



## Centurion Corporation Limited

(Company Registration No. 198401088W)

### PRESS RELEASE

*For Immediate Release*

## CENTURION CORP RECORDS 43% NET PROFIT GROWTH TO S\$10.2 MILLION IN 3Q 2017

- *Net profit grew 43% to S\$10.2 million in 3Q 2017, against revenue growth of 15% to S\$32.3 million*
- *Strong performance from ASPRI-Westlite Papan and Westlite Woodlands in Singapore, and improved performance across all six operating workers accommodation assets in Malaysia*
- *dwell Adelaide development project and RMIT Village asset enhancement initiative well on track*

	Third Quarter Ended 30 September			Nine Months Ended 30 September		
	2017 ("3Q 2017") S\$'000	2016 ("3Q 2016") S\$'000	Change %	2017 ("9M 2017") S\$'000	2016 ("9M 2016") S\$'000	Change %
Revenue	32,253	28,130	15%	103,522	85,501	21%
Gross Profit	21,764	16,884	29%	71,371	55,147	29%
Gross Margin	67%	60%	+7 ppt	69%	64%	+5 ppt
Profit Attributable to Equity Holders of the Company	6,061	7,554	- 20%	25,831	25,776	n.m.
Net Profit After Tax from Core Business Operations <sup>1</sup>	10,200	7,140	43%	38,722	24,914	55%
Net Profit from Core Business Operations Attributable to Equity Holders of the Company	8,858	7,554	17%	34,993	25,776	36%

**Singapore, 8 November 2017 – Centurion Corporation Limited** (胜捷企业有限公司) ("Centurion", or together with its subsidiaries, the "Group") today reported a strong year-on-year growth in net profit from core business operations, which increased 43% to S\$10.2 million for the third quarter ended 30 September 2017 ("3Q 2017").

The Group, which owns, develops and manages quality accommodation assets, also recorded a stable growth in revenue which increased 15% to S\$32.3 million in 3Q 2017, largely attributed to the stronger occupancy rates in ASPRI-Westlite Papan<sup>2</sup>, Westlite Woodlands and the six workers accommodation assets in Malaysia.

Profit Attributable to Equity Holders declined 20% to S\$6.1 million in 3Q 2017, mainly due to non-recurring professional fees incurred during the third quarter in preparation for the proposed dual primary listing of the Group's ordinary shares on the Main Board of the Stock Exchange of Hong Kong Limited ("SEHK").

<sup>1</sup> Excluding one-off items in the form of fair value gains on investment properties, deferred tax arising from fair value gains and dual listing expense.

<sup>2</sup> The Group has a 51% interest in ASPRI-Westlite Papan.



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For the year to date, the Group also delivered an improved performance in the nine months ended 30 September 2017 (“9M 2017”), with a net profit from core business operations of S\$38.7 million, a 55% increase from the corresponding period last year.

Mr Kong Chee Min (江志明), CEO of Centurion Corporation Limited said, “The Group’s diversified portfolio of workers and student accommodation assets have continued to achieve healthy occupancy rates and deliver improved performance year-on-year. This was largely due to our active management and marketing of all our assets, especially the six operating workers accommodation assets in Malaysia, which have largely recovered from the industry headwinds last year. Moving forward, we will continue to build on our current business and explore investment opportunities that will build on our core competencies as an owner, developer and manager of quality accommodation assets.”

### Strong Accommodation Business Portfolio

The Group’s five purpose-built workers accommodation (“PBWA”) assets in Singapore maintained a healthy occupancy rate of approximately 92% as at 30 September 2017, with Westlite Woodlands and ASPRI-Westlite Papan achieving high occupancy rates of approximately 100% and 99% respectively.

On 1 November 2017, the Group announced that the tenure for Westlite Tuas will expire on 30 January 2018, after the end of the 9-month extension of lease previously offered by the Ministry of National Development (“MND”). MND has not granted a further extension of the lease as the site is needed for redevelopment. The Group is in the process of shifting the residents at Westlite Tuas to the other workers accommodation owned by the Group, as well as to a pre-arranged workers accommodation nearby with available bed capacity. Concurrently, the Group is working with the Building and Construction Authority on the reinstatement and return of the land by 30 January 2018.

In Malaysia, the occupancy rates of the Group’s six operating workers accommodation assets continued to improve, attaining an overall occupancy rate of almost 90%. The increase is attributable to the intensive marketing efforts by the Group, as well as favourable policies introduced by the Malaysian government which gradually permitted the addition of foreign workers into certain sectors.

The Group’s eight purpose-built student accommodation (“PBSA”) assets in the United Kingdom (“UK”), which operate under the **dwell** brand, continued their strong performance with an overall occupancy rate of over 97%.

The Group’s 280-bed PBSA development project, dwell Adelaide, and asset enhancement programme (“AEP”) for RMIT Village, are well on track for their expected completion in the fourth quarter of 2018. Upon the completion, dwell Adelaide and RMIT Village will bring the total number of PBSA beds in Australia to 896 beds.

In 3Q 2017, the Group announced plans to acquire up to 30% interest in a combined portfolio of six student accommodation assets, totalling 2,140 beds across five states in the United States. Due diligence for these six assets is ongoing, and the proposed acquisition is expected to be completed in the fourth quarter of 2017.



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Moving forward, the Group will continue to selectively explore opportunities to grow its accommodation business through targeted and strategic expansion in existing and new markets, joint ventures and asset light strategies, including establishing and providing investment, asset and property management services.

As the general macroeconomic conditions began to improve, coupled with the positive demand and supply dynamics in the PBWA sector within Malaysia and Singapore, the Group remains optimistic in strengthening its leading position in both markets.

The Group also maintains a positive outlook for its student accommodation business, given the general strong demand and undersupply of PBSA beds in the markets the Group operates in.

### Proposed Listing on the Stock Exchange of Hong Kong

On 27 June 2017, the Group announced that it has submitted an application to the SEHK for the listing and permission to deal in its shares on the Main Board of the SEHK. The success of the proposed dual listing will be subject to prevailing market conditions, and the Group will provide updates through announcements when there are major developments.

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### ABOUT CENTURION CORPORATION LIMITED

Centurion Corporation Limited owns and operates workers and student accommodation assets, as well as a storage disc manufacturing business. Its workers accommodation assets are managed under the **Westlite** brand and its student accommodation assets are managed under the **dwell** brand.

In Singapore, the Group had a capacity of c.34,700 beds across five workers accommodation assets in Toh Guan, Tuas, Mandai, Woodlands, and Jalan Papan as at 30 September 2017.

In Malaysia, the Group had a capacity of c.23,700 beds across six workers accommodation assets in Johor as at 30 September 2017. Westlite Bukit Minyak, with c.6,600 beds (under construction), and Westlite Juru, with c.6,100 beds (under planning) are both expected to be completed in 2018.

As at 30 September 2017, the Group owns RMIT Village, a student accommodation asset with 456 beds in Melbourne, Australia. dwell Adelaide, a 280-bed student accommodation is under development and expected to be completed in the fourth quarter of 2018. In addition, the Group owns a portfolio of eight student accommodation assets with a total of 2,420 beds in the United Kingdom and a 332-bed student accommodation asset in Singapore within the Selegie educational hub. Except for RMIT Village, all the other student accommodation assets are managed under the **dwell** brand.

During the third quarter of 2017, the Group announced plans to acquire up to 30% interest in a portfolio of six quality student accommodation assets, totalling 2,140 beds across five states in the United States. The acquisition is expected to be completed in the fourth quarter of 2017.



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The Group expects to increase its overall portfolio of workers and student accommodation assets from c.61,608 beds as at 30 September 2017 to c.66,148 beds by the end of 2018.

For more information, please visit <http://www.centurioncorp.com.sg>.

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### APPENDIX

#### Centurion Corporation Limited's Asset Portfolio (as at 30 September 2017)

Location	Facility	Current Capacity (approx no. of beds)	Expected Capacity (approx no. of beds)
<b>Workers Accommodation</b>			
<b>Singapore</b>	Westlite Toh Guan	7,800	7,800
	Westlite Mandai	6,300	6,300
	Westlite Tuas	8,600	-#
	Westlite Woodlands	4,100	4,100
	ASPRI-Westlite Papan	7,900	7,900
	<b>Total in Singapore</b>	<b>34,700</b>	<b>26,100</b>
<b>Malaysia</b>	Westlite Tebrau	2,100	2,100
	Westlite Johor Tech Park	5,800	5,800
	Westlite Pasir Gudang	2,000	2,000
	Westlite Senai	2,600	2,600
	Westlite Tampoi	5,300	5,300
	Westlite Senai II	5,900	5,900
	Westlite Bukit Minyak (expected completion 2018)	-	6,600*
	Westlite Juru (expected completion 2018)	-	6,100*
	<b>Total in Malaysia</b>	<b>23,700</b>	<b>36,400</b>
<b>Total no. of beds for Workers Accommodation</b>		<b>58,400</b>	<b>62,500</b>
<b>Student Accommodation</b>			
<b>Singapore</b>	dwel Selegie	332	332
	<b>Total in Singapore</b>	<b>332</b>	<b>332</b>
<b>Australia</b>	RMIT Village	456	616 <sup>”</sup>
	dwel Adelaide (expected completion 2018)	-	280 <sup>^</sup>
	<b>Total in Australia</b>	<b>456</b>	<b>896</b>
<b>U.K.</b>	dwel MSV	1,017	1,017
	dwel MSV South	355	355
	dwel The Grafton	145	145
	dwel Cathedral Campus	384	384
	dwel Beechwood House	37	37
	dwel Weston Court	140	140
	dwel Hotwells House	157	157
	dwel Garth Heads	185	185
<b>Total in U.K.</b>	<b>2,420</b>	<b>2,420</b>	
<b>Total no. of beds for Student Accommodation</b>		<b>3,208</b>	<b>3,648</b>
<b>Total no. of beds</b>		<b>61,608</b>	<b>66,148</b>

# Land lease will expire on 30 January 2018

\* Upon completion of construction in 2018

<sup>^</sup> Upon completion of construction and development in 4Q 2018

<sup>”</sup> Upon completion of asset enhancement programme in 4Q 2018