



Centurion Corporation Limited

(Company Registration No. 198401088W)

PRESS RELEASE

For Immediate Release

CENTURION CORP DELIVERS STRONG PERFORMANCE WITH 72% GROWTH IN 2Q 2017 NET PROFIT

- 2Q 2017 revenue grew 23% due to contributions from ASPRI-Westlite Papan and inclusion of four UK student accommodation assets acquired in July 2016
- Strong 43% increase in 1H 2017 net profit from core business operations attributable to equity holders
- Expanding the student accommodation business in Australia with acquisition of 280-bed dwell Adelaide new development and asset enhancement to RMIT Village

	Second Quarter Ended 30 June			Half Year Ended 30 June		
	2017 ("2Q 2017") S\$'000	2016 ("2Q 2016") S\$'000	Change %	2017 ("1H 2017") S\$'000	2016 ("1H 2016") S\$'000	Change %
Revenue	35,248	28,700	23%	71,269	57,371	24%
Gross Profit	25,656	18,933	36%	49,607	38,263	30%
Gross Margin	73%	66%	+7 ppt	70%	67%	+3 ppt
Net Profit After Tax from Core Business Operations ¹	14,493	8,429	72%	28,414	17,774	60%
Net Profit from Core Business Operations Attributable to Equity Holders	13,116	8,857	48%	26,027	18,222	43%

Singapore, 7 August 2017 – Centurion Corporation Limited (胜捷企业有限公司) ("Centurion", or together with its subsidiaries, the "Group"), which owns, develops and manages quality accommodation assets, has recorded a strong 72% year-on-year growth in net profit after tax from core business operations to S\$14.5 million for the second quarter ended 30 June 2017 ("2Q 2017").

In addition, the Group recorded a 23% growth in revenue to S\$35.2 million, largely due to contributions from ASPRI-Westlite Papan² and the inclusion of four student accommodation assets in the United Kingdom ("UK"), which were acquired in July 2016.

In tandem with the higher revenue and lower cost of sales in 2Q 2017, Centurion's gross profit increased by 36% year-on-year to S\$25.7 million, as gross profit margin improved by 7 percentage point to 73% for the second quarter.

For the first half ended 30 June 2017 ("1H 2017"), the Group has also delivered an improved performance, having recorded a net profit from core business operations attributable to equity holders of S\$26.0 million, which is an increase of 43% year-on-year, while first-half revenue grew 24% year-on-year to S\$71.3 million.

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.

² The Group has a 51% interest in ASPRI-Westlite Papan.



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“The Group’s diversified portfolio of workers and student accommodation assets has achieved a strong set of results halfway through the year. We will build on this momentum and explore more opportunities to establish Centurion’s presence in the markets that we operate in and deliver greater value to our shareholders,” said Mr Kong Chee Min (江志明), CEO of Centurion Corporation Limited.

To reward shareholders on a half-yearly basis, the Board of Directors has declared an interim dividend of 1.0 Singapore cent per share.

Diversified Accommodation Business

Despite the uncertainty in the oil and gas sector, the Group’s five workers accommodation assets in Singapore maintained a healthy occupancy rate of approximately 92% as at 30 June 2017. ASPRI-Westlite Papan, the Group’s newest workers accommodation asset which commenced operations in May 2016, attained an occupancy rate of approximately 99%, an improvement from 95% in the first quarter of 2017.

In Malaysia, the Group’s six workers accommodation assets saw an improvement in the overall occupancy rate to approximately 82%. This increase comes on the back of intensive marketing efforts by the Group, coupled with the Malaysian government gradually permitting the hiring of foreign workers.

In the UK, the Group’s eight purpose-built student accommodation (“PBSA”) assets, which operate under the **dwell** brand, continue to perform well with an overall occupancy rate of over 95%.

In June 2017, the Group completed the acquisition for a development site in Adelaide which will be developed into a 280-bed PBSA – dwell Adelaide. This asset is expected to be completed in 2018, ahead of the student intake of the 2019 academic year. During May 2017, the Group also embarked on an asset enhancement programme (“AEP”) for RMIT Village, for the development of a new wing which is expected to add up to 160 beds to its current capacity. Upon the completion, dwell Adelaide and the AEP at RMIT Village will bring the total number of PBSA beds in Australia to 896 beds.

In line with the Group’s efforts to grow its student accommodation business, the Group announced plans to acquire a combined portfolio of five student accommodation assets, totalling 1,936 beds across four states in the United States. Expected to be completed on or about the end of September 2017, the proposed acquisition, subject to a number of conditions and satisfactory due diligence, will be earnings accretive to the Group’s earnings in the fourth quarter of 2017.

“We remain cautiously optimistic of our workers accommodation business and our portfolio continues to enjoy healthy occupancy rates. Given the strong demand and high occupancy rates across our student accommodation assets, we maintain a positive outlook for our student accommodation business in the near term and will stay on the lookout for asset enhancement and investment opportunities in this resilient segment,” added Mr Kong.



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Proposed Listing on the Stock Exchange of Hong Kong

On 27 June 2017, the Group announced that it has submitted an application to the Stock Exchange of Hong Kong Limited (“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 best interests of the Group.

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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 June 2017.

In Malaysia, the Group had a capacity of c.23,700 beds across six workers accommodation assets in Johor as at 30 June 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 June 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.

The Group expects to increase its overall portfolio of workers and student accommodation assets from c.61,608 beds as at 30 June 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 June 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 Tuas	8,600	-#
	Westlite Woodlands	4,100	4,100
	ASPRI-Westlite Papan	7,900	7,900
	Total in Singapore	34,700	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 <i>(expected completion 2018)</i>	-	6,600*
	Westlite Juru <i>(expected completion 2018)</i>	-	6,100*
	Total in Malaysia	23,700	36,400
Total no. of beds for Workers Accommodation		58,400	62,500
Student Accommodation			
Singapore	dwell Selegie	332	332
	Total in Singapore	332	332
Australia	RMIT Village	456	616"
	dwell Adelaide <i>(expected completion 2018)</i>	-	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
Total no. of beds for Student Accommodation		3,208	3,648
Total no. of beds		61,608	66,148

Land lease to expire on 30 January 2018

* Upon completion of construction in 2018

^ Upon completion of construction and development in 4Q 2018

" Upon completion of asset enhancement programme in 4Q 2018