

CENTURION CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

(Co. Reg. No.: 198401088W)

COMPLETION OF ACQUISITION OF AN EXISTING HOTEL LOCATED IN SEOUL, SOUTH KOREA, THROUGH A SOUTH KOREAN COLLECTIVE INVESTMENT VEHICLE AND ESTABLISHMENT OF A JOINT VENTURE COMPANY AND AN INDIRECT WHOLLY-OWNED SUBSIDIARY

Capitalised terms used herein, unless otherwise defined, shall have the meaning ascribed to them in the announcement of Centurion Corporation Limited dated 10 September 2018 in relation to “Proposed acquisition of an existing hotel located in Seoul, South Korea” (the “Announcement”).

The board of directors (“**Directors**”) of Centurion Corporation Limited (the “**Company**” and together with its subsidiaries and associated companies, the “**Group**”) refers to the Announcement and is pleased to announce that the Proposed Acquisition has been completed on 6 November 2018 (“**Completion**”) in accordance with the terms and subject to the conditions of the SPA.

On Completion of the Proposed Acquisition, the joint venture partners (“**JV Partners**”), namely, COIPL, CPPL and COMANCHE (as defined below) have:

- (1) entered into a 1st unitholders agreement pursuant to which the JV Partners have invested into a collective investment vehicle (IGIS Centurion No. 238 Professional Investors Private Real Estate Investment, LLC (“**CIV**”)), which was established by IGIS Asset Management Co., Ltd., as the licensed asset management company, pursuant to the applicable Korean laws to own the Property. Information relating to CIV is as follows:

Name of company:	IGIS Centurion No. 238 Professional Investors Private Real Estate Investment, LLC
Place of incorporation:	South Korea
Principal activity:	Acquire or lease, operate and manage assets providing accommodation to tourist, students and/or office professionals in Korea
Issued and paid-up beneficial units:	KRW 7,502,517,000 divided into 7,502,517 units at an issue price of KRW 1,000 per unit
Total number of beneficial units to be issued by CIV:	Not more than 500,000,000 units, with no par value and be in registered form

As at the date of this announcement, the book value or the net tangible asset value of CIV is KRW 7,502,517,000.

Centurion Overseas Investments Pte. Ltd. (“**COIPL**”), a wholly-owned subsidiary of the Company, holds a 55% unitholding interest (comprising 4,126,384 units) in the capital of CIV. The remaining unitholding interests are held by Centurion Properties Pte Ltd (“**CPPL**”) holding a 40% unitholding interest (comprising 3,001,007 units) and Comanche Co., Ltd. (“**COMANCHE**”), a nominee of KTM Distributions Co., Ltd., holding a 5% unitholding interest (comprising 375,126 units).

- (2) and entered into a 2nd unitholders agreement pursuant to which the JV Partners have established a joint venture company in South Korea known as – CSL Student Living Benikea KP Ltd. (“**OpCo**”) to manage the Property’s operations and involve in the Proposed Refurbishment. Information relating to OpCo is as follows:

Name of company:	CSL Student Living Benikea KP Ltd.
Place of incorporation:	South Korea
Principal activity:	Provision of tourist and student accommodation
Issued and paid-up beneficial units:	KRW10,000,000, divided into 1,000 units at an issue price of KRW10,000 per unit
Total number of beneficial units to be issued by OpCo:	1,000 units, with no par value and be in registered form

As at the date of this announcement, the book value or the net tangible asset value of OpCo is KRW10,000,000.

COIPL holds a 55% unitholding interest (comprising 550 units) in the capital of OpCo. The remaining unitholding interests are held by CPPL holding a 40% unitholding interest (comprising 400 units) and COMANCHE holding a 5% unitholding interest (comprising 50 units).

In connection with the Proposed Acquisition, the Company has through its wholly-owned subsidiary, Centurion Accommodation Management Pte. Ltd., established a wholly-owned subsidiary known as – Dwell Student Living Korea Ltd (“**DSLKL**”), in South Korea, with an initial issued and paid-up beneficial units of KRW 10,000,000 comprising 1,000 units at an issue price of KRW10,000 per unit. DSLKL is set up as a property management company to provide management services to OpCo in managing its day to day operations and as an outsourced management operator.

As at the date of this announcement, the book value or the net tangible asset value of DSLKL is KRW 10,000,000.

The establishment of the CIV, OpCo and DSLKL were funded by internal resources and are not expected to have any material impact on the net tangible assets (“**NTA**”) per share and earnings per share of the Group for the financial year ending 31 December 2018.

Interested Person Transaction under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST’s Listing Manual”)

CPPL owns a 40% interest in the Property through CIV.

Under the SGX-ST’s Listing Manual, CPPL is considered an associate of Mr Loh Kim Kang David (“**Mr David Loh**”) and Mr Han Seng Juan (“**Mr Han**”), Non-Executive Directors and controlling shareholders of the Company. CPPL is a wholly-owned subsidiary of Centurion Global Ltd (“**CGL**”). Both CPPL and CGL are controlling shareholders of the Company. Each of Mr David Loh and Mr Han holds a 50% shareholding interest in CGL and are also Directors of CGL.

Accordingly, the aforementioned joint ventures with CPPL as well as the Proposed Acquisition and Proposed Refurbishment as stated in the previous Announcement are regarded as interested person transactions (“**IPTs**”) under Chapter 9 of the SGX-ST’s Listing Manual.

The Group’s 55% contribution to the Aggregate Cost for the Proposed Project of S\$12.43 million when aggregated with the value of all IPTs entered into by the Group for the period from 1 January 2018 up to the date of this announcement and estimated value of all IPTs anticipated to be entered into with Mr David Loh and/or Mr Han and his/their associates for the current financial year amounts to S\$12.61 million, representing 2.65% of the Group’s latest audited NTA of S\$475.73 million as at 31 December 2017. It is therefore not subject to the requirement of immediate announcement or shareholders’ approval under Chapter 9 of the SGX-ST’s Listing Manual.

Interests of Directors and Controlling Shareholders

Save as disclosed in this announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transactions, save for their shareholdings (if any) in the Company.

By Order of the Board of
Centurion Corporation Limited

Kong Chee Min
Chief Executive Officer
7th November 2018