaluation reserve	25	65,175	65,175	-	-
Merger reserve	26	(133,639)	(133,639)	-	-
Foreign currency translation reserve		69,474	57,941	-	-
Retained earnings		51,608	22,951	42,212	6,334
		461,785	421,831	451,379	415,737
Non-Controlling Interests		16,997	16,696	-	-
Total Equity		478,782	438,527	451,379	415,737
Total Liabilities and Equity		581,459	537,717	451,665	416,012

On behalf of the Board of Directors

FRANKLE (DJAFAR) WIDJAJA
Director

CHEW YOW FOO
Director

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Attributable to Owners of the Company									
	Share Capital	Share Premium	Treasury Shares	Asset Revaluation Reserve	Merger Reserve	Foreign Currency Translation Reserve	Retained Earnings	Total	Non-Controlling Interests	Total Equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Balance as at 1.1.2015	105,784	304,881	(1,262)	65,175	(133,639)	57,941	22,951	421,831	16,696	438,527
Profit for the year	-	-	-	-	-	-	28,657	28,657	1,176	29,833
Other comprehensive income for the year - Foreign currency translation	-	-	-	-	-	11,533	-	11,533	387	11,920
Total comprehensive income	-	-	-	-	-	11,533	28,657	40,190	1,563	41,753
Shares buy back (Note 24)	-	-	(236)	-	-	-	-	(236)	-	(236)
Dividends payable to non-controlling shareholders	-	-	-	-	-	-	-	-	(1,262)	(1,262)
Balance as at 31.12.2015	105,784	304,881	(1,498)	65,175	(133,639)	69,474	51,608	461,785	16,997	478,782
Balance as at 1.1.2014	105,784	304,881	(1,154)	65,175	(133,639)	58,157	86,916	486,120	18,661	504,781
Profit for the year	-	-	-	-	-	-	33,211	33,211	1,289	34,500
Other comprehensive loss for the year - Foreign currency translation	-	-	-	-	-	(216)	-	(216)	196	(20)
Total comprehensive income	-	-	-	-	-	(216)	33,211	32,995	1,485	34,480
Shares buy back (Note 24)	-	-	(108)	-	-	-	-	(108)	-	(108)
Dividends (Note 27)	-	-	-	-	-	-	(97,176)	(97,176)	-	(97,176)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	(3,450)	(3,450)
Balance as at 31.12.2014	105,784	304,881	(1,262)	65,175	(133,639)	57,941	22,951	421,831	16,696	438,527

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	2015 S$'000	2014 S$'000
Cash flows from operating activities			
Profit before income tax		45,416	56,453
Adjustments for:			
Depreciation of investment properties	16	13,091	12,307
Depreciation of property, plant and equipment	17	9,973	9,487
Amortisation of deferred charges	19	30	29
Gain on disposal of property, plant and equipment	8	(253)	(88)
Changes in fair value of financial assets at fair value through profit or loss	8	(495)	(574)
Property, plant and equipment written off	8	3	-
Interest income	7	(3,006)	(4,501)
Interest expense	7	933	792
Unrealised foreign exchange loss/(gain), net		4,105	(5,859)
Operating cash flow before working capital changes		69,797	68,046
Changes in working capital:			
Trade receivables and other current assets		3,447	(4,168)
Inventories		3	(17)
Trade and other payables		(3,932)	2,832
Cash generated from operations		69,315	66,693
Interest received		3,012	4,510
Income tax paid		(13,620)	(20,108)
Interest paid		(933)	(792)
Net cash generated from operating activities		57,774	50,303
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		322	143
Capital expenditure on investment properties	16	-	(98)
Capital expenditure on property, plant and equipment	17	(647)	(806)
Proceeds from short-term investments		1,927	89,523
Payments for deferred expenditure	19	-	(4)
Net cash generated from investing activities		1,602	88,758
Cash flows from financing activities			
Repayments of obligations under finance lease		(19)	(19)
Payments of dividends to owners of the Company	27	-	(97,176)
Payments of dividends to non-controlling shareholders		-	(3,450)
Payments for shares buy back	24	(236)	(108)
Net cash used in financing activities		(255)	(100,753)
Net increase in cash and cash equivalents		59,121	38,308
Cash and cash equivalents at the beginning of the year		60,221	20,174
Effect of exchange rate changes on cash and cash equivalents		1,174	1,739
Cash and cash equivalents at the end of the year	12	120,516	60,221

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

1 General Information

Bund Center Investment Ltd (the "Company") was incorporated on 5 August 2009 in Bermuda under the Companies Act 1981 of Bermuda as an exempted company with limited liability. On 30 June 2010, the shares of the Company were listed on the Singapore Exchange.

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. Details of the principal activities of the subsidiaries are set out in Note 15 to the financial statements. The controlling shareholders of the Company comprise certain members of the Widjaja Family.

The consolidated financial statements as at and for the financial year ended 31 December 2015 were authorised for issue by the Board of Directors on 14 March 2016.

2 New and Revised International Financial Reporting Standards ("IFRSs")

(a) Adoption of Amendments to IFRSs

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group and the Company have adopted all amendments to IFRSs issued by the International Accounting Standards Board ("IASB") that are relevant to its operations and effective for annual periods beginning on 1 January 2015. The adoption of these amendments has had no financial impact on the financial performance of the Group or the financial positions of the Group and of the Company.

(b) New and Revised IFRSs issued but not yet effective

As at the date of these financial statements, the following new and amendments to the IFRSs that are relevant to the Group's and the Company's operations have been issued but are not yet effective:

Description	Effective date for annual period beginning on or after
Amendment to IAS 1, *Disclosure Initiative*	1 January 2016
Amendments to IAS 7, *Statement of Cash Flows*	1 January 2017
Amendment to IAS 27, *Equity Method in Separate Financial Statements*	1 January 2016
IFRS 9, *Financial Instruments*	1 January 2018
IFRS 15, *Revenue from Contracts with Customers*	1 January 2018
IFRS 16, *Leases*	1 January 2019

Except as disclosed below, the directors of the Company expect the adoption of the new and amendments to IFRSs above will have no material impact on the financial performance of the Group and the financial positions of the Group and of the Company in the period of initial application.

IFRS 16 requires lessees to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months, except where the underlying asset is of low value. The right-of-use asset is depreciated and interest expense is recognised on the lease liability. The accounting requirements for lessors have not been changed substantially, and continue to be based on classification as operating and finance leases. Disclosure requirements have been enhanced for both lessors and lessees. The Group is currently assessing the impact of IFRS 16 on the financial performance of the Group and the financial positions of the Group and of the Company and plans to adopt this standard on the required effective date.

3 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements, which are expressed in Singapore dollar ("SGD"), are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below. The financial statements are drawn up in accordance with IFRSs.

The preparation of financial statements in conformity with IFRSs requires the use of estimates and judgements that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses as well as the disclosures of contingent assets and liabilities. Although these estimates are based on management's best knowledge of current events and actions, actual results may actually differ from these estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement or complexity, are disclosed in Note 5 to the financial statements.

(b) Functional and Presentation Currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). For the purpose of the consolidated financial statements, the results and financial position of each entity in the Group are expressed in SGD, which is the functional currency of the Company and the presentation currency for the consolidated financial statements. All values are rounded to the nearest thousand (S$'000) except when otherwise indicated.

(c) Foreign Currency Transactions and Translation

Foreign currency transactions are translated into the respective functional currencies of the entities in the Group using the exchange rates prevailing at the dates of transactions are entered into. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of foreign currency denominated monetary assets and liabilities at the rates prevailing at the reporting date are recognised in the income statement. Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates at the dates of initial transactions. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

In the preparation of the consolidated financial statements, the financial statements of those entities whose functional currency is not the SGD are translated into SGD, the presentation currency of the Group, as follows:

(i) assets and liabilities are translated at the closing exchange rate at the reporting date;
(ii) share capital and reserves are translated at historical exchange rates; and
(iii) income and expenses are translated at average exchange rates for the period (unless the average rate is not a reasonable approximation of the cumulative effect of rates prevailing on the transactions dates, in which case, income and expenses are translated using the exchange rates at the dates of the transactions).

Exchange differences arising from the above translations are recognised in other comprehensive income and these are accumulated in the foreign currency translation reserve. On consolidation, exchange differences arising from the translation of net investments in foreign entities (including monetary items that in substance form part of the net investments in foreign entities) are recognised in other comprehensive income and accumulated foreign currency translation reserve. On disposal, the accumulated translation differences are recognised in the income statement as part of the gain or loss on disposal in the period in which the foreign entity is disposed of. While on a partial disposal which does not result in a loss of control, the proportionate share of accumulated translation differences are re-attributed to non-controlling interest and are not recognised in the income statement.

3 Summary of Significant Accounting Policies (cont'd)

(d) Subsidiaries

Subsidiaries are entities over which any of the Group companies have control. The Group companies control an entity if and only if they have power over the entity and when they are exposed to, or have rights to variable returns from their involvement with the entity, and have the ability to use their power over the entity to affect those returns. The Group will re-assess whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group companies and are deconsolidated from the date that control ceases.

Interests in subsidiaries are stated at cost less any accumulated impairment losses in the Company's statement of financial position. On disposal of interests in subsidiaries, the difference between the disposal proceeds and the carrying amounts of the interests are recognised in the income statement.

(e) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries made up to 31 December, after elimination of material balances, transactions and unrealised profit or loss on transactions between the group entities. The financial statements of the subsidiaries are prepared for the same accounting period as the Company, using uniform accounting policies for like transactions and other events in similar circumstances in accordance with IFRSs.

The acquisition method of accounting is used to account for the business combination. The consideration transferred in a business combination is measured at fair value which comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the acquirer. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities assumed in a business combination are measured at their fair values at the acquisition date. Any non-controlling interests in the acquiree is measured at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

Non-controlling interests ("NCI") are that part of the net results of operations and of net assets of a subsidiary attributable to the interest which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transaction. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the change in carrying amount of the non-controlling interests and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in the income statement.

Business combinations which involve the transfer of net assets or the exchange of shares between entities under common control are accounted for as a uniting of interests. The financial information included in the consolidated financial statements reflects the combined results of the entities concerned as if the combination had been in effect for all periods presented. In accordance with IFRSs, profits reflected in the financial statements prepared in accordance with IFRSs may differ from those reflected in the PRC statutory financial statements of the subsidiaries, prepared for PRC reporting purposes. In accordance with relevant laws and regulations, profits available for distribution by the PRC subsidiaries are based on the amounts stated in the PRC statutory financial statements.

3 Summary of Significant Accounting Policies (cont'd)

(f) Investment Properties

Investment properties are properties held either to earn rental income or for capital appreciation or both.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment losses where the recoverable amount of the asset is estimated to be lower than its carrying amount. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of 30 to 40 years or, where shorter, the terms of the relevant leases.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovation and improvements is capitalised and the carrying amounts of the replaced components are recognised in the income statement. The cost of maintenance and minor improvements is recognised in the income statement when incurred.

Investment properties are derecognised when, either they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

(g) Deferred Charges

Deferred charges comprise certain expenditures, being benefits extend over a period of more than one year which are initially recognised at cost and subsequently carried at cost less accumulated amortisation. These costs are amortised to the income statement over the periods benefited using the straight-line method.

(h) Property, Plant and Equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment losses whereby the recoverable amount of the asset is estimated to be lower than its carrying amount. Depreciation is charged so as to write off the cost of assets, using the straight-line method, over the following estimated useful lives:

Leasehold land and buildings	-	30 to 40 years
Plant, machinery and equipment	-	5 to 20 years
Motor vehicles	-	5 years
Furniture and fixtures	-	5 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The cost of maintenance and repairs is charged to the income statement as incurred; significant renewals and improvements are capitalised. When assets are retired or otherwise disposed of, their carrying amounts and the related accumulated depreciation are derecognised and any resulting gains or losses are recognised in the income statement for the year.

The residual values and estimated useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effect of any revision are recognised in the Income Statement when the changes arise.

3 Summary of Significant Accounting Policies (cont'd)

(i) Impairment of Non-Financial Assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss or whether there is any impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An asset's recoverable amount is calculated at the higher of the asset's value in use and/or its fair value less cost of disposal.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that it does not restate the asset to a carrying amount in excess of what would have been determined (net of any depreciation) had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised as an income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(j) Inventories

Inventories comprise primarily hotel consumables are measured at the lower of cost, determined using the first-in, first-out basis, and net realisable value. Cost comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion.

(k) Leases

(i) When the Group is the lessee

Leases in which a significant portion of the risks and rewards incidental to ownership are retained by the lessor are classified as operating lease. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

Leases of property, plant and equipment when the Group assumed substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at the inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the finance charges and the reduction of the outstanding lease liability. The finance charge is recognised in the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(ii) When the Group is the lessor

Leases of investment properties where the Group retains substantively all risks and rewards incidental to ownership are classified as operating lease. Rental income from operating leases (net of any incentives given to the lessees) is recognised in the income statement on a straight-line basis over the lease period. Contingent rents are recognised as income in the income statement when earned.

3 Summary of Significant Accounting Policies (cont'd)

(l) Financial Assets

The Group classifies its non-derivative financial assets in the following categories: loans and receivables and fair value through profit or loss. The classification depends on the purpose for which the financial assets are acquired. Management determines the classification of its financial assets at initial recognition. Financial assets are derecognised when, and only when, the contractual rights to the cash flows from the financial assets have expired, or have been transferred and transferred substantially all the risks and rewards of ownership of the financial assets to another entity.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and receivables include cash and cash equivalents and trade and other current assets (excluding prepayments). Cash and cash equivalents classified under current assets comprise cash on hand, cash in bank and time deposits with maturities of three months or less and which are highly liquid assets that are readily convertible into known amounts of cash and subject to an insignificant risk of changes in value.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the income statement.

Financial assets at fair value through profit or loss are financial assets held for trading and those designated at fair value through profit or loss at inception. Financial assets at fair value through profit or loss are initially recognised at fair value with subsequent changes in fair value recognised in the income statement.

(m) Financial Liabilities and Equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Financial liabilities include finance lease obligations, interest-bearing borrowings and trade and other payables. The accounting policy adopted for finance lease obligations is outlined in Note 3(k) to the financial statements.

Interest-bearing borrowings are recorded at the proceeds received, net of direct issue costs. Direct issue costs are amortised over the period of the borrowings. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade and other payables are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received. Interest-bearing trade and other payables are recognised initially at cost less attributable transaction costs. Subsequent to initial recognition, interest-bearing trade and other payables are stated at amortised cost using the effective interest method.

Financial liabilities are derecognised when, and only when, the obligations are discharged, cancelled or they expire. The difference between the carrying of the financial liability derecognised and the consideration paid and payable is recognised in the income statement.

3 Summary of Significant Accounting Policies (cont'd)

(m) Financial Liabilities and Equity (cont'd)

Ordinary shares are classified as equity. Share capital is determined using the par value of shares that have been issued. Share premium includes any excess received on the issuance of shares over the par value, net of any direct issue costs. The application of the share premium account is governed by Section 40 of the Companies Act 1981 of Bermuda.

The Company's own ordinary shares, which are re-acquired by the Company and held as treasury shares, are recognised at cost and deducted from equity. No gain or loss is recognised in the income statement on the purchase, sale, re-issuance or cancellation of equity shares. Any difference between the carrying amount of treasury shares and the consideration received, if re-issued, is recognised directly in equity as gain or loss on re-issuance of treasury shares.

(n) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is recognised in the income statement as follows:

(i) Rental income from operating leases for investment property is recognised on a straight-line basis over the lease term.
(ii) Hotel room revenue is recognised based on room occupancy while other hotel revenues are recognised when the goods are delivered or the services are rendered to the customers.
(iii) Interest income is accrued on a time-proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.
(iv) Deferred income is recognised when the right to receive payment is established.

(o) Business Assistance Grant

Business assistance grants are granted by certain district bureau. Such grant which is discretionary in nature is recognised at their fair value and presented as a credit in the income statement under a general heading such as "Other Operating Income" upon receipt.

(p) Borrowing Costs

Interest expense and similar charges are expensed in the income statement in the period in which they are incurred, except to the extent they are capitalised as being directly attributable to the acquisition and construction of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

(q) Post-Employment Benefits

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. Payments to defined contribution plans are charged as an expense when employees have rendered the services entitling them to the contributions.

3 Summary of Significant Accounting Policies (cont'd)

(r) Income Tax

Current income tax for current and prior years is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the reporting date. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred income tax is also dealt with in equity. Deferred income tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority. The amount of deferred income tax is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(s) Dividends Distribution

Dividends distribution to the Company's shareholders is recognised as liability in the financial statements in the period in which the dividends are approved for payment.

(t) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting to the Executive Committee whose members are responsible for allocating and assessing performance of the operating segments.

4 Financial Risk Management

(a) Capital Risk Management

The Group manages its capital to ensure that the entities in the Group will be able to continue as going concerns and to maintain an optimal capital structure so as to maximise the shareholders' value. The Group's overall strategy remains unchanged since 2014. Neither the Group nor the Company is subject to any externally imposed capital requirements. The net cash and total equity as at 31 December 2015 and 2014 are as follows:

	2015 S$'000	2014 S$'000
Cash and cash equivalents	120,516	60,221
Short-term investments	1,305	2,628
Debt	(56,665)	(52,194)
Net cash	65,156	10,655
Total equity	478,782	438,527

The directors of the Company review the capital structure on a semi-annual basis. As part of the review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. The Group monitors the capital using the net cash or debt position and gearing ratio, if any. Total equity include all capital, reserves of the Group and non-controlling interest. The Group's debt includes bank borrowings and obligations under finance lease.

4 Financial Risk Management (cont'd)

(b) Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risks (including interest rate risk, foreign currency risk and price risk), credit risk and liquidity risk.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk primarily on its existing interest-bearing financial instruments.

Financial instruments issued at variable rates expose the Group to cash flow interest rate risk. Financial instruments issued at fixed rates expose the Group to fair value interest rate risk. The interest rate that the Group will be able to obtain on its financial instruments will depend on market conditions at that time, and may differ from the rates the Group has secured currently.

As at 31 December 2015, if the interest rates on all net financial liabilities at variable rate had been 0.5% higher/lower with all other variables held constant, profit before income tax and total equity for the year would have been approximately S$224,000 and S$168,000 (2014: S$185,000 and S$139,000) lower/higher respectively, mainly as a result of higher/lower interest expense on net financial liabilities at variable rate, net of applicable income taxes. This analysis is prepared assuming the amount of net financial liabilities outstanding at the end of the reporting period was outstanding for the whole year and all other variables held constant.

The interest rates and repayment terms of interest-bearing financial instruments are disclosed in the respective notes to the financial statements. The interest rate profile of the Group's interest-bearing financial instrument as at the end of the reporting period was as follows:

	2015 S$'000	2014 S$'000
Financial assets		
Variable rate	11,794	15,094
Fixed rate	108,599	44,969
Non-interest bearing	4,818	10,439
	125,211	70,502
Financial liabilities		
Variable rate	56,624	52,134
Fixed rate	41	60
Non-interest bearing	27,061	29,925
	83,726	82,119

(ii) Foreign Currency Risk

The Group's foreign currency exposures arose mainly from its commercial transactions, recognised assets and liabilities and net investment in foreign operations, primarily the exchange rate movements of the United States dollar ("USD"), the Chinese Renminbi ("RMB"), the Hong Kong dollar ("HKD") and the SGD. The Group did not actively engage in activities to hedge its foreign currency exposures.

4 Financial Risk Management (cont'd)

(b) Financial Risk Management (cont'd)

(ii) Foreign Currency Risk (cont'd)

The entities within the Group have different functional currencies depending on the currency of their primary economic environment. A 5% strengthening of the functional currency of these entities against the following currencies at the reporting date would increase/(decrease) the Group's profit for the year and equity by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant:

	2015 S$'000	2014 S$'000
USD against functional currencies of SGD, RMB and HKD	2,844	2,606
RMB against functional currency of HKD	(7)	(143)

(iii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices. The Group is exposed to price risk arising from its investments held as financial assets at fair value through profit or loss. The Group monitors the market closely to ensure that the risk exposure to the volatility of the investments is kept to a minimum. At the end of the reporting period, there was no significant exposure to price risks.

(iv) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party to a financial asset fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and cash and cash equivalents. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group performs regular credit evaluation of its customers' financial conditions and customers may be required to provide security in terms of cash deposits and advances. At the end of the reporting period, there was no significant concentration of credit risks. Cash and bank balances mainly comprise deposits with reputable banks with acceptable credit ratings.

(v) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the financial obligations due to shortage of funds. To manage liquidity risk, the Group maintains a level of cash and bank balances and banking facilities deemed adequate by management to finance its operations. In assessing the adequacy of the facilities, management reviews its working capital requirements. The table below analyses the maturity profile of the Group's non-derivative financial liabilities based on the contractual undiscounted cash flows.

	Less than 1 year S$'000	1 to 5 years S$'000	Total S$'000
At 31 December 2015			
Borrowings	57,717	25	57,742
Other financial liabilities	18,778	8,283	27,061
Total financial liabilities	76,495	8,308	84,803
At 31 December 2014			
Borrowings	831	52,924	53,755
Other financial liabilities	21,813	8,112	29,925
Total financial liabilities	22,644	61,036	83,680

5 Critical Accounting Estimates, Assumptions and Judgements

The Group makes estimates and assumptions concerning the future. Estimates, assumptions and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical Accounting Estimates and Assumptions

Estimated Useful Lives of Investment Properties and Property, Plant and Equipment
The Group estimates the useful lives of investment properties and property, plant and equipment based on the terms of the relevant leases, or where shorter, the period over which the assets are expected to be available for use. The estimated useful lives of investment properties and property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of investment properties and property, plant and equipment would increase the recorded expenses and decrease the non-current assets. There is no change in the estimated useful lives of investment properties and property, plant and equipment during the current financial year. The carrying amounts of the Group's investment properties and property, plant and equipment are disclosed in Notes 16 and 17 to the financial statements respectively.

(b) Critical Judgement in Applying Accounting Policy

Deferred Tax Assets
Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary differences can be deducted. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the forecast taxable income of the following reporting period. This forecast is based on the Group's past results and future expectations on revenue and expenses. A decrease in estimated future taxable income would decrease the recorded tax benefit and deferred tax assets. The carrying amount of the Group's deferred tax assets is disclosed in Note 18 to the financial statements.

6 Revenue

	Group	
	2015	2014
	S$'000	S$'000
Hotel revenue	68,718	60,828
Rental income from investment properties	71,850	68,706
	140,568	129,534

7 Financial Income and Expenses

	Group	
	2015	2014
	S$'000	S$'000
Financial income:		
Interest income on cash and cash equivalents	3,006	4,501
Financial expenses:		
Interest expense on bank borrowings	(931)	(790)
Interest expense on obligations under financial lease	(2)	(2)
	(933)	(792)

8 Other Operating Income

	Group 2015 S$'000	Group 2014 S$'000
Business assistance grant	4,506	4,665
Changes in fair value of financial assets at fair value through profit or loss	495	574
Gain on disposal of property, plant and equipment	253	88
Rental deposits forfeited	288	335
Advertising income	508	497
Miscellaneous services income	1,078	1,480
Property, plant and equipment written off	(3)	-
Foreign exchange (loss)/gain, net	(5,381)	5,514
	1,744	13,153

9 Profit before Income Tax

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this item includes the following charges:

	Group 2015 S$'000	Group 2014 S$'000
Audit fees paid/payable to:		
Auditors of the Company	101	91
Auditors of the subsidiaries	49	45
Non-audit fees paid/payable to:		
Auditors of the Company	-	-
Auditors of the subsidiaries	-	-
Depreciation of investment properties (Note 16)	13,091	12,307
Depreciation of property, plant and equipment (Note 17)	9,973	9,487
Staff costs:		
Salaries and wages	13,881	12,972
Contributions to defined contribution plans	4,782	4,493
Cost of consumables recognised as an expense (included in cost of sales)	6,142	5,649

10 Income Tax

	Group 2015 S$'000	Group 2014 S$'000
Tax expense is made up of:		
Current income tax		
Current year	15,404	19,554
(Over)/under-provision in respect of prior years	(6)	9
	15,398	19,563
Deferred income tax	185	2,390
	15,583	21,953

Substantially all the Group's operations are located in the PRC. Accordingly, the PRC statutory tax rate is used in the reconciliation of the tax expense and the product of accounting profit multiplied by the applicable tax rate. The income tax expense on the results for the financial years varies from the amount of income determined by applying the PRC standard rate of income tax to profit before income tax due to the following factors:

10 Income Tax (cont'd)

	Group 2015 S$'000	Group 2014 S$'000
Profit before income tax	45,416	56,453
Tax calculated at a tax rate of 25% (2014: 25%)	11,354	14,113
Withholding tax on dividend distributed by a subsidiary	1,848	5,284
Non-taxable income	(8)	(139)
Non-deductible expenses	2,133	204
Effect of different tax rate	163	44
Deferred tax (credit)/expense arising from unremitted retained earnings	(117)	2,106
Unrecognised deferred tax assets	216	332
(Over)/under-provision in respect of prior years	(6)	9
	15,583	21,953

Expenses not deductible for tax purposes comprise mainly the unrealised foreign exchange losses.

11 Earnings Per Share

The earnings per ordinary share is calculated by dividing the profit attributable to owners of the Company by the weighted average numbers of ordinary shares in issue during the year.

	Group 2015	Group 2014
Profit attributable to owners of the Company (S$'000)	28,657	33,211
Weighted average number of ordinary shares outstanding (excluding treasury shares) ('000)	3,035,391	3,036,742
Basic and diluted earnings per share (Singapore cents per share)	0.94	1.09

There is no dilution as the Company did not have any potential ordinary shares outstanding as at 31 December 2015 and 2014.

12 Cash and Cash Equivalents

	Group		Company	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Cash on hand	123	158	-	-
Cash in banks	11,794	15,094	170	919
Time deposits	108,599	44,969	-	-
	120,516	60,221	170	919

The above time deposits have a maturity period of less than three months from the end of the financial year and earn interest at rates ranging from 0.025% - 3.800% (2014: 3.7% - 4.8%) per annum.

12 Cash and Cash Equivalents (cont'd)

Cash and cash equivalents are denominated in the following currencies:

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
RMB	119,215	56,486	5	5
USD	537	2,615	25	24
SGD	720	1,086	140	890
HKD	44	34	-	-
	120,516	60,221	170	919

13 Short-Term Investments

The short-term investments (classified as financial assets at fair value through profit or loss) represent investment in quoted funds which are denominated in RMB. During the current financial year, the Company disposed of one of the investments and recognised a gain of approximately S$416,000 which is included in changes in fair value of financial assets at fair value through profit or loss, as disclosed in Note 8.

14 Trade Receivables and Other Current Assets

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Trade receivables	2,546	2,818	-	-
Non-trade receivables from subsidiaries	-	-	40,779	4,382
Due from third parties	487	4,570	-	-
Deposits	104	33	-	-
Recoverables	253	226	-	-
Interest receivables	-	6	-	-
	3,390	7,653	40,779	4,382
Prepayments	1,303	493	57	52
	4,693	8,146	40,836	4,434

The non-trade receivables from subsidiaries are unsecured, interest-free and repayable on demand. As at 31 December 2015, 9% (2014: 7%) and 26% (2014: 32%) of the Group's trade receivables are past due for less than 3 months and more than 3 months, respectively. No impairment loss was recognised as there was no objective evidence that these amounts are irrecoverable. Trade receivables and other current assets are denominated in the following currencies:

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
RMB	4,223	3,780	-	-
USD	267	4,196	39,972	3,972
SGD	127	52	864	462
Others	76	118	-	-
	4,693	8,146	40,836	4,434

15 Interest in Subsidiaries

	Company 2015 S$'000	Company 2014 S$'000
Unquoted equity shares, at cost	266,194	266,194
Loans receivable denominated in SGD	144,465	144,465
	410,659	410,659

The loans receivable from a subsidiary are unsecured, interest-free and not expected to be repaid in the near future. The fair value of loans receivable is not determinable as the timing of the future cash inflows arising from these amounts cannot be measured reliably, hence these loans are recognised at transaction price.

Details of the subsidiaries are as follows:

Name of company and country of incorporation	Principal activities	The Company's cost of investment 2015 S$'000	The Company's cost of investment 2014 S$'000	Effective percentage of equity held by the Company 2015 %	Effective percentage of equity held by the Company 2014 %
Direct subsidiaries of the Company					
Casleton International Limited (5) British Virgin Islands	Investment holding	160,615	160,615	100.00	100.00
Handful Resources Limited (5) British Virgin Islands	Investment holding	105,579	105,579	100.00	100.00
		266,194	266,194		

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2015 %	Effective percentage of equity held by the Group 2014 %	Effective percentage of equity held by the NCI 2015 %	Effective percentage of equity held by the NCI 2014 %
Indirect subsidiaries of the Company					
Koon Chung Limited (3) Hong Kong	Investment holding and trading of hotel supplies and related products	100.00	100.00	-	-
Ningbo Golden Department Store Co., Ltd ("NGDS") (1) People's Republic of China	Property development and management	89.21	89.21	10.79	10.79
Ningbo Zhonghua Land Co., Ltd ("NZL") (1) People's Republic of China	Property development	89.21	89.21	10.79	10.79
Primewyn Management & Services Pte Ltd (2) Singapore	Provision of consultancy and management services	100.00	100.00	-	-

15 Interest in Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	Effective percentage of equity held by the Group 2015 %	Effective percentage of equity held by the Group 2014 %	Effective percentage of equity held by the NCI 2015 %	Effective percentage of equity held by the NCI 2014 %
Indirect subsidiaries of the Company					
Shanghai Golden Bund Real Estate Co., Ltd ("SGB") (1) People's Republic of China	Property owner and developer, and hotel owner	96.79	96.79	3.21	3.21
Smart Investment Ltd (4) Mauritius	Provision of consultancy and management services	100.00	100.00	-	-

Notes:

(1) Audited by Da Hua Certified Public Accountants, a member firm of Moore Stephens International Limited of which Moore Stephens LLP, Singapore is a member.
(2) Audited by other firms of accountants, CA Practice PAC.
(3) Audited by other firms of accountants, Lau & Au Yeung CPA Limited.
(4) No statutory audit is required as the subsidiary is inactive.
(5) No statutory audit is required by law of its country of incorporation.

As at 31 December 2015, the accumulated non-controlling interests is S$16,997,000 (2014: S$16,696,000), of which S$12,543,000 (2014: S$12,358,000) is for SGB. The non-controlling interests in respect of NGDS and NZL are individually not material.

The following table summarises the financial information (before intragroup eliminations) relating to SGB which has non-controlling interests that are material to the Group:

	2015 S$'000	2014 S$'000
Non-current assets	422,082	432,748
Current assets	121,395	60,492
Non-current liabilities	(11,006)	(62,707)
Current liabilities	(132,163)	(36,211)
Revenue	133,247	121,533
Profit for the year	36,146	37,976
Total comprehensive income for the year	45,238	48,108
Profit for the year allocated to NCI	1,162	1,221
Dividends payable/paid to NCI	1,262	3,450
Cash flows from operating activities	61,134	56,656
Cash flows (used in)/from investing activities	(60,630)	60,105
Cash flows used in financing activities, before dividends to NCI	(1,533)	(110,911)
Net (decrease)/increase in cash and cash equivalents	(1,029)	5,850

16 Investment Properties

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Cost				
At the beginning of the year	436,801	430,252	-	-
Additions	-	98	-	-
Written off	-	(1,723)	-	-
Currency realignment	10,253	8,174	-	-
At the end of the year	447,054	436,801	-	-
Accumulated depreciation				
At the beginning of the year	177,919	163,829	-	-
Depreciation charged to cost of sales	13,091	12,307	-	-
Written off	-	(1,723)	-	-
Currency realignment	4,117	3,506	-	-
At the end of the year	195,127	177,919	-	-
Net carrying amount	251,927	258,882	-	-

Investment properties comprise commercial properties namely, The Bund Center office tower and Golden Center retail complex that are leased to third parties under operating leases.

The direct operating expenses (which include depreciation and repair and maintenance expense) recognised in cost of sales in respect of these operating leases were S$29,342,000 (2014: S$27,590,000) for the financial year ended 31 December 2015.

As at 31 December 2015, the fair value of the Group's investment properties was based on management's estimation that the fair value of the Group's investment properties approximated the independent valuation reports dated 25 February 2015, prepared by the independent professional valuers, Savills Valuation and Professional Services Limited based on market data approach. Under the market data approach, the valuation was arrived at by reference to market evidence of transaction prices for properties located in similar location. The most significant input in this valuation approach is the selling price per unit of floor area.

The fair value was determined to be approximately RMB6,819 million, equivalent to S$1,487 million (2014: S$1,452 million) has been categorised as Level 2 of the fair value hierarchy (as defined in Note 30(b)).

For detailed information on the fair value of the Group's investment properties and hotel properties classified as property, plant and equipment, please refer to the Company's Annual Report.

17 Property, Plant and Equipment

Group	Leasehold land and buildings	Plant, machinery and equipment	Motor vehicles	Furniture and fixtures	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Cost					
Balance at 1.1.2015	288,890	14,623	1,684	12,645	317,842
Additions	16	9	122	500	647
Disposals	-	-	(1,262)	-	(1,262)
Write off	(232)	(114)	-	-	(346)
Reclassification	(89)	89	-	-	-
Currency realignment	6,781	345	34	297	7,457
Balance at 31.12.2015	295,366	14,952	578	13,442	324,338
Accumulated depreciation					
Balance at 1.1.2015	92,349	13,315	1,374	9,709	116,747
Depreciation	9,275	28	125	545	9,973
Disposals	-	-	(1,193)	-	(1,193)
Write off	(233)	(110)	-	-	(343)
Currency realignment	2,129	313	29	225	2,696
Balance at 31.12.2015	103,520	13,546	335	10,479	127,880
Net carrying amount at 31.12.2015	191,846	1,406	243	2,963	196,458
Cost					
Balance at 1.1.2014	283,967	14,344	2,009	11,524	311,844
Additions	268	5	-	533	806
Disposals	-	-	(361)	(34)	(395)
Write off	(365)	-	-	-	(365)
Reclassification	(402)	-	-	402	-
Currency realignment	5,422	274	36	220	5,952
Balance at 31.12.2014	288,890	14,623	1,684	12,645	317,842
Accumulated depreciation					
Balance at 1.1.2014	82,089	13,055	1,521	9,051	105,716
Depreciation	8,849	10	160	468	9,487
Disposals	-	-	(340)	-	(340)
Write off	(365)	-	-	-	(365)
Currency realignment	1,776	250	33	190	2,249
Balance at 31.12.2014	92,349	13,315	1,374	9,709	116,747
Net carrying amount at 31.12.2014	196,541	1,308	310	2,936	201,095

As at 31 December 2015, certain property, plant and equipment of the Group with a net carrying amount totalling S$191,511,000 (2014: S$195,520,000) have been pledged to secure bank borrowings for a subsidiary (Note 21).

18 Deferred Tax

	Group 2015 S$'000	Group 2014 S$'000	Company 2015 S$'000	Company 2014 S$'000
Deferred tax assets	5,416	5,585	-	-
Deferred tax liabilities	(1,989)	(2,106)	-	-
	3,427	3,479	-	-

Group	Investment properties and property, plant and equipment S$'000	Unremitted retained earnings S$'000	Total S$'000
Deferred tax assets/(liabilities)			
Balance at 1.1.2015	5,585	(2,106)	3,479
(Charged)/credited to income statement	(302)	117	(185)
Currency realignment	133	-	133
Balance at 31.12.2015	5,416	(1,989)	3,427
Balance at 1.1.2014	5,769	-	5,769
Charged to income statement	(284)	(2,106)	(2,390)
Currency realignment	100	-	100
Balance at 31.12.2014	5,585	(2,106)	3,479

The Group recognised deferred tax assets on deductible temporary differences attributable to investment properties and property, plant and equipment, as the directors believe it is probable that future taxable profit will be available against which the Group can utilise the benefit therefrom.

As at 31 December 2015, deferred tax liabilities of S$1,989,000 (2014: S$2,106,000) have been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries in the PRC as the Group has determined that the distributable earnings of its subsidiaries will be distributed in the foreseeable future.

At the end of the reporting period, a subsidiary has unrecognised tax losses available for offsetting against future taxable profits amounted to S$10,125,000 (2014: S$8,850,000). The availability of the unrecognised tax losses for set-off against future taxable profits is subject to the tax regulations of the country in which the subsidiary is incorporated. The tax losses have no expiry period. The deferred tax benefit arising from these unrecognised tax losses of S$1,721,000 (2014: S$1,505,000) has not been recognised in the financial statements.

19 Deferred Charges

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Cost				
At the beginning of the year	1,816	1,778	-	-
Additions	-	4	-	-
Currency realignment	43	34	-	-
At the end of the year	1,859	1,816	-	-
Accumulated amortisation				
At the beginning of the year	1,104	1,054	-	-
Amortisation charged to general and administrative expenses	30	29	-	-
Currency realignment	26	21	-	-
At the end of the year	1,160	1,104	-	-
Net carrying amount	699	712	-	-

20 Trade and Other Payables

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Trade payables	3,156	3,794	-	-
Due to third parties	5,210	8,011	-	-
Other taxes payable	725	702	-	-
Rental deposit received	6,321	6,178	-	-
Accrued expenses	3,312	3,074	283	273
Others	54	54	3	2
	18,778	21,813	286	275
Rental advances received	7,765	7,852	-	-
	26,543	29,665	286	275

Included in due to third parties is an amount of S$48,000 (2014: S$5,333,000) for purchase of hotel supplies from a third party.

Trade and other payables are denominated in the following currencies:

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
RMB	25,633	23,398	-	-
USD	48	5,276	-	-
SGD	857	935	286	275
Others	5	56	-	-
	26,543	29,665	286	275

21 Borrowings

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Secured bank loan denominated in USD	56,624	52,134	-	-
Less: current maturities classified as current liabilities	(56,624)	-	-	-
Non-current liabilities	-	52,134	-	-

The above secured bank loan is secured by certain property, plant and equipment of the Group (Note 17). The bank loan is due for repayment in November 2016 and bears interest at rates ranging from 1.5% to 1.9% (2014: 1.5%) per annum.

22 Obligations under Finance Lease

Group	Minimum lease payments		Present value of minimum lease payments	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Finance lease payable:				
Less than 1 year	21	21	19	19
Within 1 to 5 years	25	47	22	41
	46	68	41	60
Less: Future finance charges	(5)	(8)		
Present value of lease obligation	41	60		
Less: Amount due for settlement within 12 months			(19)	(19)
Amount due for settlement after 12 months			22	41
Net book value of assets under finance lease			6	44
Effective interest rate per annum			3.65%	3.65%

23 Long-Term Liabilities

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Rental deposit received denominated in RMB	8,283	8,112	-	-
Deferred income denominated in USD	3,539	3,258	-	-
	11,822	11,370	-	-

Deferred income represents pre-operation contribution received.

The fair values of rental deposit received are assumed to approximate their carrying amounts, as the amounts will not be materially different when the Group discharges its obligation upon expiring of the relevant leases.

24 Share Capital and Treasury Shares

Group and Company

	No. of ordinary shares		Amount	
	Issued share capital	Treasury shares	Share capital	Treasury shares
	'000	'000	S$'000	S$'000
Balance as at 1.1.2015	3,041,959	(5,711)	105,784	(1,262)
Treasury shares purchased	-	(1,176)	-	(236)
Balance as at 31.12.2015	3,041,959	(6,887)	105,784	(1,498)
Balance as at 1.1.2014	3,041,959	(5,184)	105,784	(1,154)
Treasury shares purchased	-	(527)	-	(108)
Balance as at 31.12.2014	3,041,959	(5,711)	105,784	(1,262)

The Company acquired 1,176,000 (2014: 527,000) of its own shares in the open market during the current financial year. The total amount paid to acquire the shares was S$236,000 (2014: S$108,000) and this was presented as a component within shareholders' equity.

On 24 February 2016, the Board of Directors announced that the Company proposes to undertake a share consolidation of every four (4) ordinary shares with a par value of US$0.025 each in the authorised and issued share capital of the Company into one (1) ordinary share with a par value of US$0.10 each. The proposed share consolidation is subject to, *inter alia*, the approval of shareholders of the Company at a special general meeting to be held on 21 April 2016.

The holder of ordinary shares, except for treasury shares, is entitled to receive dividends as declared from time to time and is entitled to one vote per share at shareholders' meetings. All shares, except for treasury shares, rank equally with regards to the Company's residual assets.

25 Asset Revaluation Reserve

The asset revaluation reserve relates to the revaluation of the Group's investment properties and hotel properties classified as property, plant and equipment prior to the restructuring exercise in 2010. When the revalued properties are sold, the portion of the revaluation reserve that relates to that asset, and is effectively realised, is transferred directly to retained earnings.

26 Merger Reserve

Pursuant to a restructuring exercise in 2010, the Company acquired the interest in its subsidiaries and loans for an aggregate consideration of S$410,665,000. This consideration was satisfied in full by the allotment and issuance of 1,520,979,718 ordinary shares of US$0.05 each by the Company at an issue price of S$0.27 per share. The difference of the nominal value of the shares of the subsidiaries acquired over the nominal value of the Company's shares, has been taken to shareholders' equity as "Merger Reserve" and adjusted accordingly in the financial statements.

27 Dividends

	Group and Company	
	2015	2014
	S$'000	S$'000
Dividends paid in respect of the current year:		
Interim dividend of S$Nil (2014: S$0.032) per qualifying share	-	97,176

At the Annual General Meeting to be held on 21 April 2016, a first and final dividend (tax not applicable) of S$0.01075 per ordinary share with a par value of US$0.025 each (before the proposed share consolidation as disclosed in Note 24), amounting to S$32,627,028.73 will be recommended. These consolidated financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings for the financial year ending 31 December 2016.

28 Related Party Transactions

(a) A related party is a person or entity that is related to the reporting entity. A person is considered to be related if that person has the ability to control or jointly control the reporting entity, exercise significant influence over the reporting entity in making financial and operating decisions, or is a member of the key management personnel of the reporting entity or its parent. An entity is related to the reporting entity if they are members of the same group, and associate or a joint venture. An entity is considered to be related if it is controlled or jointly controlled by the same person who has significant influence over the reporting entity or is a member of the key management personnel of the reporting entity. An entity is also considered related if the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity.

(b) In addition to the related party information disclosed elsewhere in the financial statements, significant transactions with related parties, on terms agreed between parties, were as follows:

	Group	
	2015	2014
	S$'000	S$'000
Rental income from related parties	2,119	3,427
Rental commitment from related parties	-	1,992

(c) The key management personnel compensation is as follows:

	Group	
	2015	2014
	S$'000	S$'000
Directors of the holding company	2,731	2,565
Other key management personnel	1,320	1,098
	4,051	3,663

Included in the above remuneration are post-employment benefits of S$113,628 (2014: S$122,248) for the financial year ended 31 December 2015.

29 Segment Information

The Group's reportable segments are strategic business units that offer different services based on reports reviewed by the Executive Committee. They 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.

Other operations include the investment holding and corporate office. Segment information about these businesses is presented below:

	Hotel	Property Leasing	Others/ Eliminations	Total
Group	S$'000	S$'000	S$'000	S$'000
2015				
Revenue				
Revenue from external customers	68,718	71,850	-	140,568
Adjusted EBITDA	20,227	55,641	(4,050)	71,818
Other Information				
Capital expenditure	433	194	20	647
Depreciation and amortisation expenses	10,092	12,952	50	23,094
Interest income	4	2,956	46	3,006
Interest expense	-	931	2	933
Assets				
Segment assets	198,941	381,203	511,644	1,091,788
Liabilities				
Segment liabilities	8,736	147,787	456,483	613,006
2014				
Revenue				
Revenue from external customers	60,828	68,706	-	129,534
Adjusted EBITDA	17,502	54,934	(3,383)	69,053
Other Information				
Capital expenditure	718	186	-	904
Depreciation and amortisation expenses	9,459	12,322	42	21,823
Interest income	4	4,292	205	4,501
Interest expense	-	790	2	792
Assets				
Segment assets	203,566	326,407	403,876	933,849
Liabilities				
Segment liabilities	8,305	105,576	381,441	495,322

Adjusted earnings before interest income, income tax, foreign exchange gain/(loss), depreciation and amortisation and exceptional items ("EBITDA") represents profit earned by each segment. This is the manner reported to the Executive Committee, which is the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

29 Segment Information (cont'd)

A reconciliation of total adjusted EBITDA to total profit before income tax is as follows:

	Group	
	2015	2014
	S$'000	S$'000
Adjusted EBITDA for reportable segments	75,868	72,436
Other adjusted EBITDA	(4,050)	(3,383)
Depreciation and amortisation expenses	(23,094)	(21,823)
Foreign exchange (loss)/gain, net	(5,381)	5,514
Interest income	3,006	4,501
Interest expense	(933)	(792)
Profit before income tax	45,416	56,453

A reconciliation of total assets for reportable segments to total assets is as follows:

	Group	
	2015	2014
	S$'000	S$'000
Total assets for reportable segments	580,144	529,973
Other assets	511,644	403,876
Elimination of inter-segment receivables	(510,329)	(396,132)
Total assets	581,459	537,717

A reconciliation of total liabilities for reportable segments to total liabilities is as follows:

	Group	
	2015	2014
	S$'000	S$'000
Total liabilities for reportable segments	156,523	113,881
Other liabilities	456,483	381,441
Elimination of inter-segment payables	(510,329)	(396,132)
Total liabilities	102,677	99,190

No segment information by geographical location has been presented as the Group's activities are primarily carried out in the PRC. No information about major customers has been presented as there is no single external customer contributing more than 10% to the Group's revenue.

30 Financial Instruments

(a) Fair Value of Financial Instruments

The carrying amounts of financial assets and liabilities with a maturity of less than one year, which include cash and cash equivalents, short-term investments, short-term borrowings, receivables and payables are assumed to approximate their fair values due to their short-term maturities.

The carrying amounts of long-term interest-bearing borrowings disclosed in Note 21 to the financial statements are reasonable approximation of their fair values as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period. The fair value of finance leases approximate the present value of payments as disclosed in Note 22 to the financial statements.

30 Financial Instruments (cont'd)

(b) Fair Value Hierarchy

The following table presents financial assets that are measured at fair value on a recurring basis and classified by level of the following fair value measurement hierarchy:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is as prices) or indirectly (i.e. derived from prices); and
(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	S$'000	S$'000	S$'000	S$'000
At 31 December 2015				
Financial assets at fair value through profit or loss	1,305	-	-	1,305
At 31 December 2014				
Financial assets at fair value through profit or loss	2,628	-	-	2,628

31 Operating Lease Commitments

(a) The Group as a lessee

The Group leases retail and office premises from non-related parties under non-cancellable operating leases agreement. The leases have varying terms, escalation clauses and renewal rights. The future minimum lease payable under non-cancellable operating leases contracted for at the end of the reporting period are as follows:

	Group	
	2015	2014
	S$'000	S$'000
Within 1 year	1,250	2,145
Between 1 year to 5 years	762	3,428
Minimum lease payments made under operating leases	2,131	2,037

(b) The Group as a lessor

At the end of the reporting period, the total committed rental income in respect of operating leases for the rental of investment properties to third parties are as follows:

	Group	
	2015	2014
	S$'000	S$'000
Within 1 year	51,302	54,169
Between 1 year to 5 years	66,667	92,524

The leases have varying terms, escalation clauses and renewal rights.

SHAREHOLDING STATISTICS

AS AT 8 MARCH 2016

AUTHORISED SHARE CAPITAL	:	US$500,000,000
ISSUED AND FULLY PAID-UP CAPITAL (INCLUDING TREASURY SHARES)	:	US$76,048,986 (S$105,784,139.53)
NUMBER OF SHARES ISSUED (EXCLUDING TREASURY SHARES)	:	3,035,072,440
NUMBER/PERCENTAGE OF TREASURY SHARES	:	6,887,000 / 0.23%
CLASS OF SHARES	:	Ordinary shares with a par value of US$0.025 each
VOTING RIGHTS	:	One vote per share. The Company cannot exercise any voting rights in respect of shares held by it as treasury shares.

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	118	1.56	5,140	0.00
100 - 1,000	897	11.82	633,517	0.02
1,001 - 10,000	4,835	63.70	20,940,229	0.69
10,001 - 1,000,000	1,714	22.58	91,356,266	3.01
1,000,001 & ABOVE	26	0.34	2,922,137,288	96.28
TOTAL	**7,590**	**100.00**	**3,035,072,440**	**100.00**

TWENTY LARGEST SHAREHOLDERS

Name of Shareholders	No. of shares	%
FLAMBO BUND CENTRE LTD.	2,549,379,854	84.00
UOB KAY HIAN PTE LTD	154,815,376	5.10
BANK OF S'PORE NOMINEES PTE LTD	98,843,888	3.26
RAFFLES NOMINEES (PTE) LTD	37,449,302	1.23
RHB SECURITIES SINGAPORE PTE LTD	23,176,000	0.76
CITIBANK NOMINEES S'PORE PTE LTD	6,826,680	0.22
DBS NOMINEES PTE LTD	6,118,748	0.20
UNITED OVERSEAS BANK NOMINEES PTE LTD	5,309,072	0.17
WISNU KUSMIN OR DIANAWATI TJENDERA	5,000,000	0.16
OCBC SECURITIES PRIVATE LTD	3,976,654	0.13
LIM POH KENG (LIN BAOQING)	3,577,000	0.12
COSMIC INSURANCE CORPORATION LIMITED – SIF	3,131,000	0.10
DBS VICKERS SECURITIES (S) PTE LTD	3,088,540	0.10
MAYBANK KIM ENG SECURITIES PTE LTD	2,577,012	0.08
CHEE SWEE HENG	2,450,000	0.08
OCBC NOMINEES SINGAPORE PTE LTD	2,283,406	0.08
PHILLIP SECURITIES PTE LTD	1,806,606	0.06
LOH MAY-LING	1,757,600	0.06
LOH WEI-LING	1,757,600	0.06
HONG PIAN TEE	1,492,600	0.05
TOTAL	**2,914,816,938**	**96.02**

SHAREHOLDING STATISTICS

AS AT 8 MARCH 2016

SUBSTANTIAL SHAREHOLDERS

Name	No. of Shares in which they have an Interest				
	Direct Interest	Percentage[1] %	Deemed Interest	Percentage[1] %	Total Percentage[1] (Direct and Deemed Interest) %
FLAMBO BUND CENTRE LTD. ("FlamboBC")	2,549,379,854	84.00	-	-	84.00
WFMT3 Foundation[2] ("WFMT3")	-	-	2,549,379,854	84.00	84.00

Note:

(1) Percentage calculated based on 3,035,072,440 issued shares (excluding treasury shares).

(2) The deemed interest of WFMT3 arises from its interest in 2,549,379,854 shares held by FlamboBC in the Company.

Based on the information available to the Company as at 8 March 2016, approximately 16% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited is complied with.

NOTICE OF ANNUAL GENERAL MEETING

BUND CENTER INVESTMENT LTD

(Incorporated in Bermuda)
(Company Registration Number: 43449)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Bund Center Investment Ltd (the "**Company**") will be held on **Thursday, 21 April 2016 at 3.30 p.m.** at PARKROYAL on Beach Road, Grand Ballroom, Level 1, 7500 Beach Road, Singapore 199591 to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the audited financial statements for the year ended 31 December 2015 together with the Directors' and Auditors' reports thereon. **(Resolution 1)**

2. To declare a first and final dividend of S$0.01075 per ordinary share with a par value of US$0.025 each for the year ended 31 December 2015. **(Resolution 2)**

3. To approve the payment of Directors' fees of S$266,000 for the year ended 31 December 2015. (FY2014: S$258,300) **(Resolution 3)**

4. To re-elect the following Directors retiring by rotation pursuant to Bye-law 86 of the Bye-laws of the Company:

   (a) Ms. Deborah Widjaja {*please see note 1*} **(Resolution 4)**
   (b) Mr. Franky Oesman Widjaja {*please see note 1*} **(Resolution 5)**
   (c) Mr. Lim Jun Xiong, Steven {*please see note 2*} **(Resolution 6)**

5. To re-appoint Moore Stephens LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

AS SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without any amendments, the following resolutions as Ordinary Resolutions:

Renewal of the Share Issue Mandate

6A. "That, pursuant to the Bye-laws of the Company and the Listing Rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"):

(1) authority be and is hereby given to the Directors of the Company to (a) issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise, and/or (b) make or grant offers, agreements or options (collectively, the "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

(2) the authority conferred by this Resolution shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier, provided that (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) authority be given to the Directors of the Company to issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force;

provided further that:

(i) the aggregate number of Shares to be issued pursuant to such authority (including Shares to be issued in pursuance of Instruments made or granted pursuant to such authority) does not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to all shareholders of the Company shall not exceed twenty percent (20%) of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (ii) below);

(ii) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the total number of issued Shares shall be based on the total number of issued Shares (excluding treasury shares) as at the date of the passing of this Resolution, after adjusting for:

(aa) new Shares arising from the conversion or exercise of any convertible securities;

(bb) new Shares arising from the exercise of share options or the vesting of share awards issued and/or granted by the Company which are outstanding or subsisting at the time this Resolution is passed (provided the options or awards were granted in compliance with the SGX-ST's Listing Manual); and

(cc) any subsequent bonus issue, consolidation or subdivision of Shares;

and, in relation to an Instrument, the number of Shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument; and

(iii) in exercising the authority so conferred, the Company shall comply with the provisions of the SGX-ST's Listing Manual for the time being in force (unless such compliance has been waived by the SGX-ST) and the Bye-laws for the time being of the Company." {*please see note 3*} **(Resolution 8)**

<u>Renewal of the Share Purchase Mandate</u>

6B. "That:

(a) the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares (**"Shares"**) in the share capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchases (each a **"Market Purchase"**) on the Singapore Exchange Securities Trading Limited (**"SGX-ST"**); and/or

(ii) off-market purchases (each an **"Off-Market Purchase"**) effected in accordance with any equal access schemes as may be determined or formulated by the Directors as they consider fit, which schemes shall satisfy all the conditions prescribed by the Companies Act, Chapter 50 of Singapore,

and otherwise in accordance with all other laws and regulations of Singapore and Bermuda and the rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the **"Share Purchase Mandate"**);

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

(i) the conclusion of the next Annual General Meeting or the date on which the next Annual General Meeting of the Company is required by law to be held; or

(ii) the date on which the share purchases are carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Purchase Mandate is varied or revoked;

(c) in this Resolution:

"Prescribed Limit" means five per cent. (5%) of the issued ordinary Share capital of the Company (excluding treasury shares) as at the date of the passing of this Resolution; and

"Maximum Price" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Purchase:	105% of the Average Closing Price
(ii) in the case of an Off-Market Purchase:	120% of the Highest Last Dealt Price

where:

"Average Closing Price" means the average of the closing market prices of a Share over the last five market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase and deemed to be adjusted for any corporate action that occurs after the relevant five-day period;

"Highest Last Dealt Price" means the highest price transacted for a Share as recorded on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

"day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution."
{*please see note 4*} (**Resolution 9)**

Renewal of the Interested Person Transactions Mandate

6C. "That:

(a) approval be and is hereby given, for the purpose of Chapter 9 of the Listing Manual (**"Chapter 9"**) of the Singapore Exchange Securities Trading Limited, for the Company, its subsidiaries and associated companies that are considered to be "entities at risk" under Chapter 9, or any of them, to enter into any of the transactions falling within the types of interested person transactions, particulars of which are set out in Appendix 2 to this Notice of Annual General Meeting {*please see note 5*}, with any party who is of the class of interested persons described in Appendix 2, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions as set out in Appendix 2 (the **"IPT Mandate"**);

NOTICE OF ANNUAL GENERAL MEETING

(b) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the next Annual General Meeting of the Company; and

(c) the Directors of the Company and each of them be and are hereby authorised to complete and do all such acts and things (including, without limitation, executing all such documents as may be required) as they or he/she may consider expedient or necessary or in the interests of the Company to give effect to the IPT Mandate and/or this Resolution." {*please see note 6*} **(Resolution 10)**

By Order of the Board

Frankle (Djafar) Widjaja
Director
1 April 2016
Singapore

Notes:

(i) If a Depositor (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore) whose name appears in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore) wishes to attend and vote at the Annual General Meeting, he must be shown to have shares of the Company entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited, not less than 48 hours before the time appointed for the holding of the Annual General Meeting.

(ii) Depositors who are unable to attend the Annual General Meeting personally and who wish to appoint their nominee(s) to attend and vote on their behalf should complete, sign and return the proxy form which is despatched together with this Annual Report to Depositors (the "Depositor Proxy Form") in accordance with the instructions printed thereon as soon as possible and in any event, so as to reach the mailing address of the Company at c/o 3 Shenton Way, #17-07 Shenton House, Singapore 068805, no later than 48 hours before the time appointed for the holding of the Annual General Meeting in order to be able to attend and/or vote at the Annual General Meeting.

(iii) If a registered holder of Shares ("Shareholder") wishes to appoint a proxy or proxies, then the enclosed Shareholder Proxy Form ("Shareholder Proxy Form") must be completed, signed and deposited at the mailing address of the Company at c/o 3 Shenton Way, #17-07 Shenton House, Singapore 068805, no later than 48 hours before the time appointed for the holding of the Annual General Meeting in order for the Shareholder's proxy or proxies to be able to attend and/or vote at the Annual General Meeting.

(iv) The completion and return of a Depositor Proxy Form or a Shareholder Proxy Form will not preclude the Depositor or Shareholder concerned from attending and voting in person at the Annual General Meeting if he wishes to do so, in place of his proxy.

Additional Notes relating to the Notice of Annual General Meeting:

1. Please refer to the sections on Board of Directors and Corporate Governance Report in the Annual Report 2015 for further information on Ms. Deborah Widjaja and Mr. Franky Oesman Widjaja.

2. Mr. Lim Jun Xiong, Steven will, if re-elected, remain as chairman of the Audit Committee. Mr. Lim is considered to be independent. Please refer to the sections on Board of Directors and Corporate Governance Report in the Annual Report 2015 for further information on Mr. Lim.

3. Resolution 8 in item 6A above will, if passed, empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding, in total, 50% of the total number of issued shares in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.

   For determining the aggregate number of shares that may be issued, the total number of issued shares will be calculated based on the total number of issued shares in the capital of the Company (excluding treasury shares) at the time Resolution 8 is passed, after adjusting for new shares arising from the conversion or exercise of any convertible securities or the exercise of share options or the vesting of share awards which are outstanding or subsisting at the time when Resolution 8 is passed and any subsequent bonus issue, consolidation or subdivision of shares.

4. Resolution 9 in item 6B above will, if passed, renew for another year, up to the next Annual General Meeting of the Company, the mandate for share purchase as described in Appendix 1 to this Notice of Annual General Meeting, which will, unless previously revoked or varied by the Company at a general meeting, expire at the next Annual General Meeting.

5. The mandate for transactions with Interested Persons as described in Appendix 2 to this Notice of Annual General Meeting includes the placement of deposits by the Company with financial institutions in which interested persons have an interest.

6. Resolution 10 in item 6C above, if passed, is to renew for another year, up to the next Annual General Meeting of the Company, the mandate for transactions with interested persons as described in Appendix 2, which will, unless previously revoked or varied by the Company at a general meeting, expire at the next Annual General Meeting.

7. Subject to Shareholders' approval of the proposed share consolidation at the special general meeting to be held after the Annual General Meeting, payment of the first and final dividend will, post share consolidation, be based on S$0.043 per consolidated ordinary share with a par value of US$0.10 each.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

BUND CENTER INVESTMENT LTD Annual Report 2015

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