



Centurion Corporation Limited

(Incorporated in the Republic of Singapore with limited liability)

(Co. Reg. No.: 198401088W)

# 1Q 2021 Business Updates

11 May 2021



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# Business Overview





# Performance Highlights

## Revenue

1Q 2021 **S\$30.7m**

▼ 13% from S\$35.5m in 1Q 2020

## Financial Occupancy

### PBWA



**84%<sup>1</sup>** for 1Q 2021

**89%<sup>1</sup>** for 1Q 2020

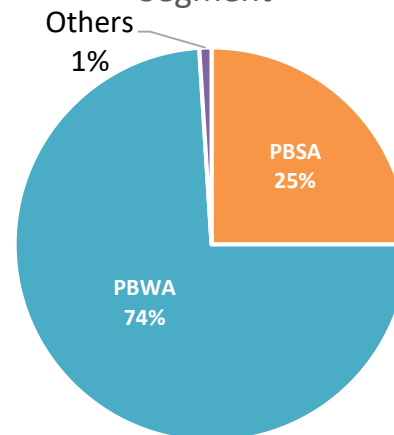
### PBSA



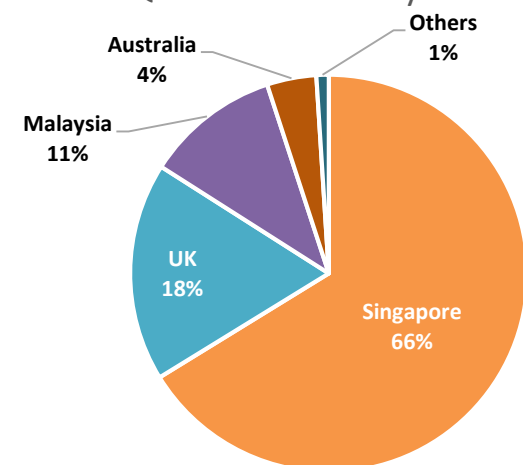
**56%<sup>2</sup>** for 1Q 2021

**85%<sup>2</sup>** for 1Q 2020

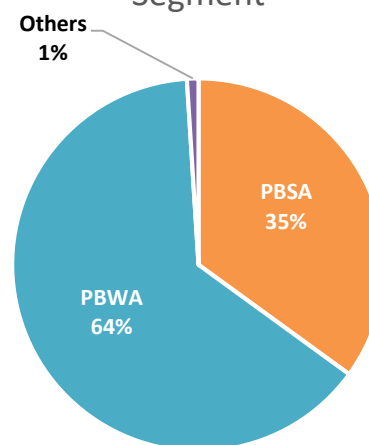
1Q 2021 Revenue by Business Segment



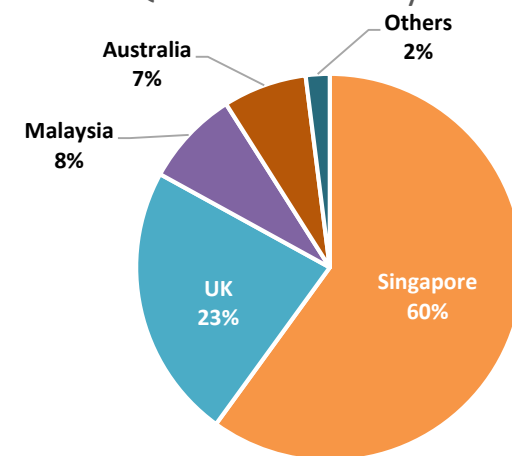
1Q 2021 Revenue by Country



1Q 2020 Revenue by Business Segment



1Q 2020 Revenue by Country



Note:

<sup>1</sup> Occupancy excludes Westlite-PKNS Petaling Jaya and two Quick Build Dormitories (QBDs) which commenced operations in 4Q 2020 where occupancy is ramping up

<sup>2</sup> Occupancy excludes US where the properties are held under a private fund structure

# Performance Highlights



13% reduction in 1Q 2021 revenue YOY was due to



Lower contributions mainly from

- Singapore workers accommodation assets
- UK student accommodation assets
- dwell Village Melbourne City

where occupancies were affected by COVID-19



Moderated by revenue contributions from PBWA assets added in 2H 2020, and improved performance in Malaysia

- master lease to operate 2 Quick-Build-Dormitories in Singapore and 1 PBWA in Selangor, Malaysia
- Increased occupancy of Malaysia PBWA portfolio

# Prudent capital management and ample liquidity



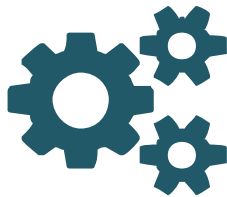
**Total Assets**  
**S\$1.6b**



**Total Borrowings**  
**S\$0.8b**



**Cash and undrawn  
committed facilities**  
**S\$191m**



**Net Gearing Ratio**  
**48%<sup>1</sup>**



**Interest Cover Ratio**  
**4.3x<sup>2</sup>**



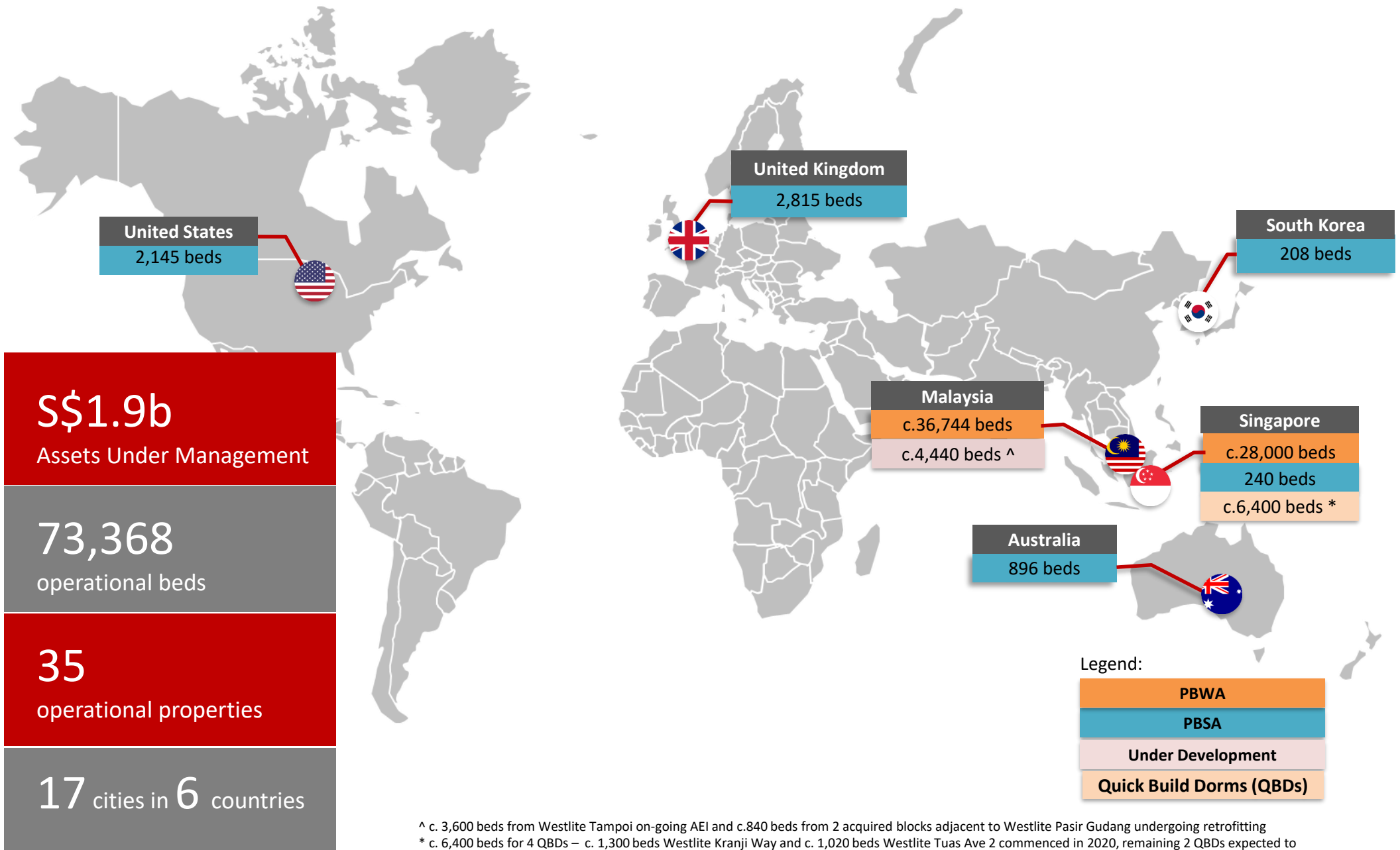
**Average debt maturity**  
**7 years**

Note:

<sup>1</sup> 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.

<sup>2</sup> Excluding interest on lease liability required under FRS116 and bank facility fees

# Diversified Business Portfolio across Geography and Asset Type

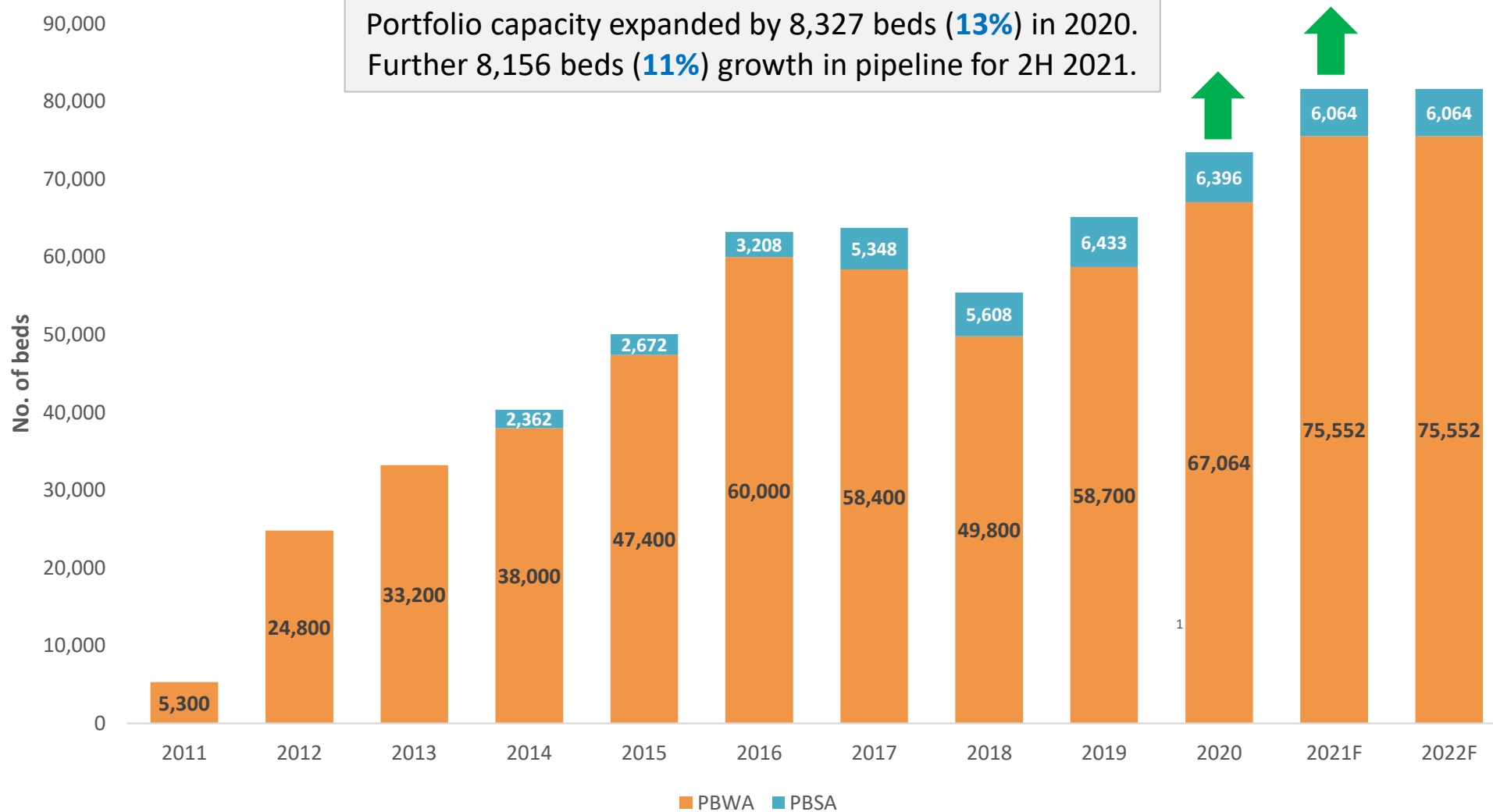




# Accommodation Growth Profile

## Accommodation Portfolio - Bed Capacity

Portfolio capacity expanded by 8,327 beds (**13%**) in 2020. Further 8,156 beds (**11%**) growth in pipeline for 2H 2021.



Note:

1. Including 2 QBDs commencing in 2021, c. 3,600 beds from Westlite Tampoi on-going AEI and c.840 beds from 2 acquired blocks adjacent to Westlite Pasir Gudang undergoing retrofitting

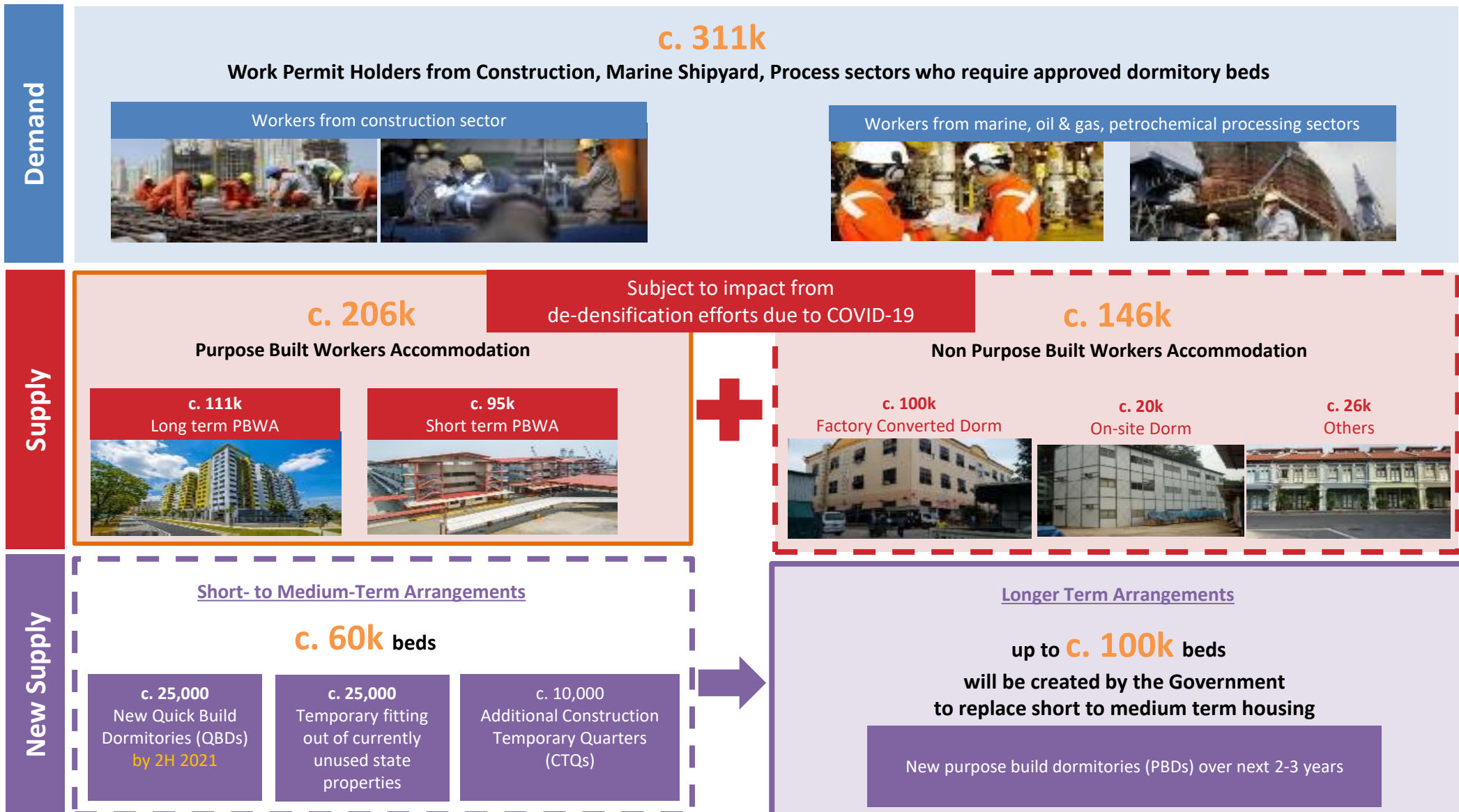


# Business Review by Markets



# Workers Accommodation Landscape - SG

Expected new supply of PBWA beds due to COVID-19<sup>^</sup>



Source: Singapore Ministry of Manpower (as at Dec 2020), Channel News Asia, The Straits Times, Centurion research

<sup>^</sup> [Joint MND-MOM Media Release on New Dormitories with Improved Standards for Migrant Workers - 1 June 2020](#)



# Workers Accommodation



## Singapore

- Operations at Westlite PBDs & QBDs not affected by recent COVID-19 incidents
  - special operations at Westlite Woodlands completed; residents movements resumed
- 2 of 4 QBDs, Westlite Kranji Way and Westlite Tuas Avenue 2, commenced operations in 2020
  - remaining 2 QBDs expected to commence by 3Q 2021
- Demand for PBWA is resilient, as employers require more migrant workers
  - migrant worker population expected to increase, from alternative source countries besides South Asia
  - supply of interim accommodation solutions will reduce
- Engaged with authorities on future specifications, requirements for PBWAs and government support
  - Government will balance need to strengthen resilience of dormitories against future health outbreaks with ensuring stable supply of beds and competitive bed rental prices<sup>1</sup>
  - MOM stated it would give “enough time” and consideration for “practicalities” to meet the new specifications<sup>2</sup>
- PBWAs continue to be preferred long term option for housing workers



## Malaysia

- Financial occupancies not affected by various rounds of Movement Control Orders across different states
  - continued vigilance on safety measures, working with local authorities and employers to facilitate precautionary measures
- Continued expansion of Westlite Malaysia portfolio
  - newly added Westlite – PKNS Petaling Jaya in December 2020 – marks entry to Central region of Peninsula Malaysia
  - AEI of 3 additional blocks to Westlite Tampoi, to add c. 3,600 beds by 3Q 2021
  - Acquired and retrofitting 2 existing blocks, with c. 840 beds, adjacent to Westlite Pasir Gudang
- Demand for quality PBWA expected to grow
  - Amendment to the Worker’s Minimum Standards of Housing and Amenities Act requires employers to provide quality housing to migrant workers by end 2021
- Westlite Malaysia able to meet requirements of new legislation
  - working with Department of Labour Peninsular Malaysia (“JTKSM”) towards certification of properties in compliance to the standards of the Act

# Student Accommodation



## UK

- UK Government<sup>1</sup> announced all university students yet to return to in-person teaching can do so from 17 May
  - aligned with government's roadmap to ease restrictions on social contact and indoor mixing
- Occupancy expected to recover when the pandemic conditions stabilise
  - UCAS application data 2021 shows 8.4% annual rise in university applications, with 17.1% increase in applications from foreign, non-EU countries<sup>2</sup>
  - students desire on-campus study experience, and universities need to resume full academic programmes



## US

- Assets cater mainly to domestic interstate and intra-state students
  - occupancies not affected by international travel restrictions
- Improved occupancy and rental rates for AY 20/21
  - strong pre-booking rates for upcoming AY 21/22



## Australia

- COVID-19 disrupted demand for accommodation
  - while interstate travel restrictions have eased, international travel restrictions continue
- New international enrolment numbers stable at more than 500,000 in February 2021<sup>3</sup>
  - strong pent-up demand to return when travel and on-campus programmes resume



## Singapore

- Will not extend dwell Selegie lease for final phase of 3+3+2 year tenure upon expiry in June 2021
  - bed capacity reduced from 332 to 240 with Singapore Land Authority directives on safe living measures



## South Korea

- with travel restriction lifted, students returning to pursue exchange or language programmes
  - dwell Dongdaemun occupancy improved to 49% for 1Q 2021

<sup>1</sup>[Gov.uk - Remaining university students to return to campus from Step 3 of the roadmap, no earlier than 17 May, 13 April 2021](#)

<sup>2</sup>[Savills - Spotlight: UK Purpose-Built Student Accommodation, 12 Apr 2021, no earlier than 17 May, 13 April 2021](#)

<sup>3</sup>[Australian Government Department of Education, Skills and Employment - International Student Data](#)



# Looking Ahead





# Uncertainty Continues

## Continued disruptions from COVID-19



- occupancies impacted; debt delinquencies increased
- recovery in occupancies expected with vaccine rollouts but uncertainties remain

## Challenges across all markets



- travel bans and movement restrictions
- gradual resumption of work and university on-campus programmes
- continued vigilance for safety, with operational cost increase

## Despite uncertainties, Group continues to build on its resilient portfolio



- in dialogues with authorities in SG on future specifications for PBWAs, related requirements for existing PBWAs, and government support for industry
- working with JTKSM in MY on certification of assets' under new standards with Amendment to the Workers' Minimum Standards of Housing and Amenities Act



- offering students flexible lease terms across different country markets to support students and attract pre-bookings during uncertainty
- tapping growing domestic demand including short term lets and working professionals where relevant

# Looking Ahead

## Management measures and continued growth



- Focus on enhancing management and operational efficiencies
- Managing costs & conserving cash
- Taking opportunities to enhance our portfolio of revenue-generating assets, where strategic and sensible

## In the face of COVID-19



- Portfolio of quality assets well diversified across 2 segments and 6 markets
- Confident in positive demand fundamentals and resilience of dual PBWA and PBSA business segments
- As business and travel activities resume, alongside vaccine rollouts globally, occupancy of assets expected to improve



# Thank You

For any enquiries, please contact:  
Investor Relations Manager  
Mr George Goh  
george.goh@centurioncorp.com.sg  
Tel: +65 6745 3288  
W: [www.centurioncorp.com.sg](http://www.centurioncorp.com.sg)







# Portfolio at a glance





# Workers Accommodation – Portfolio at a glance

Singapore – 9 Properties (incl 2\* under development)



ASPRI-Westlite Papan  
(51% owned)



Westlite Toh Guan



Westlite Mandai  
(45% owned)



Westlite Woodlands



Westlite Juniper



Westlite Kranji Way



Westlite Tuas Avenue 2



Westlite Jalan Tukang



Westlite Tuas South Boulevard

\*Expected commencement **Orange** = Quick Build Dormitories

# Workers Accommodation – Portfolio at a glance (cont'd)

## Malaysia – 8 Properties



**6,600  
Beds**

**Freehold**

**Westlite Bukit Minyak**



**5,900  
Beds**

**Freehold**

**Westlite Senai II**



**5,800  
Beds**

**99  
Years  
wef 2013**

**Westlite Johor Tech Park**



**5,300  
Beds**

**Freehold**

**Westlite Tampoi\***



**2,600  
Beds**

**Freehold**

**Westlite Senai**



**2,100  
Beds**

**60  
Years  
wef 2000**

**Westlite Tebrau**



**2,000  
Beds** + **400  
Beds**

**99  
Years  
wef 1986** + **9  
Years  
wef 2019**

**Westlite Pasir Gudang\***



**6,044  
Beds**

**21+9  
Years  
wef 2020**

**Westlite – PKNS Petaling Jaya**

\*Excluding c. 3,600 beds from Westlite Tampoi on-going AEI and c.840 beds from 2 acquired blocks adjacent to Westlite Pasir Gudang undergoing retrofitting



# Student Accommodation – Portfolio at a glance

## United Kingdom – 10 Properties



**1,017**  
Beds

Freehold

**dwel Manchester Student Village (MSV)**



**383**  
Beds

250  
Years  
wef 2007

**dwel Cathedral Campus**



**355**  
Beds

Freehold

**dwel MSV South**



**181**  
Beds

125  
Years  
wef 1995

**dwel Garth Heads**



**177**  
Beds

Freehold

**dwel Archer House**



**157**  
Beds

125  
Years  
wef 2009

**dwel Hotwells House**



**145**  
Beds

Freehold

**dwel The Grafton**



**140**  
Beds

125  
Years  
wef 2008

**dwel Weston Court**



**127**  
Beds

Freehold

**dwel Princess Street**



**133**  
Beds

Freehold

**dwel Castle Gate Haus<sup>^</sup>**

<sup>^</sup> Centurion Overseas Investments Pte. Ltd. holds approximately 14.3% of the total number of units in the Centurion Student Accommodation Fund, which acquired dwel Castle Gate Haus Centurion Corporation Limited

# Student Accommodation – Portfolio at a glance (cont'd)

## Australia – 2 Properties



**dwell Village Melbourne City**



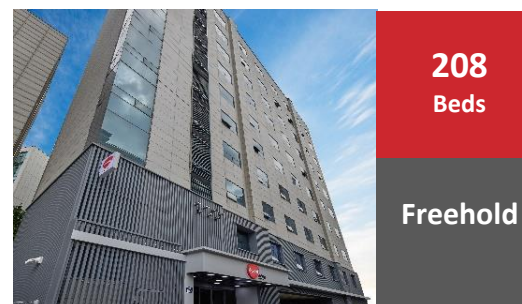
**dwell East End Adelaide**

## Singapore



**dwell Selegie<sup>^</sup>**

## Korea



**dwell Dongdaemun**  
(55% owned)

<sup>^</sup> The Group has decided not to renew the 3rd and final phase of the 3+3+2 lease with SLA, and the current lease will expire in Jun 2021



# Student Accommodation – Portfolio at a glance (cont'd)

## United States# - 6 Properties



**642**  
Beds

**Freehold**

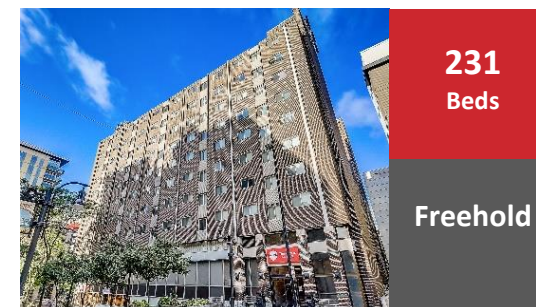
**dwell Logan Square**



**624**  
Beds

**Freehold**

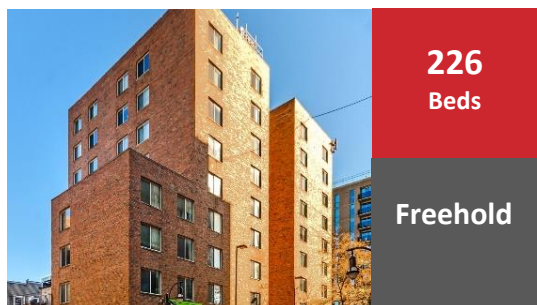
**dwell Tenn Street**



**231**  
Beds

**Freehold**

**dwell The Towers On State**



**226**  
Beds

**Freehold**

**dwell The Statesider**



**216**  
Beds

**Freehold**

**dwell Stadium View**



**206**  
Beds

**Freehold**

**dwell College & Crown**

# Centurion Overseas Investments Pte. Ltd. holds approximately 28.7% of the total number of units in the Centurion US Student Housing Fund, which acquired all 6 US properties