

CENTURION CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
(Co. Reg. No. 198401088W)

SUCCESSFUL FIRST CLOSING OF CENTURION'S SECOND STUDENT ACCOMMODATION FUND

Further to the announcement on 12 November 2018, the board of directors ("**Directors**") of Centurion Corporation Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce the successful first closing of Centurion Student Accommodation Fund (the "**Trust**") today at an aggregate committed capital of S\$70.0 million (the "**First Closing**").

The Trust is constituted as a private trust in Singapore and aims to generate stable and recurring income to deliver a total return by directly or indirectly investing in real estate which is used primarily for student accommodation purposes globally (excluding the United States). The Trust currently holds Castle Gate Haus, Nottingham, United Kingdom (the "**Property**").

The Company's wholly-owned subsidiary, Centurion Overseas Investments Pte. Ltd. ("**COI**"), has today entered into a subscription agreement to subscribe for up to 10.0 million units in the Trust ("**Units**") at S\$1.00 each for an agreed capital commitment of S\$10.0 million (the "**COI Subscription**"). The amount of the COI Subscription is currently intended to be funded by the internal resources of the Company and/or bank borrowings. A third party investor (the "**Third Party Investor**"), which is a reputable educational institution, has also today entered into a subscription agreement to subscribe for up to 60.0 million Units of S\$1.00 each for an agreed capital commitment of S\$60.0 million (the "**Third Party Subscription**"). The Trust will draw down on the COI Subscription and the Third Party Subscription and issue Units to COI and the Third Party Investor from time to time, and the Trust has today also issued drawdown notices of S\$1.257 million and S\$7.543 million to COI and the Third Party Investor respectively (the "**First Drawdown**") with the expectation of receiving the capital contributions by 14 December 2018. The Trust also intends to use the proceeds of the Third Party Subscription to fully repay the balance of COI's loan to the Trust (collectively, the proposed repayment of COI's loan together with the First Drawdown, the "**Transaction**").

Upon the completion of the Transaction, COI will hold 1.257 million units in the Trust and the Third Party Investor will hold 7.543 million units in the Trust, and the unitholding of the Company, through COI, in the Trust will be diluted from 100% to approximately 14.29% of the total number of units in issue in the Trust. Centurion Accommodation (I) Holdings Pte. Ltd. ("**CAIHPL**"), which is wholly-owned by the Trust, and Centurion Investments (JS IX) Ltd (which currently holds the Property) and Centurion Investments (JS X) Ltd (which is currently dormant), which are in turn directly wholly-owned by CAIHPL, will cease to be a subsidiary of the Company. The Company's effective interest in the Property will also correspondingly reduce from 100% to approximately 14.29%.

As at the date of this announcement, the consolidated book value and net tangible asset ("**NTA**") value of the shares of CAIHPL is S\$8.0 million. The Property was valued at approximately £10.2 million (approximately S\$18.25 million) based on a desktop valuation conducted on 30 November 2018 by Cushman and Wakefield UK, an independent valuer, commissioned by the Company.

FINANCIAL EFFECTS OF THE TRANSACTION

The Transaction is not expected to have any material impact on the NTA and earnings per share of the Group for the current financial year.

RELATIVE FIGURES UNDER RULE 1006 OF THE SINGAPORE LISTING MANUAL

As the relative figures for the Transaction computed on the bases set out in Rule 1006 of the listing manual of Singapore Exchange Securities Trading Limited (the “**Listing Manual**”) do not exceed 5%, the Transaction constitutes a non-discloseable transaction as defined in Chapter 10 of the Listing Manual¹.

INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their interests in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Transaction.

SERVICE CONTRACTS OF DIRECTORS

No person is proposed to be appointed as a director of the Company in connection with the Transaction. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Transaction.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the subscription agreement entered into in respect of the Transaction is available for inspection at 45 Ubi Road 1, #05-01, Singapore 408696 during normal business hours for a period of three (3) months commencing from the date of this announcement.

The Company will make the necessary announcements in accordance with its obligations under the Listing Manual as and when there are any material developments arising out of the Transaction. In the meantime, shareholders of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board of
Centurion Corporation Limited

Kong Chee Min
Chief Executive Officer

7 December 2018

¹ Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) (the “**Hong Kong Listing Rules**”), the COI Subscription and the Third Party Subscription and the transactions contemplated thereunder constitutes a discloseable transaction. Shareholders of the Company are advised to refer to the announcement by the Company issued on 7 December 2018 for the purposes of compliance with the Hong Kong Listing Rules for further information.