



# Centurion Corporation Limited

## 4Q and FY 2018 Financial Results

28 February 2019



# DISCLAIMER

**This presentation should be read in conjunction with the Company's 4Q and FY 2018 Unaudited Financial Statement Announcement for the period ended 31 December 2018.**

This presentation and the accompanying presentation materials (if any) ("Presentation") are made for informational purposes, without regard to the objectives, financial situation nor needs of any specific persons.

This Presentation does not constitute, or form any part of any offer for sale of or subscription of, or solicitation of any offer to buy or subscribe for, any securities nor shall it, or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever.

This Presentation was prepared exclusively for the parties presently being invited for the purposes of discussion. Neither the Presentation nor any of its content may be distributed, reproduced or used without the prior written consent of Centurion Corporation Limited ("Centurion" or "Company"). The Company does not make any representation or warranty, express or implied, as to the accuracy of the information contained herein, and expressly disclaim any and all liability based, in whole or in part, on such information, errors therein or omissions therefrom.

This Presentation includes forward-looking statements provided with respect to the anticipated future performance of the Company. Such forward-looking statements reflect various assumptions of the management concerning the future performance of the Company. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variation may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the forward-looking statements based thereon.

# CONTENTS

Key Highlights

Financial Review

Business Review

Growth Strategy

# Key Performance Highlights

- FY2018 NPAT is **S\$84.1 million** (+124% from S\$37.6 million in FY2017)
  - mainly due to valuation gains arising from UK student accommodation assets
- FY 2018 revenue is **S\$120.1 million** (-12%)
  - moderated performance is in line with expectations, mainly due to the expiry of the lease on Westlite Tuas in Singapore
  - partly offset by strong performance of workers accommodation in Malaysia and ASPRI-Westlite Papan as well as student accommodation in the UK
- Net profit after tax from core business operations is **S\$39.6 million** (-20%) for **FY 2018**
  - In line with expectations; mainly due to the expiry of the lease on Westlite Tuas

# Key Business Highlights

- Completed acquisition of **dwell Princess Street**, a 127-bed premium-built freehold asset in central Manchester, UK on 16 Jul 2018
- Completed acquisition of **dwell Castle Gate Haus**, a 133-bed freehold asset in Nottingham, UK for £10.2 million on 9 Nov 2018. (14.29% owned interest)
- Completed acquisition of **dwell Dongdaemun**, a 208-bed asset in Seoul, South Korea, on 6 Nov 2018. In close proximity to well-reputed universities and key attractions in Dongdaemun. (55% owned interest)
  - ❖ Seoul represents a strong entry point for the expansion of the Group's accommodation business into North Asia
  - ❖ refurbishment works in progress and expected to complete 1Q 2019
- Completed first closing of **Centurion Student Accommodation Fund**, Centurion's second student accommodation fund (Fund II), on 7 Dec 2018.
  - ❖ focus on global PBSA portfolio excluding United States (US)
  - ❖ dwell Castle Gate Haus is the seed asset of the fund
  - ❖ enables sustainable fast-paced AUM growth
  - ❖ continued growth and expansion of Centurion's management services offering and fees revenue

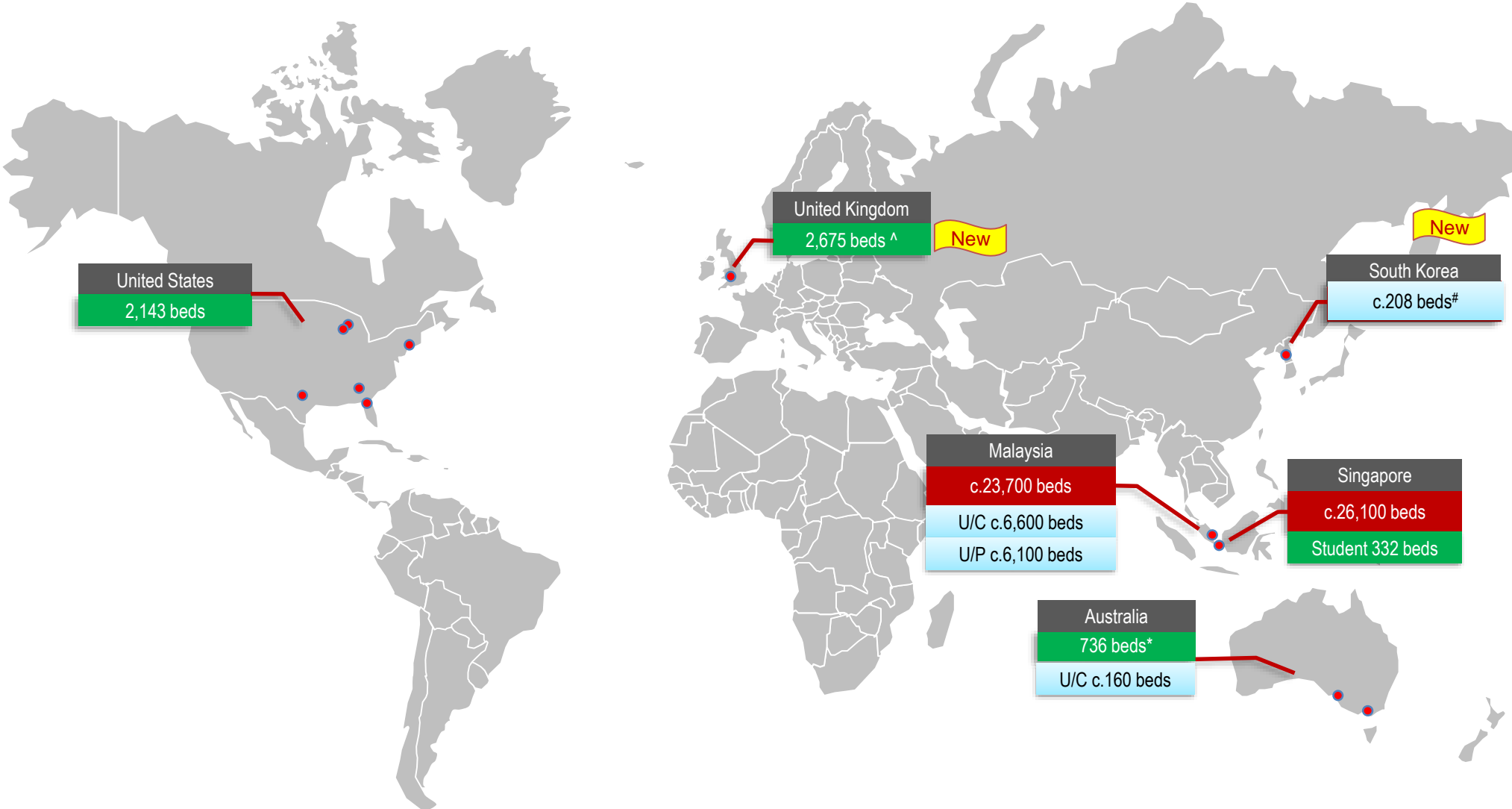


# Key Business Highlights

- Completed the construction of 280-bed **dwell East End Adelaide** end October 2018 for a total cost of approximately A\$45.5 million (S\$48.7 million).
  - ❖ the property is open for registration and has been available for rent from January 2019, catering to the student intake for the new academic year.
  
- **RMIT Village Asset Enhancement Programme (AEP)**
  - ❖ majority of the new c.160 beds under development for AEP have been completed in January 2019, ahead of commencement of the new academic semester in February 2019.
  - ❖ The remaining beds are expected to be completed in 2Q 2019.
  
- **Westlite Bukit Minyak**, located in Penang, Malaysia has received Certificate of Completion and Compliance (CCC) on 18 January 2019
  - ❖ leverage the favourable ethical compliance requirement and regulatory control environment to drive further growth in the Group's PBWA business in Malaysia



# Our Geographical Presence

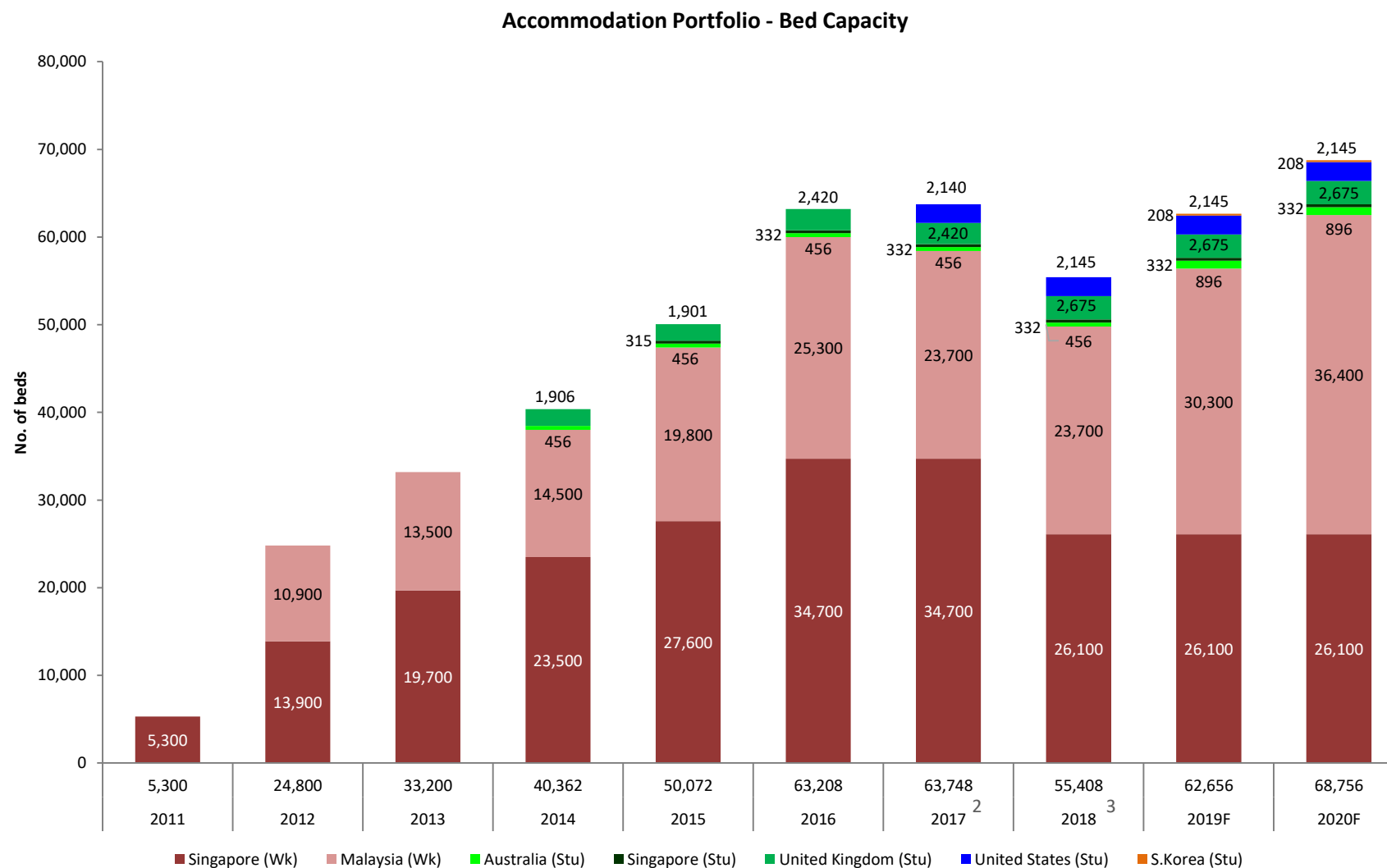


^ Inclusive of 133-bed dwell Castle Gate Haus Street (14.29% owned interest), which acquisition has completed on 9 Nov 2018, bringing total UK portfolio capacity to 2,675 beds.

# Inclusive of 208-bed dwell Dongdaemun (55% owned interest) which acquisition has been completed on 6 Nov 2018; refurbishment works expected to complete in 1Q 2019

\* Inclusive of 280-bed dwell East End Adelaide which construction had been completed in October 2018, bringing Australia portfolio capacity to 736 beds.

# Accommodation Growth Profile<sup>1</sup>



Note:

1. Based on developments at existing facilities that are already owned by Centurion Corp.
2. Includes Westlite Tuas which land lease had expired as of Jan 2018.
3. Includes 133-bed dwell Castle Gate Haus (14.29% owned interest) which acquisition was completed on 9 Nov 2018. The completion will bring the total UK portfolio capacity to 2,675 beds. | Excludes 208-bed dwell Dongdaemun (55% owned interest) which acquisition was completed on 6 Nov 2018

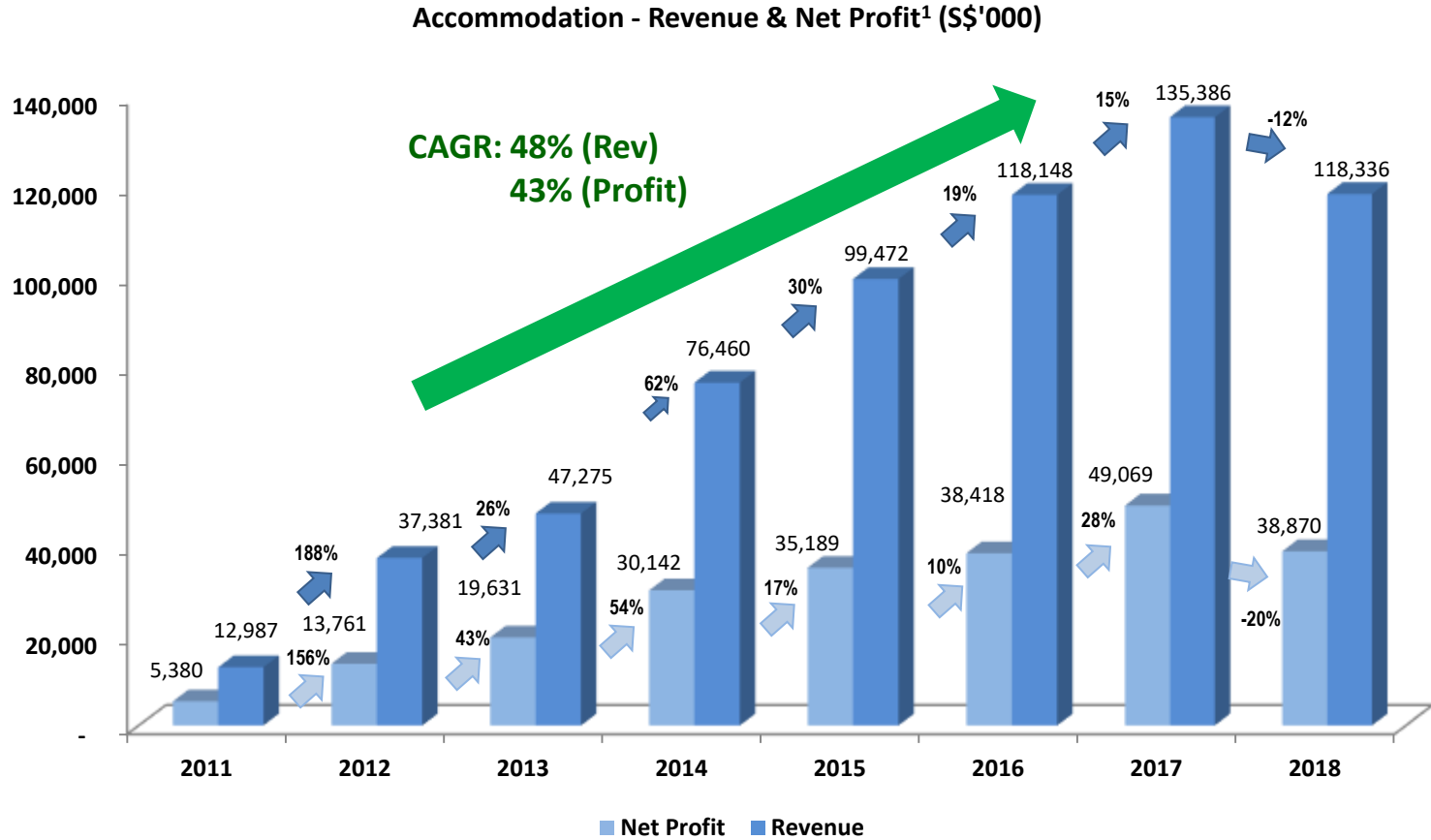




# Financial Review



# Strong Financial Growth of Accommodation Business



Note:  
1. From core business operations

# Financial Overview

S\$'000	4Q 2018	4Q 2017	Change	FY 2018	FY 2017	Change
Revenue	31,326	33,591	- 7%	120,070	137,113	- 12%
Gross Profit	22,939	22,839	0%	86,321	94,210	- 8%
Gross profit margin	73%	68%	5pp	72%	69%	3pp
Net Profit After Tax	54,022	7,002	+672%	84,151	37,644	+124%
Net Profit <sup>1</sup>	9,460	10,725	- 12%	39,589	49,447	- 20%
Net Profit (Equity holders) <sup>2</sup>	8,056	9,338	- 14%	34,271	44,331	- 23%
Net Profit Margin <sup>1</sup>	30%	32%	- 2pp	33%	36%	- 3pp

- Reduction in revenue is mainly due to the cessation of operations at Westlite Tuas in Singapore in December 2017 arising from the expiry of its land lease.
  - Improved performance of Group's workers accommodation in Malaysia, ASPRI-Westlite Papan as well as student accommodation assets in UK has partially offset the lower revenue.
- Strong growth in Net Profit After Tax was mainly due to fair valuation gain of S\$48.6m. This was largely derived from the Group's student accommodation in UK which continued to achieve high occupancy, consistent earnings and rental growth as well as a strong market appetite.

Note:  
 1. Net Profit and Net Profit Margin arising from Profit from core business operations  
 2. Net Profit (Equity holders) = Profit from core business operations attributable to equity holders, which excludes the 49% interest in ASPRI-Westlite.

# Financial Overview

S\$'000	4Q 2018	4Q 2017	Change	FY 2018	FY 2017	Change
Revenue	31,326	33,591	- 7%	120,070	137,113	- 12%
Gross Profit	22,939	22,839	0%	86,321	94,210	- 8%
Gross profit margin	73%	68%	5pp	72%	69%	3pp
Net Profit After Tax	54,022	7,002	+672%	84,151	37,644	+124%
Net Profit <sup>1</sup>	9,460	10,725	- 12%	39,589	49,447	- 20%
Net Profit (Equity holders) <sup>2</sup>	8,056	9,338	- 14%	34,271	44,331	- 23%
Net Profit Margin <sup>1</sup>	30%	32%	- 2pp	33%	36%	- 3pp

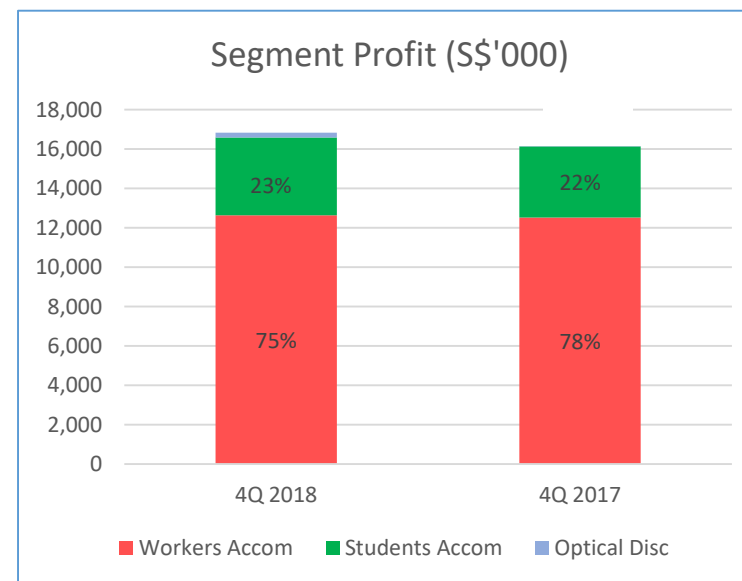
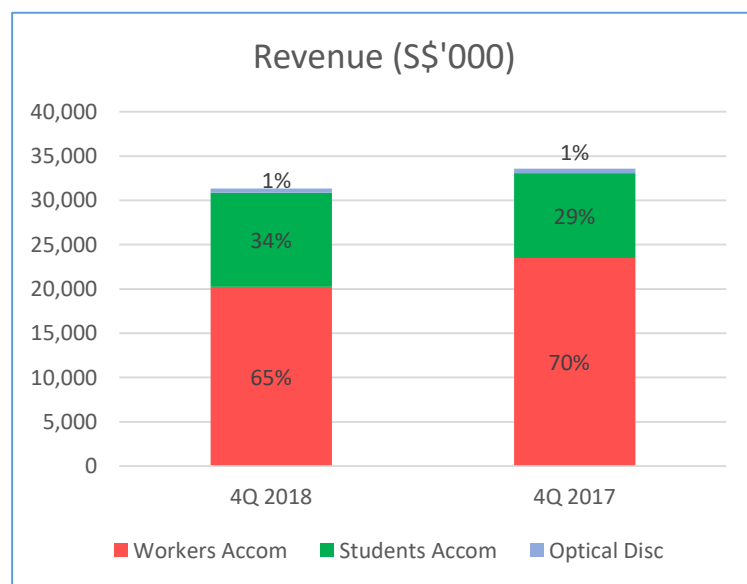
- Gross profit margin improved from 68% to 73% due to absence of Tuas revenue that has a lower gross profit margin as well as better performance in ASPRI-Westlite Papan, Malaysia and UK assets.
- Net Profit<sup>1</sup> for FY2018 decreased by 20% to S\$39.6 million, largely due to loss of revenue from Westlite Tuas, as well as higher finance cost on the back of higher interest rates and new borrowings to fund acquisition..

Note:  
 1. Net Profit and Net Profit Margin arising from Profit from core business operations  
 2. Net Profit (Equity holders) = Profit from core business operations attributable to equity holders, which excludes the 49% interest in ASPRI-Westlite.

# Segment Breakdown

## Strong Accommodation Business Results in 4Q 2018

S\$'000	Accommodation						Optical Disc		
	Workers			Students					
	4Q 2018	4Q 2017	Change	4Q 2018	4Q 2017	Change	4Q 2018	4Q 2017	Change
Revenue	20,240	23,479	-14%	10,622	9,604	11%	464	508	-9%
Segment Profit	12,638	12,526	1%	3,949	3,607	9%	242	4	5950%
Segment Margin	62%	53%	9pp	37%	38%	-1pp	52%	1%	51pp

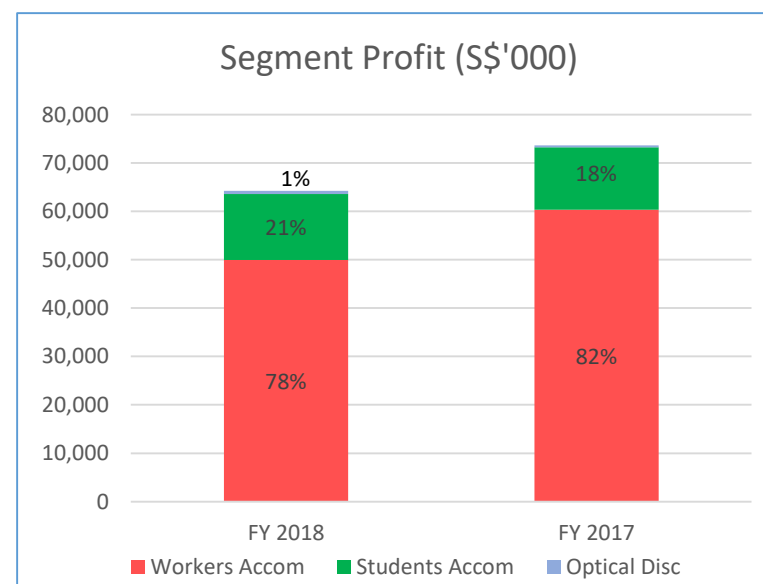
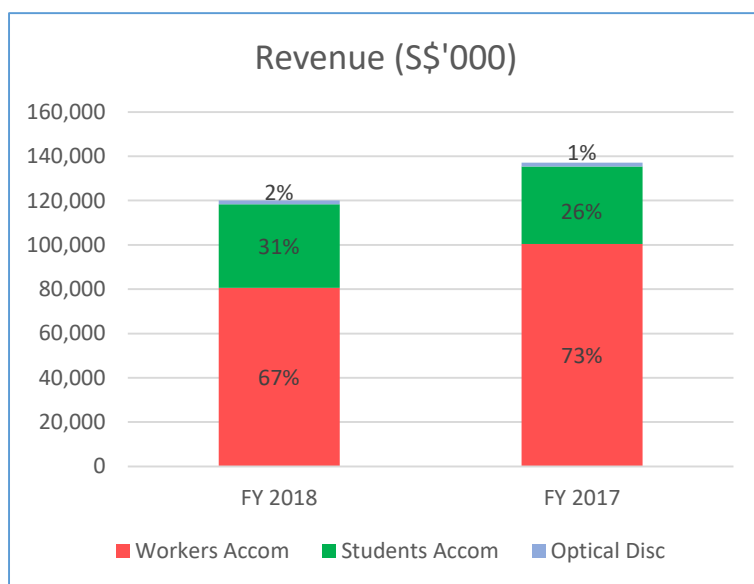


\* Segment Profit from core business operations

# Segment Breakdown

## Strong Accommodation Business Results in FY 2018

S\$'000	Accommodation						Optical Disc		
	Workers			Students					
	FY 2018	FY 2017	Change	FY 2018	FY 2017	Change	FY 2018	FY 2017	Change
Revenue	80,605	100,397	-20%	37,731	34,989	8%	1,734	1,727	0%
Segment Profit	49,944	60,330	-17%	13,663	12,929	6%	665	367	81%
Segment Margin	62%	60%	2pp	36%	37%	-1pp	38%	21%	17pp



# Balance Sheet Highlights

S\$'000	31 Dec 2018	31 Dec 2017	Change %
Cash & Bank Balances	62,902	75,765	- 17%
Current Assets	95,817	113,315	- 15%
Non Current Assets	1,227,750	1,075,676	+ 14%
Total Assets	1,323,567	1,188,991	+ 11%
Current Liabilities	94,740	163,608	- 42%
Non Current Liabilities	703,876	549,650	+ 28%
Total Liabilities	798,616	713,258	+ 12%
Net Assets	524,951	475,733	+ 10%
Net Gearing Ratio <sup>1</sup>	53%	51%	+ 2pp

- Healthy Balance Sheet – S\$62.9 million in cash and bank balances
- Cash and bank balances – reduction mainly due to investment activities
- Non Current Assets – increase mainly due to new accommodation asset acquisitions
- Current Liabilities - reduction due to redemption of S\$65 million MTN series 2
- Non Current Liabilities – increase due to bank borrowings for group expansion. Net gearing increased by 2pp to 53%
- Average long term bank debt maturity profile of 8 years
- Interest cover is well within interest cover threshold
  - 3.1 times (4.4 times excluding MTN interest and bank facility fees)

Note:

1. The net gearing ratio is computed as borrowings less cash and bank balances divided by total capital. Total capital is calculated as borrowings plus net assets of the Group.

# Key Ratios

	12M 2018	FY 2017
Earnings Per Share	4.1¢ <sup>1</sup>	5.3¢ <sup>1</sup>
NAV per share	60.3¢	55.1¢
Share Price	41.5¢ <sup>3</sup>	52.5¢ <sup>2</sup>
Dividend	2.0¢ <sup>5</sup>	2.5¢ <sup>4</sup>
Market Capitalisation	S\$349m <sup>3</sup>	S\$441m <sup>2</sup>

Note:

1. Excluding one-off items.
2. As at 29 December 2017
3. As at 31 December 2018
4. An interim dividend of 1.0 cent per share and a total final and special dividend of 1.5 cent per share for FY 2017 has been paid on 15 September 2017 and 17 May 2018 respectively
5. An interim dividend of 1.0 cent per share for 1H 2018 has been paid on 4 September 2018 and a proposed final dividend of 1.0 cent per share for FY2018.





# Business Review





## **Purpose Built Workers Accommodation**

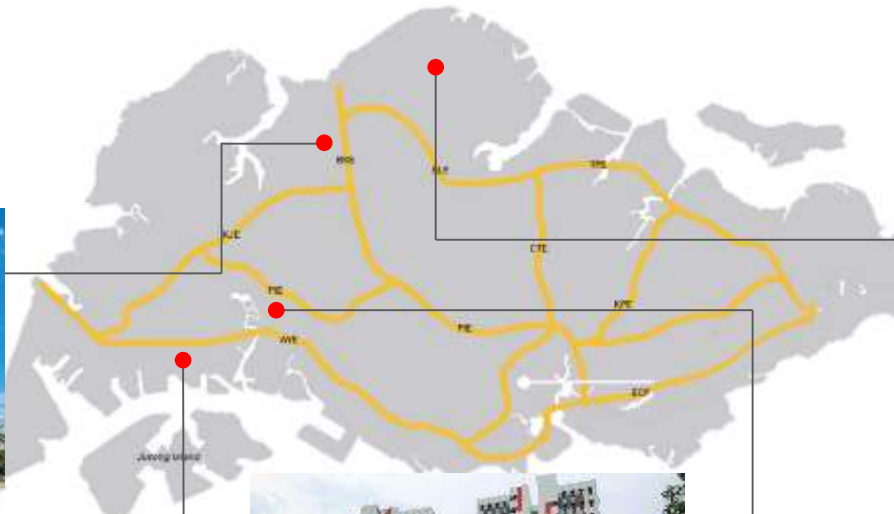


# Workers Accommodation – Singapore

- **4** operating assets with capacity of c.**26,100** beds
  - Assets in good locations, meeting regulatory requirements for facilities and amenities
- On a portfolio basis, assets are achieving healthy average occupancy rates of c.96% for FY 2018

## Westlite Mandai (45% owned)

- c.6,300 beds
- Land tenure: Freehold
- Land area: 11,265 sqm
- One of the largest freehold purpose-built workers accommodation in Singapore and caters to workers from all industries



## Westlite Woodlands

- c.4,100 beds
- Land tenure: 30 years (wef 2013)
- Land area: 9,542 sqm
- Caters to the workers from the marine, process and manufacturing industries.
- TOP received in Jul 2015



## ASPRI-Westlite Papan (51% owned)

- 7,900 beds
- Land tenure: 23 years (wef 2015)
- Land area: 14,817 sqm
- First-of-its-kind workers accommodation in Singapore that incorporates a training centre.
- TOP received in May 2016



## Westlite Toh Guan

- c.7,800 beds
- Land tenure: 60 years (wef 1997)
- Land area: 11,685 sqm
- Conveniently located in the Jurong locality to cater to workers from all industries.

# Workers Accommodation Landscape

Regulated Singapore PBWA sector with demand outstripping supply



Source: [Singapore Ministry of Manpower \(as at June 2018\)](#)

# Workers Accommodation Landscape

## Singapore

- Despite global economic uncertainties and trade conflicts, Singapore's economy grew by 3.3% in 2018 and is expected to grow between 1.5% - 3.5% in 2019.<sup>1</sup>
- Population of Non-Domestic Foreign Workers with work permits (excluding Foreign Domestic Workers) was at 716,200<sup>2</sup> as at June 2018 (vs 718,400 as at Dec 2017)
- No new supply expected in 2019, current supply reducing
  - c.44,700 beds<sup>3</sup> have expired in 2016 and 2017
  - c.8,600 beds<sup>3</sup> have expired in 2018
  - c.36,300 beds<sup>3</sup> estimated to expire in 2019
- Demand outstrip supply by c.120,000 – 150,000 beds<sup>3</sup> for PBWA<sup>4</sup>
- Government policies encourage shift of foreign workers to PBWA
  - non-Malaysians from the manufacturing sector will not be allowed to rent entire HDB flats – only individual rooms
  - new regulations for FCDs – operators to provide free Wi-Fi, personal lockers, a way to provide feedback on their accommodations and at least one sick bay or contingency plans to contain infectious diseases

Note:

1. The Straits Times – [Singapore economy grew by 3.3% in 2018; enters 2019 with renewed vigour and purpose: PM Lee Hsien Loong](#)
2. Ministry of Manpower – [Foreign workforce numbers](#)
3. Centurion Corp Research
4. PBWA denotes Purpose Built Workers Accommodation

# Workers Accommodation – Malaysia

- Current capacity of c.**23,700** beds (**6** operating assets); c.**6,600** beds under development (**1** asset)
- On a portfolio basis, the operational Malaysian assets are achieving average occupancy rates of c.94% for FY 2018
- Only RBA^ compliant option available



## Westlite Juru (pending acquisition of land)

- c.6,100 beds
- Land tenure: 99 years (wef 2014)
- Land area: 26,709 sqm
- Expected to be completed in 2020



## Westlite Bukit Minyak (completed in Jan 2019)

- c.6,600 beds
- Land tenure: Freehold
- Land area: 17,900 sqm
- Centurion's first Malaysian workers accommodation outside Johor
- Occupancy is expected from Feb 2019, and ramp up progressively, accreting revenue over the course of 2019

^ Responsible Business Alliance (RBA)  
fka Electronic Industry Citizenship  
Coalition (EICC)



## Westlife Johor Tech Park

- c.5,800 beds
- Land tenure: 99 years (wef 2013)
- Land area: 14,314 sqm
- One of the largest purpose-built workers dormitory in Johor.



## Westlite Senai II

- c.5,900 beds
- Land tenure: Freehold
- Land area: 19,071 sqm
- Construction was completed in Jan 2016



## Westlite Senai

- c.2,600 beds
- Land tenure: Freehold
- Land area: 20,310 sqm
- Located in industrial parks where multinational electronics manufacturers are based



## Westlite Tampoi

- c.5,300 beds
- Land tenure: Freehold
- Land area: 28,328 sqm
- Located in one of the established industrial zones in Iskandar Malaysia in close proximity to several major multinational electronics manufacturers



## Westlite Pasir Gudang

- c.2,000 beds
- Land tenure: 99 years (wef 1986)
- Land area: 8,391 sqm
- Located near the industrial zone within Pasir Gudang



## Westlite Tebrau

- c.2,100 beds
- Land tenure: 60 years (wef 2000)
- Land area: 5,718 sqm
- One of Johor's first purpose-built workers accommodation



# Workers Accommodation Landscape

## Malaysia

- Large foreign workers population in Malaysia
- More than c.2 million<sup>1</sup> foreign workers registered legal foreign workers in Malaysia
- c.819,000<sup>1</sup> are foreign manufacturing workers
- c.1.7 million<sup>2</sup> illegal foreign workers
- Government policies encourage proper housing for foreign workers
- Government supports hiring foreign workers to ease labour shortage

### New law creates demand for formal workers' accommodation - Malaysia

A recent JLL report reveals that amendments to Malaysia's Employment Act will require employers to provide housing for foreign workers.



Source: Retalk Asia, 11 June 2018, 'New law creates demand for formal workers' accommodation - Malaysia'

### KL starts round-up of illegal workers



Source: The Straits Times, 31 August 2018, 'KL starts round-up of illegal workers'

Note:

1. Retalk Asia – [New law creates demand for formal workers' accommodation - Malaysia](#)
2. The Straits Times – [KL starts round-up of illegal workers](#)



## Purpose Built Student Accommodation

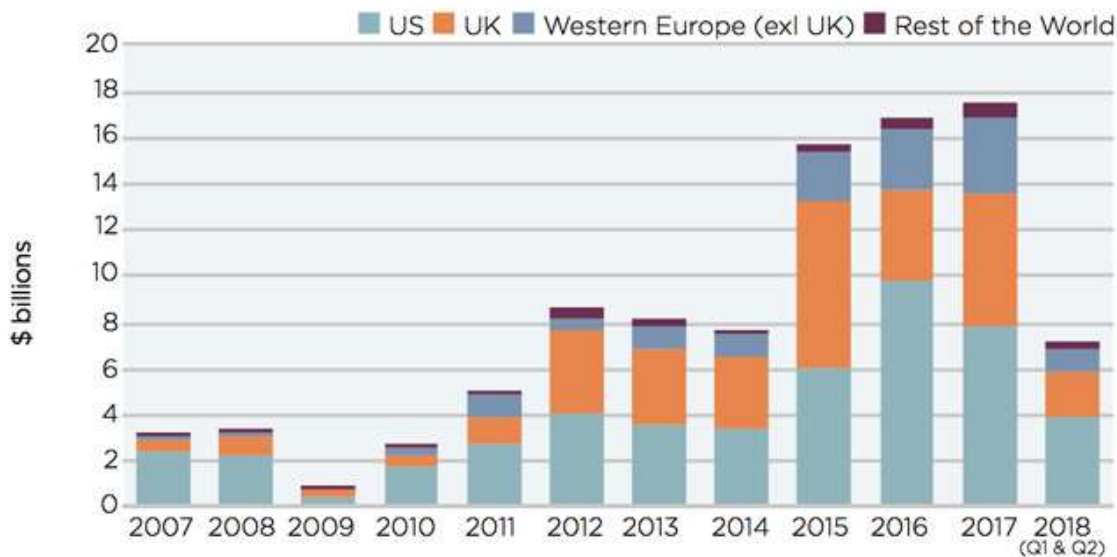




# Student Accommodation Overview

A fast-growing and in demand asset class for institutional investors

- There is a **limited supply of student housing** in a number of cities around the world, where the number of PBSA beds is measured against total student populations in each destination.



- **A resilient and in demand asset class for institutional investors**
  - Even with total private investment reaching US\$ 17.5 billion<sup>1</sup> in 2018, the student housing segment accounts for only a fraction of the US\$2 23 billion invested in residential real estate last year.
  - The student slice of the pie is growing quickly – up nearly 90% since 2013 – and the expectation is for further growth going forward.
  - This sector offers investors yields ranging between 4-7% annually with less volatility



# Student Accommodation



- **18** operating assets with a total capacity of **5,608<sup>^</sup>** beds (UK, US, Australia and Singapore)
- **280**-bed dwell East End Adelaide completed in Oct 2018 (fitting out by Jan 2019); development of new block of c.**160**-bed at RMIT Village
- Refurbishment of **208**-bed dwell Dongdaemun in Seoul is underway, expected to complete in 1Q 2019
- On a portfolio basis, the assets are achieving high average occupancy rates for FY 2018



- dwell Adelaide**
- 280 beds
  - Land tenure: Freehold
  - Land area: 598 sqm
  - Located close to University of Adelaide and University of South Australia – City East Campus
  - Development completed in Oct 2018, refurbishment works underway



- dwell Selegie**
- 332 beds
  - Land tenure: 3+3+2 years (wef 2015)
  - Land area: 4,408 sqm
  - Short walk to Singapore Management University (SMU), LASALLE College of the Arts, School of the Arts Singapore (SOTA) and Kaplan city campuses



- RMIT Village (AEP in progress)**
- 456 beds (59 beds closed for AEP)
  - Land tenure: Freehold
  - Land area: 6,200 sqm
  - Centurion's first student accommodation asset
  - Located close to Melbourne's Central Business District and in close proximity to RMIT University and the University of Melbourne
  - **Asset Enhancement Programme** in progress; add up to c.160 beds
  - Majority of AEP expected to be completed in Jan 2019, in time for students to move in before the start of the new academic semester in Feb 2019

Note:

- Excluding c.280-bed dwell East End Adelaide, Australia.
- Including c.133-bed dwell Castle Gate Haus (14.29% ownership interest), which acquisition was completed on 9 November 2018.
- Excluding c.208-bed dwell Dongdaemun, which acquisition was completed on 6 November 2018.

# Student Accommodation Landscape

## Australia

- International students for higher education grew 11% y-o-y to c. 690,468 students with students from China (204,940) and India (89,214) being the top two contributing countries<sup>1</sup>
- On-shore international students projected to increase from c. 690,468<sup>1</sup> today to c.720,000 - 990,000 by 2025<sup>2</sup>
- There are 690,468<sup>1</sup> full-time higher education students but c. 76,201<sup>2</sup> PBSA beds in Australia, thus, translating into international student to bed ratio of 9:1
- There is a continuous strong demand for high-quality, purpose built student accommodation<sup>3</sup>



*University of South Australia, Adelaide*



*RMIT University, Melbourne*

1. Australian Government Department of Education and Training – No. of international students in Australia  
2. Knight Frank Research & Consulting – Student Housing 2018  
3. Colliers International – Australian Purpose Built Student Accommodation Research & Insights Report 2018/19

# Completion of dwell East End Adelaide



- The development of the new 280-bed dwell East End Adelaide has been completed in October 2018 and fitting out is underway
- The freehold asset is strategically located in the heart of Adelaide's city centre and walking distance to University of Adelaide and the University of South Australia
- Provides quality student accommodation which is in close proximity to the main Rundle Mall shopping strip
- Open for registration and available for rent from Jan 2019, catering to the student intake for the new academic year from Feb 2019



# RMIT Village AEP, Australia



- The majority of the new c. 160 beds under development for the RMIT Village AEP have been completed in Jan 2019, ahead of commencement of the new academic semester in Feb 2019.
- The remaining beds for the AEP are expected to be completed in 2Q 2019.
- The AEP will introduce more facilities and communal spaces to develop a vibrant student hub. This will include enlarged study areas, TV room, conference and meeting rooms and a brand new gym that opens to a terrace.
- Occupancy for both the newly completed dwell East End Adelaide and RMIT Village beds is expected to ramp up progressively from Jan 2019 and begin accreting revenue over the course of 2019.



# Student Accommodation – UK



- **10** operating assets with a total capacity of **2,675** beds<sup>^</sup>
- Acquisition of Castle Gate Haus, Nottingham, enlarges UK portfolio to **10** assets and **2,675** beds across five cities
- UK portfolio of assets achieved high average occupancy rate of c.93% for FY 2018



**dwel MSV**  
 • 1,017 beds  
 • Land tenure: Freehold  
 • Land area: 4,500 sqm



**dwel MSV South**  
 • 355 beds  
 • Land tenure: Freehold  
 • Land area: 6,300 sqm



**dwel 121 Princess Street**  
 • 127 beds  
 • Land tenure: Freehold  
 • Land area: 740 sqm



**dwel Garth Heads**  
 • 181 beds  
 • Land tenure: 125 yrs wef 1995  
 • Land area: 2,000 sqm



**dwel The Grafton**  
 • 145 beds  
 • Land tenure: Freehold  
 • Land area: 880 sqm



**dwel Beechwood House**  
 • 37 beds  
 • Land tenure: 125 yrs wef 2009  
 • Land area: 1,700 sqm



**dwel Weston Court**  
 • 140 beds  
 • Land tenure: 125 yrs wef 2008  
 • Land area: 3,700 sqm



**dwel Castle Gate Haus<sup>^</sup>**  
 • 133 beds  
 • Land tenure: Freehold  
 • Land area: 1,230 sqm



**dwel Cathedral Campus**  
 • 384 beds  
 • Land tenure: 250 yrs wef 2007  
 • Land area: 16,400 sqm



**dwel Hotwells House**  
 • 157 beds  
 • Land tenure: 125 yrs wef 2009  
 • Land area: 2,400 sqm

Note:  
<sup>^</sup> inclusive of 133-bed dwel Castle Gate Haus, which acquisition was completed on 9 Nov 2018. Centurion owns 14.29% of the Centurion Student Accommodation Fund, which acquired dwel Castle Gate House

# Student Accommodation Landscape

## United Kingdom

- Total higher education student numbers stable at c.1.8 million (2018/19)<sup>1</sup>
- Across the UK, there are currently 627,115 purpose-built bed spaces. As such, this translates into international student to bed ratio of 2.8:1<sup>1</sup>
- Over 12,000 have been taken out of use to be refurbished in 2018/19, and a further 31,348 beds are planning to be delivered in 2019/20<sup>1</sup>

Total full time higher education students <sup>2</sup> (number of students)			
Manchester	64,500	Newcastle	43,000
Liverpool	43,285	Bristol	40,700
Nottingham	65,000		



Manchester Metropolitan University



The University of Manchester

1. Cushman & Wakefield – Student Accommodation Report 2018

2. Knight Frank – UK Student Housing Update

# New Asset Acquisition: Manchester, UK



- Acquisition of premium accommodation asset located at 121 Princess Street (dwell Princess Street)
- Located in the heart of Manchester city centre and close proximity to two reputed universities, University of Manchester and Manchester Metropolitan University
- dwell Princess Street is a newly refurbished, quality-built freehold asset with a capacity of **127** beds
- Purchase consideration of £18.7 million (S\$33.9 million)
- Completion of acquisition on 16 July 2018



**dwell Princess Street**  
• 127 beds  
• Land tenure: Freehold  
• Land area: 740 sqm

Manchester





# New Asset Acquisition: Nottingham, UK



- Acquisition of quality accommodation asset located at 32-44 (even) Castle Gate (dwell Castle Gate Haus) (14.29% ownership interest)
- Located within the heart of Nottingham city centre and close proximity to two renowned Universities, University of Nottingham and Nottingham Trent University
- dwell Castle Gate Haus is a high-quality freehold asset primarily for students with a capacity of **133** beds
- Purchase consideration of £10.2 million (S\$18.0 million)
- Completion of acquisition on 9 November 2018



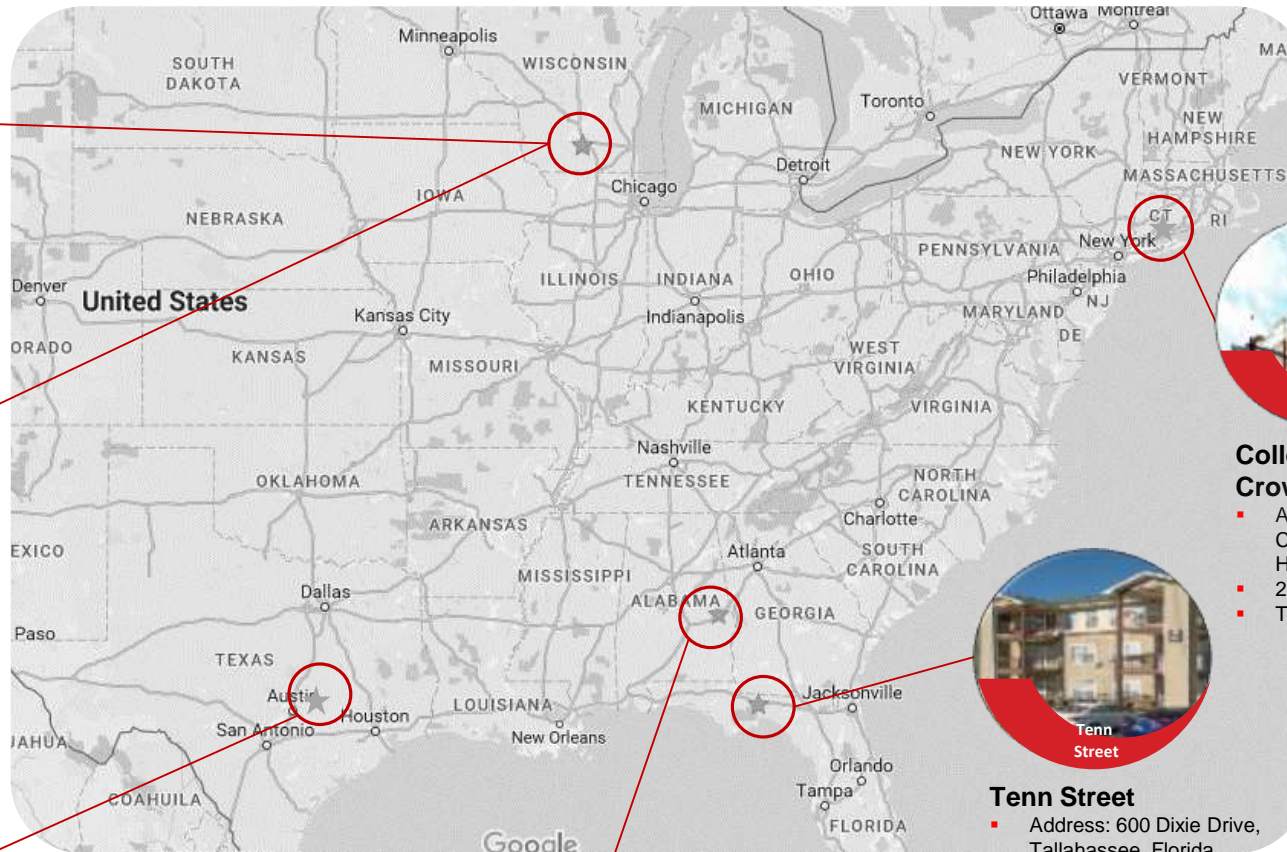
**dwell Castle Gate Haus**  
• 133 beds  
• Land tenure: Freehold  
• Land area: 1,230 sqm



# Student Accommodation – USA



- 6 operating assets with a total capacity of **2,145** beds
- Supporting universities with good national rankings and sizable student populations
- Acquisition completed in Nov 2017, achieving healthy average occupancy for FY 2018



Towers on State

### Towers on State

- Address: 502 N Frances Street, Madison, Wisconsin
- 231 beds
- Tenure: Freehold



Statesider

### Statesider

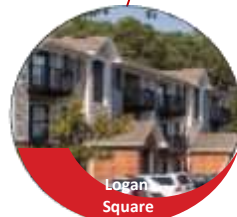
- Address: 505 N Frances Street Madison, Wisconsin
- 226 beds
- Tenure: Freehold



Stadium View

### Stadium View

- Address: 400 Marion Pugh Dr, College Station, Texas
- 216 beds
- Tenure: Freehold



Logan Square

### Logan Square

- Address: 733 W Glenn Avenue, Auburn, Alabama
- 639 beds
- Tenure: Freehold



College and Crown

### College and Crown

- Address: 200 College Street, New Haven, Connecticut
- 204 beds
- Tenure: Freehold



Tenn Street

### Tenn Street

- Address: 600 Dixie Drive, Tallahassee, Florida
- 624 beds
- Tenure: Freehold

^ Centurion owns 28.7% of the Centurion US Student Housing Fund and is the portfolio manager as well as provider of property management services.

# Student Accommodation Landscape

## United States

- c.20.3 million collegiate-age student population including 1.044 million international students<sup>1</sup>
- Undergraduate enrolment increased by 28% between 2008 and 2016 and is projected to increase 3% by 2027 to 17.4 million<sup>2</sup>
- PBSA in the US catering to an estimated 12% of all tertiary education students<sup>1</sup>
- Strong demand for high-quality, purpose built student accommodation

### Total tertiary education students<sup>2</sup>

(approximate number of students)

Wisconsin	Alabama	Connecticut	Florida	Texas
University of Wisconsin - Madison	Auburn University	Yale University	Florida State University	Texas A&M University
43,400	27,300	12,300	40,800	60,400



University of Wisconsin - Madison



Yale University



Florida State University

# New Asset Acquisition: Seoul, South Korea



- 55%-owned interest in **dwell Dongdaemun**, Seoul, South Korea<sup>^</sup>
- Undergoing refurbishment, expected completion in 1Q 2019
- Total capacity of c.**208** beds
- Close proximity to top universities namely Kyunghee University, University of Seoul, KAIST and Hankuk University; and key attractions of Dongdaemun
- Purchase price of KRW13.5 bil (S\$16.6 mil)
- Refurbishment costs of KRW3.7 bil (S\$4.6 mil)
- Stamp duty and related acquisition costs of KRW1.2 bil (S\$1.5 mil)



dwell Dongdaemun, formerly known as Benikea Hotel KP (55% owned interest)

- 208 beds
- Land tenure: Freehold
- Land area: 968 sqm
- Refurbishment works underway



Note:  
The asset acquisition has been completed on 6 November 2018.

# Student Accommodation Landscape

Seoul,  
South Korea

- One of Asia's strongest representatives in the QS Best Student Cities ranking – in the top 10 since 2015<sup>1</sup>
- More than 18 universities were featured in QS World University Ranking 2018 with 640,000 students and hosting 58% of the country's international student population<sup>2</sup>
- In the immediate vicinity of dwell Dongdaemun, c.59,000 full-time domestic and international student are enrolled in four different universities<sup>3</sup>



*Kyunghee University*



*Hankuk University*



*KAIST*



*University of Seoul*

1. QS Best Student Cities Rankings 2015-2018

2. QS World University Ranking 2018

3. QS Kyunghee University, University of Seoul, KAIST and Hankuk University of Foreign Studies



# Growth Strategy



# Growth Strategy

## Portfolio growth

- **Four developments/AEP** (dwell East End Adelaide, RMIT Village AEP, dwell Dongdaemun, Westlite Bukit Minyak) have been completed, adding 7,248 beds (+13%) in 2019
- **Enhance project returns** through asset enhancement initiatives

## Investment management platform

- Scalable growth through joint ventures and **asset light strategies**, including establishing and providing investment, asset and property management services
  - ❖ Completed the acquisition of **dwell Dongdaemun** on 6 November 2018, a 208-bed asset in Seoul, South Korea, which is in close proximity to well-reputed universities and key attractions in Dongdaemun. This marks the Group's first foray into the North Asia market
  - ❖ Announced the first closing of global student accommodation fund, the **Centurion Student Accommodation Fund** with a reputed educational institution cornerstone investor secured in December 2018.<sup>^</sup> Global (excluding United States) private fund will invest in PBSA assets. Investments through this asset light strategy strategically boosts the company's expansion plans in a sustainable manner.

## Growth via new accommodation types

- Continue to **selectively** explore opportunities to grow its accommodation business through targeted and strategic expansion in **existing** and **new** markets
- Explore new accommodation asset types

<sup>^</sup> Please refer to Centurion corporate announcement on 7 December 2018, <http://centurion.listedcompany.com/news.html/id/692168>



# Q&A

For any enquiries, please contact:  
Investor Relations Manager  
Ms Joey Wong | Mr David Oh  
[joey.wong@centurioncorp.com.sg](mailto:joey.wong@centurioncorp.com.sg) | [david.oh@centurioncorp.com.sg](mailto:david.oh@centurioncorp.com.sg)  
Tel: +65 6745 3288  
Centurion Corporation Limited ([www.centurioncorp.com.sg](http://www.centurioncorp.com.sg))

