







Centurion Corporation Limited

(Incorporated in the Republic of Singapore with limited liability)
(Co. Reg. No.: 198401088W)

3Q 2022 Business Updates

1 November 2022

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Business Overview

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Performance Highlights

Revenue

3Q 2022 **S$44.3m**

▲ 26% from S$35.3m in 3Q 2021

9M 2022 **S$134.9m**

▲ 35% from S$100.0m in 9M 2021

Financial Occupancy

PBWA (excl. QBDs)

87%[1] for 9M 2022

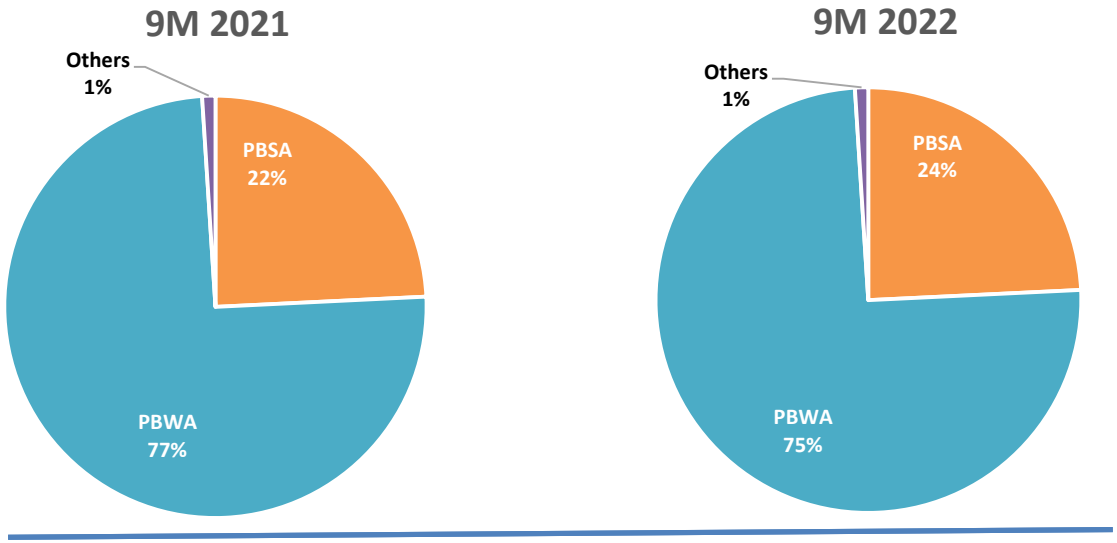
82%[1] for 9M 2021

PBSA

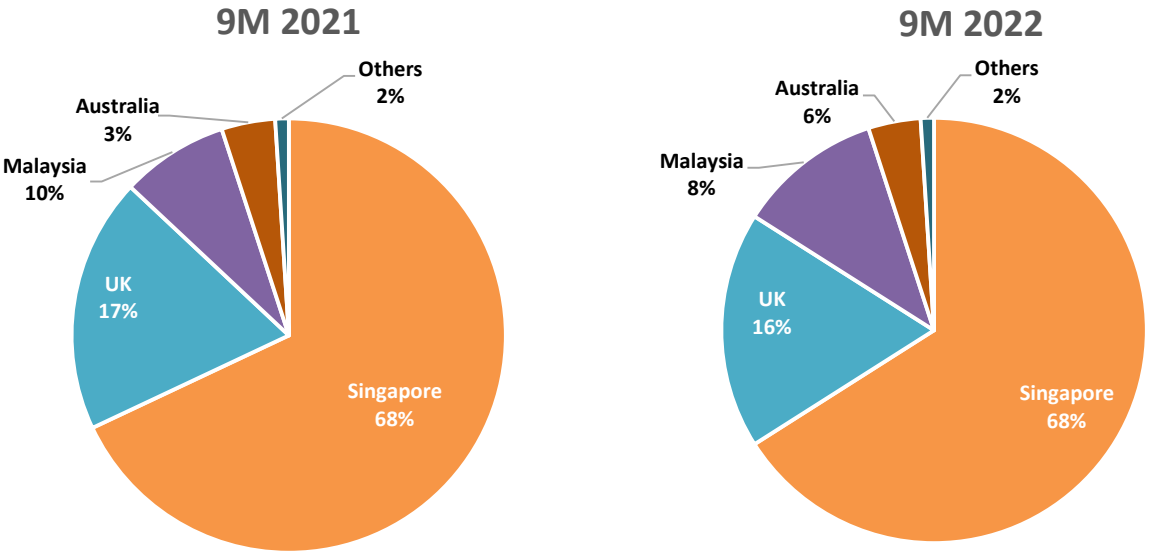
84%[2] for 9M 2022

57%[2] for 9M 2021

Revenue by business Segment



Revenue by Country



Note:

[1] Occupancy excludes Quick Build Dormitories (QBDs) which commenced operations in 2H2020, 1H2021 and 2H2021 respectively for fair comparison purpose

[2] Occupancy excludes US where the properties are held under a private fund structure

Performance Highlights



35% increase in 9M 2022 revenue YOY
26% increase in 3Q 2022 revenue YOY

Higher contributions mainly from

- New PBWA capacity and revenue streams that came into operations
- Improved performance in Singapore PBWA accommodation assets
- Recovery of occupancies in UK and Australia PBSA portfolio

Partly offset by expired contracts

- Cessation of dwell Selegie lease in 1H 2021

Prudent capital management and ample liquidity



Total Assets

S$1.5b



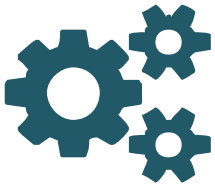
Total Borrowings

S$0.7b



Cash and undrawn committed facilities

S$181m



Net Gearing Ratio

45%[1]



Interest Cover Ratio

4.2x[2]



Average debt maturity

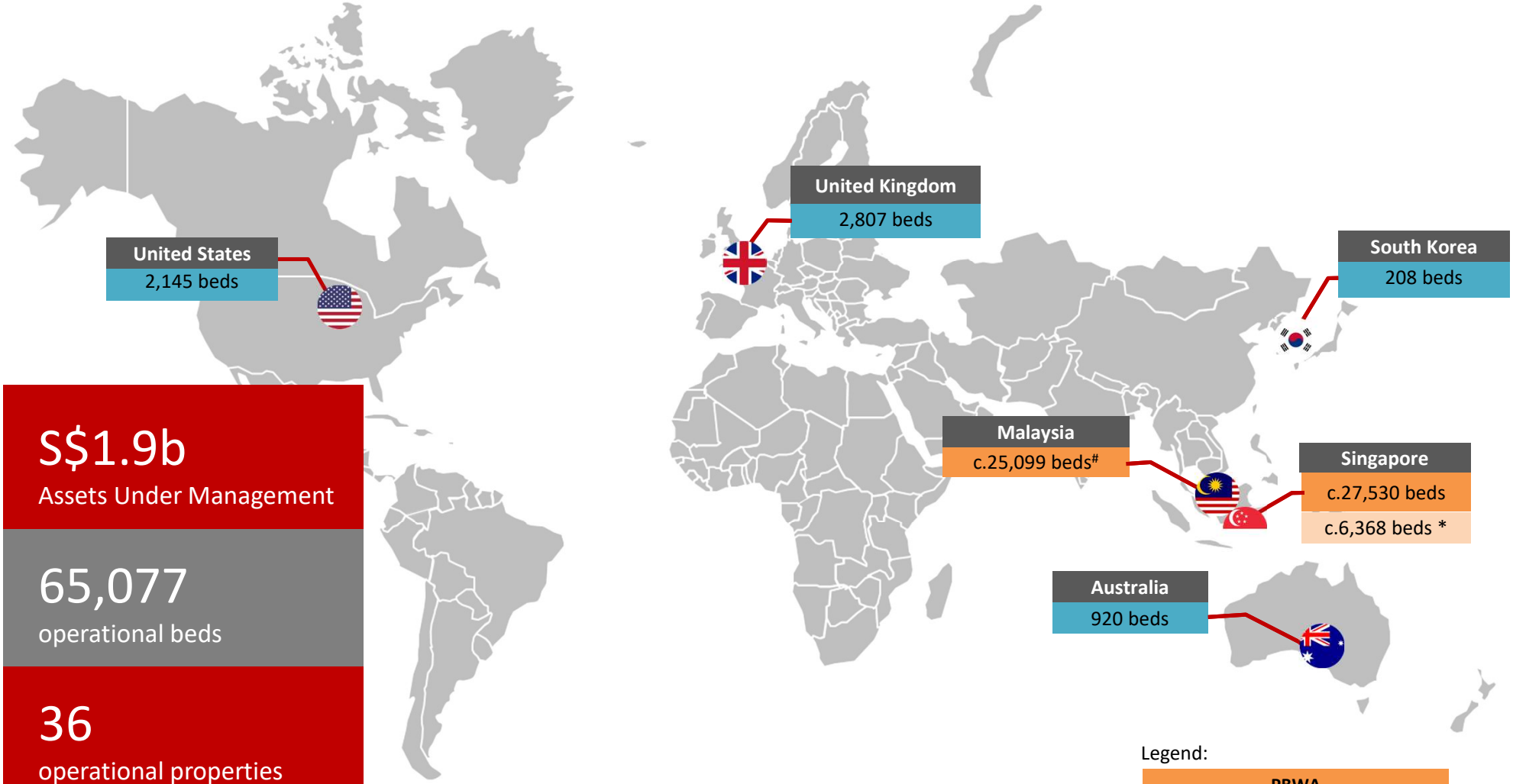
6 years

Note:

[1] 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.

[2] Excluding bank facility fees and amortization transaction costs

Diversified Business Portfolio across Geography and Asset Type



S$1.9b
Assets Under Management

65,077
operational beds

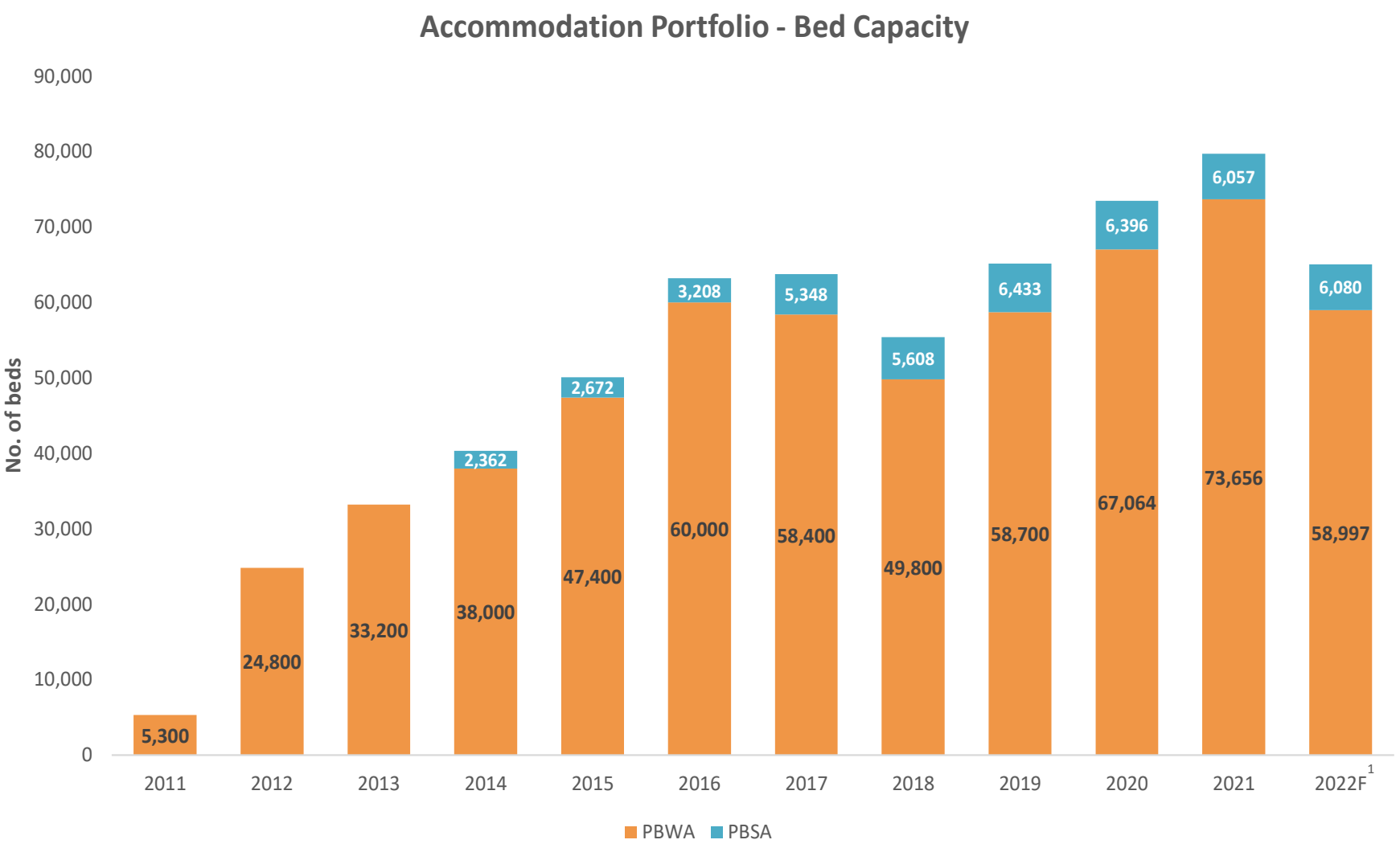
36
operational properties

17 cities in **6** countries

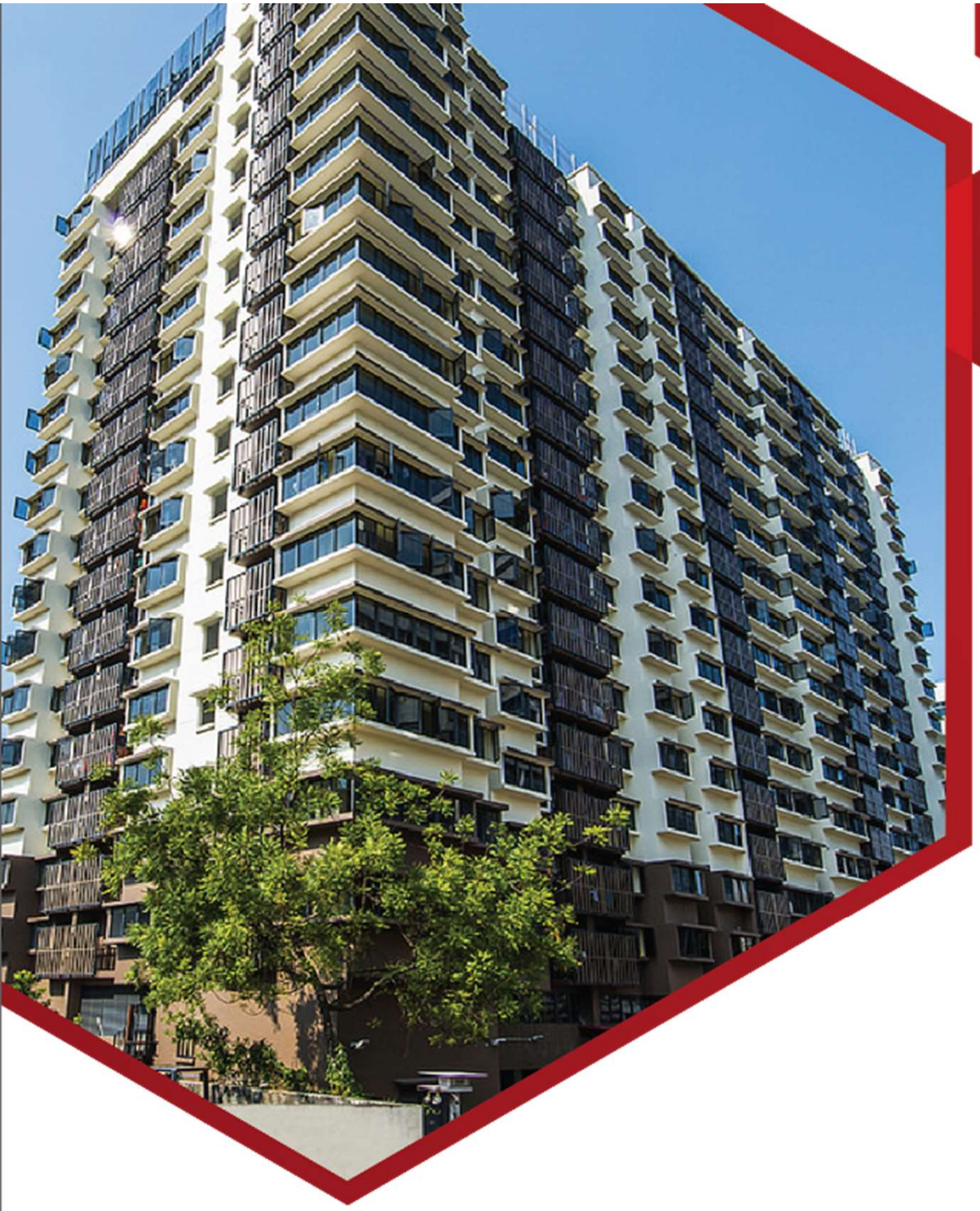
688 beds added in 2Q 2022 following completion of asset enhancement works at Westlite Tebrau

- c. 6,368 beds for 4 QBDs – c. 1,300 beds Westlite Kranji Way and c. 1,020 beds Westlite Tuas Ave 2 commenced in 2020, c. 3,420 beds Weslite Jalan Tukang commenced in 1H 2021, c 628 beds Westlite Tuas South Boulevard commenced in 2H 2021

Accommodation Growth Profile



Note:
1. MY- include 688 beds added in 2Q 2022 following completion of asset enhancement works at Westlite Tebrau



Business Review by Markets

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Workers Accommodation Landscape - SG

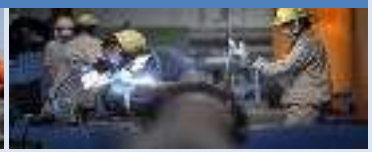
Demand

c. 369k# (as at Jun 2022 vs c. 318k as at Dec 2021)

Work Permit Holders from Construction, Marine Shipyard, Process sectors who require approved dormitory beds

Workers from construction sector





Workers from marine, oil & gas, petrochemical processing sectors





Supply

Subject to impact from de-densification efforts due to COVID-19

c. 207k*

Purpose Built Workers Accommodation

c. 113k Long term PBWA



c. 94k Short term PBWA



c. 146k*

Non Purpose Built Workers Accommodation

c. 100k Factory Converted Dorm



c. 20k On-site Dorm



c. 26k Others



New Supply

Short- to Medium-Term Arrangements

c. 25k*

Quick Build Dormitories (QBDs) + Construction Temporary Quarters (CTQs)

Longer Term Arrangements

up to c. 10k^
will be built and owned by the Government

2 new PBDs in Tukang Innovation Lane (c. 2,400 beds) and Sengkang West (c. 7,200 beds), expected to operate in 2025 and 2028 respectively

More land may be released for PBD development, for tender by private sector

No further plans currently for government to own more dormitories as primary aim is to drive innovation; transform practices and grow capabilities in dormitory management

Singapore Ministry of Manpower

* Centurion research

^ MOM to set up new corporate entity to run 2 foreign worker dorms, The Straits Times, 1 Oct 2022

Workers Accommodation

Singapore

- Financial occupancy of 5 PBDs 97% for 9M 2022 compared to 84% for 9M 2021
  - including the 4 QBDs, average financial occupancy for 9 PBWAs was 97% for 9M 2022
- Financial occupancy of PBDs improving with increased arrivals of dormitory-bound work permit holders
  - WP holders from Construction, Marine Shipyard and Process ("CMP") sectors was c. 369,000 in Jun 2022,
  - exceeding the numbers for 2020 and 2021, and close to pre-COVID numbers (c. 370,000 in Dec 2019)
- In Oct 2022, MOM announced[1] a Company Limited by Guarantee ("CLG") will be set up by end 2022 to manage two PBDs which will be built and owned by the MOM
  - 1st PBD with 2,400 beds and 2nd PBD with 7,200 beds, expected to begin operating in 2025 and 2028 respectively
    - CLG to directly operate the 2 PBDs with private sector collaboration
    - Government has no further plans currently to own more dormitories; more land may be released for PBD development, for tender by private sector
  - Centurion will closely monitor the developments and pursue opportunities for portfolio growth
- Continue vigilance to safeguard against potential virus outbreaks; to care for the physical, mental and social well-being of all our residents

[1] MOM to set up new corporate entity to run 2 foreign worker dorms, The Straits Times, 1 Oct 2022

Workers Accommodation (cont'd)



Malaysia

- Average financial occupancy for the 8 PBWAs was 75% for 9M 2022 vs 80% for 9M 2021
  - migrant worker population had fallen during COVID-19 pandemic as many workers returned to home countries and travel restrictions curtailed new arrivals
  - migrant workers gradually returning but the migrant workforce has not recovered to pre-COVID-19 levels as employers faced delays from procedural and technical issues in bringing in workers
- However the occupancy is expected to gradually recover as the inflow of new workers progressively improves
- Demand for quality worker accommodation in PBWA (or Centralized Labour Quarters "CLQ") further driven by government stepping up enforcement of Act 446
- Centurion continues to look for further opportunities for portfolio expansion

Student Accommodation



UK

- Average financial occupancy for the 10 assets improved from 68% for 9M 2021 to 90% for 9M 2022
- International students able to travel more easily to the UK since all COVID-19 travel restrictions lifted
- In Jan 2022, the UK hit target of 600,000 international students, a decade earlier than 2030 commitment[1]
  - higher education providers hosted 605,130 international students in AY 20/21, 8.7% higher than AY 19/202
- In May 2022, Centurion announced the proposed acquisition of a 103-bed freehold PBSA asset in Nottingham
  - On 28 Oct 2022, Centurion announced that, as the conditions precedent were not satisfied by the seller, the proposed acquisition was terminated
- Centurion continues to explore further opportunities for portfolio expansion as well as asset enhancement where sensible, to tap market demands in this key PBSA market



Australia

- Average financial occupancy of the 2 assets rebounded from 26% for 9M 2021 to 68% for 9M 2022
  - Borders re-opened and international students returned
- Following initial delays in issuance of student visas3, the government made efforts to expedite the issuance of visas
  - International student numbers have increased at a faster pace as more visas were progressively issued
- Recovery trend expected to continue into next AY in 2023

[1] 'UK Meets Target of 600,000 International Students Ten Years Earlier Than Planned', Erudera College News, 25 Jan 2022
[2] 'International Student Statistics in UK 2022', Studying-in-UK.org, Retrieved 25 Jul 2022
[3] 'Australian government moves to fix student delays', The PIE news, 27 Jun 2022

Student Accommodation (cont'd)



US

- Portfolio occupancy is high with healthy rental reversions for AY 22/23
  - expects continued strong market demand for AY 23/24
- In April 2022, the Group announced the commencement of the sale of its US PBSA portfolio, which are held under the Centurion US Student Housing Fund ("the Fund")
  - the Fund life is coming to the end of its initial five-year term, with an optional extension of two years
  - Centurion holds 28.7% of the units in issue and is the manager of the Fund and its assets.
- Due to the current uncertain market conditions and interest rate environment, in the event that the sale does not close by the end of the Fund term, the Group intends to seek the Fund investors' agreement to extend the fund term by two years



South Korea

- Average financial occupancy increased to 81% for 9M 2022 vs 57% for 9M 2021 while bookings for Semester 1 of AY 2023 robust
- In October 2022, Centurion announced[4] the sale of its 55% stake in the Operating Company and Property Company, which owns the dwell Dongdaemun asset; completion expected in Nov 2022
  - Disposal and resulting exit from South Korea part of a rationalisation of the Group's global asset portfolio
- Post disposal, Centurion will align and focus its asset portfolio in countries and markets where it can expand and scale up its operations

[4] 'Disposal Of Subsidiaries - CSL Student Living Benikea KP Ltd. And IGIS Centurion No. #238 Professional Investors Private Real Estate Investment, LLC', Centurion announcement, 19 Oct 2022



Looking Ahead

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Pushing On

Continued recovery



- Recovery in demand and occupancy across all markets
- Return of migrant workers and international students drive further demand
- Malaysia and US continue to deliver stable occupancy

Agility in execution



- Ready to enhance and enlarge portfolio prudently when opportunity arises
- Continue to expand potential in fee-based and ancillary revenue from accommodation-related services

Stability and Resilience



- Portfolio of complementary PBWA and PBSA assets provide stability to cash flow generation
- Prudent management of costs and discretionary capital expenditure, conserving cash amid uncertainties
- Remain confident in the fundamentals of our business segments and the resilience of our asset classes in the long term
- Care and concern for the wellbeing of our resident communities is core to our corporate governance for business sustainability



Portfolio at a glance

Centurion

Workers Accommodation – Portfolio at a glance

Singapore – 9 Properties (33,898 beds)



7,900 Beds

23 Years wef 2015

ASPRI-Westlite Papan (51% owned)



7,330 Beds

60 Years wef 1997

Westlite Toh Guan*



6,300 Beds

Freehold

Westlite Mandai (45% owned)



4,100 Beds

30 Years wef 2013

Westlite Woodlands



1,900 Beds

10+5 Years wef 2019

Westlite Juniper



1,300 Beds

3+1 Years wef 2020

Westlite Kranji Way



1,020 Beds

3+1 Years wef 2020

Westlite Tuas Avenue 2



3,420 Beds

3+1 Years wef 2021

Westlite Jalan Tukang



628 Beds

3+1 Years wef 2021

Westlite Tuas South Boulevard

Orange = Quick Build Dormitories

*Reduced bed capacity due to redevelopment of 1 block

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

Malaysia – 8 Properties (25,099 beds)



3,321 Beds

Freehold

Westlite Bukit Minyak*



3,020 Beds

Freehold

Westlite Senai II*



3,480 Beds

99 Years wef 2013

Westlite Johor Tech Park*



4,286 Beds

Freehold

Westlite Tampoi*



1,210 Beds

Freehold

Westlite Senai*



1,786 Beds

60 Years wef 2000

Westlite Tebrau* ^



1,776 Beds + 176 Beds

99 Years wef 1986 + 9 Years wef 2019

Westlite Pasir Gudang*



6,044 Beds

21+9 Years wef 2020

Westlite – PKNS Petaling Jaya

*Post reconfiguration works to comply with Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 ("Act 446") with effect from 1 Jan 2022

^ 688 beds added in 2Q 2022 following completion of asset enhancement works

Student Accommodation – Portfolio at a glance

United Kingdom – 10 Properties (2,807 beds)



1,003 Beds

Freehold

dwell Manchester Student Village (MSV)



362 Beds

Freehold

dwell MSV South



145 Beds

Freehold

dwell The Grafton



140 Beds

125 Years wef 2008

dwell Weston Court



126 Beds

Freehold

dwell Princess Street*



157 Beds

125 Years wef 2009

dwell Hotwells House



383 Beds

250 Years wef 2007

dwell Cathedral Campus



181 Beds

125 Years wef 1995

dwell Garth Heads



177 Beds

Freehold

dwell Archer House



133 Beds

Freehold

dwell Castle Gate Haus^

*Changes to bed capacity due to reconfiguration of units

^ Centurion Overseas Investments Pte. Ltd. holds approximately 14.3% of the total number of units in the Centurion Student Accommodation Fund, which acquired dwell Castle Gate Haus

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

Australia – 2 Properties (920 beds)



616 Beds

Freehold

dwell Village Melbourne City



304 Beds

Freehold

dwell East End Adelaide*

South Korea – 1 Property (208 beds)



208 Beds

Freehold

dwell Dongdaemun^
(55% owned)

*Changes to bed capacity due to reconfiguration of units

^ As part of the Group's ongoing strategic review of its portfolio of assets, Centurion has announced on 19 Oct 2022 the sale of its 55% stake in dwell Dongdaemun asset

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

United States[#] - 6 Properties (2,145 beds)



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







Thank You





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