



Centurion Corporation Limited

(Company Registration No. 198401088W)

PRESS RELEASE

For Immediate Release

CENTURION CORP REPORTS SOLID FINISH TO A MILESTONE YEAR; FY 2017 NET PROFIT INCREASES 29%

- FY 2017 revenue increases 14% to S\$137.1 million largely due to the improved performance of Group's accommodation business
- Net profit rose 29% to S\$49.4 million
- Milestone year with the Group's dual primary listing in Hong Kong and foray into investment management services via the Group's private US student housing fund
- The Board has recommended a final dividend of 1.0 Singapore cent per share and a special dividend of 0.5 Singapore cent per share, bringing total dividend payout for FY2017 to 2.5 Singapore cents

	Fourth Quarter Ended 31 December			Full Year Ended 31 December		
	2017 ("4Q 2017") S\$'000	2016 ("4Q 2016") S\$'000	Change %	2017 ("FY 2017") S\$'000	2016 ("FY 2016") S\$'000	Change %
Revenue	33,591	35,036	(4)	137,113	120,537	14
Gross Profit	22,839	23,505	(3)	94,210	78,652	20
Gross Margin	68%	67%	+1 ppt	69%	65%	+4 ppt
Profit Attributable to Equity Holders of the Company	5,891	2,931	101	31,722	28,707	11
Net Profit After Tax from Core Business Operations ¹	10,725	13,448	(20)	49,447	38,362	29
Net Profit from Core Business Operations Attributable to Equity Holders of the Company	9,338	12,810	(27)	44,331	38,586	15

Singapore, 27 February 2018 – Centurion Corporation Limited (胜捷企业有限公司) ("Centurion", or together with its subsidiaries, the "Group"; SGX stock code: OU8; SEHK stock code: 6090), which owns, develops and manages quality accommodation assets, today announced its financial results for the full year ended 31 December 2017 ("FY 2017") and the fourth quarter ("4Q 2017").

FY 2017 revenue was registered at S\$137.1 million, a 14% increase from the previous reporting period. The strong growth in FY2017 revenue was largely due to the improved performance of the Group's worker accommodation assets, with key contributions from the newer assets of Westlite Woodlands and ASPRI-Westlite Papan in Singapore. The Group also recorded higher occupancy for its workers accommodation assets in Malaysia, as well as

¹ 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.



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increased contributions from its United Kingdom (“UK”) student accommodation assets which were acquired in 3Q 2016. Revenue for 4Q 2017 declined 4% year-on-year (“Y-O-Y”) to S\$33.6 million, mainly due to the expiry of Westlite Tuas’ lease.

For the financial year in review, the Group delivered an improved performance with net profit from core business operations of S\$49.4 million, a 29% increase from the corresponding year ago period. Profit from core business operations attributable to equity holders stood at S\$44.3 million, rising 15% Y-O-Y.

Total profit attributed to equity holders increased by 11% Y-O-Y to S\$31.7 million for FY 2017 and takes into account fair valuation losses and non-recurring expense incurred from the Group’s dual primary listing on the Main Board of the Stock Exchange of Hong Kong Limited (“SEHK”).

To reward shareholders, the Board has recommended a final dividend of 1.0 Singapore cent per share and a special dividend of 0.5 Singapore cent per share for Singapore shareholders (equivalent to 8.92 cents² per ordinary share for Hong Kong shareholders). Together with the interim dividend of 1.0 Singapore cent per share paid on 15 September 2017, this brings the total dividend payout for in FY 2017 to 2.5 Singapore cents per share.

Mr. Kong Chee Min (江志明), CEO of Centurion Corporation Limited remarked: “2017 was a milestone year for the Group. The launch of our investment management platform saw Centurion expand into investment services for the first time, and also enabled the Group to enter the US market. In addition, our successful dual primary listing on the SEHK marked a new chapter in broadening our investor base and extending the reach of our operating brands.

With a resilient performance, our accommodation portfolios stand well-positioned in the near term to continue benefiting from the undersupply of high-quality accommodation assets across the five countries in which we operate. Underpinned by our established accommodation business, we are poised to capitalize on new engines of growth and remain cautiously optimistic for the future.”

Expansion into investment management services

In 4Q 2017, the Group launched its maiden private fund, the Centurion US Student Housing Fund (“the Fund”). The six PBSA assets acquired by the fund, located across five states in the US, are managed under the Group’s **dwell** brand. The expansion into investment management marks the Group’s first step in its asset light strategy and positions the Group to continue pursuing alternative growth prospects.

The Company’s wholly-owned subsidiary, Centurion Overseas Investments Pte. Ltd. currently holds approximated 28.74% of the total number of units in issue in the Fund.

² Based on exchange rate of S\$1.00: HK\$5.948 as at 27 February 2018.



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Enhancing the Group's market leading position in the PBWA sector

Operating under the **Westlite** brand, the Group has an active portfolio of four PBWA assets in Singapore and six PBWA assets in Malaysia, with a further two assets under development and planning in Penang, Malaysia. As at the end of the reporting period, the Group has an active operating PBWA portfolio of 49,800 beds with a healthy occupancy rate.

The Group has a pipeline of 12,700 beds that will be entering the market by FY 2020 to meet the long-term demand for quality, PBWA assets in the region. Benefitting from the Group's intensified marketing efforts further establishing the Westlite brand, the Group is well-positioned to benefit from the near-term demand in PBWA assets driven by authorities' push for higher standards of accommodation for foreign workers and positive industry trends.

Deepening footprint in the PBSA sector across key tertiary education markets

With the acquisition of six US assets through the Fund in 4Q 2017, the Group has increased its beds under management by approximately 67% during the quarter. As at 31 December 2017, the Group had an active portfolio of 5,348 student accommodation beds under management across 16 PBSA assets in Australia, Singapore, the UK and US.

The Group's asset enhancement programme for the development of a new 160-bed wing at RMIT Village, Australia, remains on track and is expected to be completed in 4Q 2018. Similarly, the Group's development project in dwell Adelaide, acquired in March 2017, is on track for its expected completion in 4Q 2018.

The Group remains confident in the resilience of its PBSA portfolio given its established brand name and the shortage of high quality student accommodation in the key tertiary education hubs of the US, UK and Australia.

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ABOUT CENTURION CORPORATION LIMITED

Centurion Corporation Limited ("Centurion" or the "Company" and together with its subsidiaries, the "Group") owns, develops and manages quality, purpose-built workers accommodation assets in Singapore and Malaysia, and student accommodation assets in Singapore, Australia, the United Kingdom ("UK") and the United States ("US").

As at 31 December 2017, the Group owns and manages a strong portfolio of 26 operational accommodation assets totalling c.55,148 beds. With projects currently under development and undergoing asset enhancement works, the Group's portfolio of accommodation assets is expected to grow to c.68,288 beds by FY2020.



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With global reach and a clear growth strategy to actively enhance and manage its assets, identify strategic acquisitions and joint ventures, as well as develop customised accommodation management services, Centurion is well positioned to become a leading provider of quality, purpose-built accommodation.

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

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APPENDIX

Centurion Corporation Limited's Asset Portfolio (as at 31 December 2017)

Location	Facility	Current Capacity (approx no. of beds)	Expected Capacity (approx no. of beds)
Workers Accommodation			
Singapore	Westlite Toh Guan	7,800	7,800
	Westlite Mandai	6,300	6,300
	Westlite Woodlands	4,100	4,100
	ASPRI-Westlite Papan	7,900	7,900
	Total in Singapore	26,100	26,100
Malaysia	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 2020)	-	6,100*
Total in Malaysia	23,700	36,400	
Total no. of beds for Workers Accommodation		49,800	62,500
Student Accommodation			
Singapore	dwell Selegie	332	332
	Total in Singapore	332	332
Australia	RMIT Village	456	616 [“]
	dwell Adelaide (expected completion 2018)	-	280 [^]
	Total in Australia	456	896
U.K.	dwell MSV	1,017	1,017
	dwell MSV South	355	355
	dwell The Grafton	145	145
	dwell Cathedral Campus	384	384
	dwell Beechwood House	37	37
	dwell Weston Court	140	140
	dwell Hotwells House	157	157
	dwell Garth Heads	185	185
Total in U.K.	2,420	2,420	
U.S.#	dwell Towers on State	231	231
	dwell Statesider	226	226
	dwell Stadium View	216	216
	dwell Logan Square	639	639
	dwell Tenn Street	624	624
	dwell College & Crown	204	204
	Total in U.S.	2,140	2,140
Total no. of beds for Student Accommodation		5,348	5,788
Total no. of beds		55,148	68,288

* Upon completion of construction in 2018 (Westlite Bukit Minyak) and 2020 (Westlite Juru).

[^] Upon completion of construction and development in 4Q 2018

[“] Upon completion of asset enhancement programme in 4Q 2018

Centurion Overseas Investments Pte. Ltd., currently holds approximately 28.74% of the total number of units in the Centurion US Student Housing Fund, which acquired all 6 US properties