

CENTURION CORPORATION LIMITED

(Incorporated in the Republic of Singapore with limited liability)

(Co. Reg. No.: 198401088W)

AWARD OF MASTER LEASE BY PERBADANAN KEMAJUAN NEGERI SELANGOR, ALSO KNOWN AS SELANGOR STATE DEVELOPMENT CORPORATION, FOR A READY-BUILT HOSTEL IN SELANGOR, MALAYSIA FOR WORKERS ACCOMMODATION

The Board of Directors (“**Board**”) of Centurion Corporation Limited (the “**Company**”, and together with its subsidiaries and associated companies, the “**Group**”) wishes to announce that Westlite Dormitory (Petaling Jaya) Sdn Bhd (formerly known as Westlite Dormitory (Penang Juru) Sdn Bhd), an indirect wholly owned subsidiary of the Company, has, on 18 November 2020, secured a master lease (the “**Master Lease**”), through Knight Frank Malaysia, from Perbadanan Kemajuan Negeri Selangor, also known as Selangor State Development Corporation (“**PKNS**”), to lease a ready-built hostel (“**Property**”), located in Sungai Way, Petaling Jaya, Selangor, Malaysia, comprising more than 5,000 beds for workers accommodation.

The Master Lease for the Property is expected to commence on 1 December 2020, for a tenure of 21 years with options to extend for a further 9 years. Rent revisions apply every 3 years, subject to a cap of 6% increment on the preceding year’s rent, with the initial 3-year term at an average monthly rent of RM362,880 (or SGD118,546).

The Property comprises 2 eleven storey blocks of dormitory living quarters and 2 levels of basement car park, with a total Gross Floor Area of approximately 419,000 square feet. The Property will be renovated to be operated as a Purpose-Built Workers Accommodation (“**PBWA**”) under the Group’s Westlite Accommodation brand and management platform.

Well-located within a mature industrial area, the Property will serve a number of industrial estates such as Sungai Way Industrial Zone, Subang Hi-Tech Industrial Park and Taman Perindustrian Subang Utama, and enjoys access to two main expressways in the Klang Valley — Federal Highway and Lebuhraya Damansara-Puchong.

This Master Lease will expand the Group’s PBWA portfolio in Malaysia, bringing its Malaysia PBWA bed capacity to approximately 35,700 beds.

The Master Lease comes with a rent-free period of 4.5 months for renovation and fitting out and a refundable security deposit amounting to RM3,732,480 (or SGD1,219,327) shall be paid and maintained with PKNS throughout the lease period.

The refundable security deposit and the cost of renovation and fitting out will be funded through internal resources and the aforesaid transaction is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Company for the financial year ending 31 December 2020.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above-mentioned transaction, save for their shareholdings (if any) in the Company.

By Order of the Board
Centurion Corporation Limited

Kong Chee Min
Chief Executive Officer

18 November 2020