

Centurion Corporation Limited 勝捷企業有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Co Reg No: 198401088W)

Stock Code: 6090



Share Offer



Sole Sponsor



Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers



*For identification purpose only

IMPORTANT

If you are in any doubt about the contents of this prospectus, you should obtain independent professional advice.

CENTURION CORPORATION LIMITED

勝捷企業有限公司*

(Incorporated in the Republic of Singapore with limited liability)

SHARE OFFER

Number of Offer Shares : 36,000,000 Shares

Number of Placing Shares : 30,000,000 Shares (subject to re-allocation)

Number of Public Offer Shares : 6,000,000 Shares (subject to re-allocation)

Offer Price : Not more than HK\$3.30 per Offer Share and not less than HK\$3.00 per Offer Share plus brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund)

Nominal value : Not applicable

Stock code : 6090

Sole Sponsor



Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers



Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and the Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, together with the documents specified under the paragraph headed “Documents delivered to the Registrar of Companies in Hong Kong” in Appendix VII to this prospectus, has been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this prospectus or any other documents referred to above.

The Offer Price is currently expected to be fixed by an agreement between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on the Price Determination Date, which is expected to be on or about Wednesday, 6 December 2017, or such later date as may be agreed between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters). If our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) are unable to reach an agreement on the Offer Price on the Price Determination Date or such later date as may be agreed between the parties, the Share Offer will not become unconditional and will lapse immediately. In such case, an announcement will be made immediately by our Company on the Stock Exchange’s website at www.hkexnews.hk and our Company’s website at www.centurioncorp.com.sg. The Offer Price is expected to be not more than HK\$3.30 per Offer Share and not less than HK\$3.00 per Offer Share, unless otherwise announced. The Joint Global Coordinators (for themselves and on behalf of the Underwriters) may, with the consent of our Company, reduce the indicative Offer Price range below to that stated in this prospectus at any time on or prior to the Price Determination Date. If this occurs, a notice of reduction of the indicative Offer Price range will be published on the Stock Exchange’s website at www.hkexnews.hk and our Company’s website at www.centurioncorp.com.sg.

Prior to making investment decisions, prospective investors should consider carefully all of the information set out in this prospectus, including but not limited to the risk factors set out in the section headed “Risk factors” in this prospectus.

Prospective investors of the Offer Shares should note that the Joint Global Coordinators (for themselves and on behalf of the Public Offer Underwriters) are entitled to terminate the Public Offer Underwriting Agreement by giving a notice in writing to our Company upon the occurrence of any of the events set out under the paragraph headed “Underwriting — Underwriting arrangements and expenses — Public Offer — Grounds for termination” in this prospectus, at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date. Should the Joint Global Coordinators (for themselves and on behalf of the Public Offer Underwriters) terminate the Public Offer Underwriting Agreement, the Share Offer will not proceed and will lapse. Further details of these termination provisions are set out in the section headed “Underwriting” in this prospectus. It is important that prospective investors refer to that section for further details.

* For identification purpose only

EXPECTED TIMETABLE

If there is any change to the following expected timetable, our Company will issue an announcement on the respective websites of our Company at www.centurioncorp.com.sg and the Stock Exchange at www.hkexnews.hk.

Date⁽¹⁾ 2017

Application lists of Public Offer open⁽²⁾ 11:45 a.m. on Monday, 4 December

Latest time for lodging **WHITE** and **YELLOW Application**

Forms and giving **electronic application instructions**

to HKSCC⁽³⁾ 12:00 noon on Monday, 4 December

Application lists of Public Offer close⁽²⁾ 12:00 noon on Monday, 4 December

Expected Price Determination Date⁽⁵⁾ on or around Wednesday, 6 December

Announcement of the final Offer Price, the level of indications of interest in the Placing, the level of applications in Public Offer and the basis of allocation of the Public Offer Shares under the Public Offer to be published on our Company's website at www.centurioncorp.com.sg and the website of the Stock Exchange at www.hkexnews.hk on or before Monday, 11 December

Results of allocations in Public Offer (with successful applicants' identification of document numbers, where appropriate) to be available through a variety of channels as described in the paragraph headed "How to apply for the Public Offer Shares — 10. Publication of results" in this prospectus. Monday, 11 December

Results of allocations in the Public Offer will be available at www.tricor.com.hk/ipo/result with a "search by ID Number/Business Registration Number" function from . . . Monday, 11 December

EXPECTED TIMETABLE

Date⁽¹⁾ 2017

Despatch/collection of Share certificates or deposit of the Share certificates into CCASS in respect of wholly or partially successful applications pursuant to the Public Offer on or before⁽⁶⁾ Monday, 11 December

Despatch/collection of refund cheques in respect of wholly or partially successful applications if the Offer Price is less than the price payable on application (if applicable) or wholly or partial unsuccessful applications pursuant to the Public Offer on or before⁽⁶⁾ Monday, 11 December

Dealing in our Shares on the Stock Exchange expected to commence at 9:00 a.m. on Tuesday, 12 December

Notes:

1. All times and dates refer to Hong Kong local time and date unless otherwise stated in this prospectus. Details of the structure of the Share Offer, including its conditions, are set out in the section headed “Structure and conditions of the Share Offer” in this prospectus.
2. If there is a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning in force in Hong Kong at any time between 9:00 a.m. to 12:00 noon on Monday, 4 December 2017, the application lists will not open or close on that day. See paragraph headed “How to apply for the Public Offer Shares — 9. Effect of bad weather on the opening of the application lists” in this prospectus.
3. Applicants who apply for Public Offer Shares by giving electronic application instructions to HKSCC via CCASS should refer to the paragraph headed “How to apply for the Public Offer Shares — 5. Applying by giving electronic application instructions to HKSCC via CCASS” in this prospectus.
4. The Price Determination Date is expected to be on or around Wednesday, 6 December 2017 and, in any event, not later than Friday, 8 December 2017. If, for any reason, the final Offer Price is not agreed between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters), the Share Offer will not proceed and will lapse.
5. Refund cheques will be used in respect of wholly or partially unsuccessful applications pursuant to Public Offer and also in respect of wholly or partially successful application in the event that the final Offer Price is less than the price payable per Offer Share on applications. Part of the applicant’s Hong Kong identity card number or passport number, or, if the application is made by joint applicants, part of the Hong Kong identity card number or passport number of the first-named applicant provided by the applicant(s) may be printed on the refund cheque, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant’s Hong Kong identity card number or passport number before encashment of the refund cheque. Inaccurate completion of an applicant’s Hong Kong identity card number or passport number may invalidate or delay encashment of the refund cheque.

EXPECTED TIMETABLE

6. Applicants who have applied on **WHITE Application Forms** for 1,000,000 or more Public Offer Shares and have provided all information required by their Application Forms may collect any refund cheques and/or Share certificates in person from our Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong from 9:00 a.m. to 1:00 p.m. on Monday, 11 December 2017. Applicants being individuals who are eligible for personal collection may not authorise any other person to collect on their behalf. Applicants being corporations which are eligible for personal collection must attend through their authorised representatives bearing letters of authorisation from their corporation stamped with the corporation's chop. Both individuals and authorised representatives of corporations must produce evidence of identity acceptable to our Hong Kong Branch Share Registrar at the time of collection.

Applicants who have applied on **YELLOW Application Form** for 1,000,000 or more Public Offer Shares may collect their refund cheques, if any, in person but may not elect to collect their Share certificates as such Share certificates will be issued in the name of HKSCC Nominees and deposited into CCASS for the credit to their or the designated CCASS Participants' stock account as stated in their Application Forms. The procedures for collection of refund cheques for **YELLOW Application Form** applicants are the same as those for **WHITE Application Form** applicants.

Applicants who have applied Public Offer Shares by giving electronic application instructions to HKSCC via CCASS should refer to the paragraph headed "How to apply for the Public Offer Shares — 13. Despatch/collection of Share certificates and refund monies" in this prospectus for details.

Applicants who have applied for less than 1,000,000 Public Offer Shares and any uncollected Share certificates and/or refund cheques will be despatched by ordinary post at the applicants' risk, to the addresses specified in the relevant applications.

Further information is set out in the paragraphs headed "How to apply for the Public Offer Shares — 12. Refund of application monies" and "How to apply for the Public Offers Shares — 13. Despatch/collection of Shares certificates and refund monies" in this prospectus.

Share certificates will only become valid certificates of title to which they relate at 8:00 a.m. (Hong Kong time) on the Listing Date provided that (i) the Share Offer has become unconditional in all respects; and (ii) the right of termination described in the paragraph headed "Underwriting — Underwriting arrangements and expenses — Public Offer — Grounds for termination" in this prospectus has not been exercised and has lapsed. Investors who trade our Shares prior to the receipt of Share certificates or the Share certificates becoming valid certificate of title do so entirely at their own risk.

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You should rely only on the information contained in this prospectus to make your investment decision. Our Company, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Underwriters have not authorised anyone to provide you with information or make representation that is different from what is contained in this prospectus and the Application Forms. Any such information or representation not made in this prospectus must not be relied on by you as having been authorised by our Company, our Directors, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, any of the Underwriters, any of their respective directors, officers, employees, agents or advisers or any other persons or parties involved in the Share Offer.

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SUMMARY

This summary aims to give you an overview of the information contained in this prospectus and should be read in conjunction with the full text of this prospectus. As this is only a summary, it may not contain all the information that may be important to you. You should read the whole document before you decide to invest in the Shares. There are risks associated with any investment. Some of the particular risks relating to investing in the Shares are set out in the section headed “Risk factors” in this prospectus. You should read the “Risk factors” section carefully before deciding to invest in the Shares.

You and/or Shareholders should refer to the sections headed “Summary of the constitution of our Company and salient provisions of the laws of Singapore” and “Further information relating to the dual primary listing” as set out in Appendices IV and V, respectively, to this prospectus for details of the salient provisions of the laws of Singapore applicable to the Shareholders in Hong Kong. Prior to the Listing, the Singapore Principal Share Registrar and the Hong Kong Branch Share Registrar will provide three batch-transfers of the Singapore listed Shares for Shareholders seeking to transfer their Shares to the Hong Kong Branch Share Register. Please refer to the section headed “Listings, registration, dealings and settlement — Special arrangements to facilitate transfers before the Listing” in this prospectus for further details. Laws and regulations of Singapore differ in some respects from comparable laws and regulations of Hong Kong and prospective investors and/or Shareholders should consult their own legal advisers for specific legal advice concerning their legal obligations in Singapore.

OVERVIEW

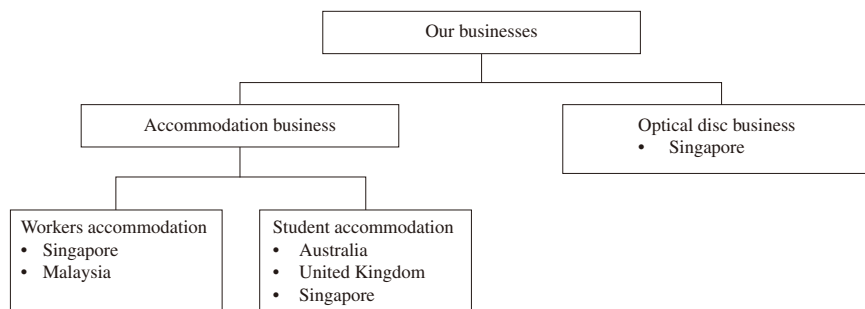
We are one of Singapore’s largest workers and student accommodation owner-operators. We develop, own and/or manage quality purpose-built workers accommodation (PBWA) assets in Singapore and Malaysia since August 2011, as well as purpose-built student accommodation (PBSA) assets in the United Kingdom, Australia and Singapore since February 2014. Based on the Euromonitor Report, we ranked first among the PBWA service providers in Singapore and Malaysia in 2016 in terms of revenue receipts with a market share of approximately 11.0% and 50.0%, respectively.

Our Company was incorporated in Singapore and is listed on the main board of SGX-ST. We are seeking a dual primary listing on the Main Board of the Stock Exchange. As at the Latest Practicable Date, we had a strong portfolio of 21 operational accommodation assets totalling approximately 61,600 beds in Singapore, Malaysia, Australia and the United Kingdom under the “Westlite” brand and “dwell” brand. In July and August 2017, we entered into six conditional agreements for the proposed acquisitions of six existing PBSA assets across five states in the USA, with an aggregate capacity of approximately 2,140 beds. The proposed acquisitions are expected to be completed in the fourth quarter of 2017. As at the Latest Practicable Date, we had a land bank consisting of six pieces of land in Johor and Penang in Malaysia, Adelaide and Port Hedland in Australia and Bekasi in Indonesia.

In addition, we also manufacture and sell optical disc and related storage products through our wholly-owned subsidiary in Singapore, Summit CD Manufacture, but we gradually downsize our operations due to the continued weak market for physical optical disc media. Our optical disc products consist of CDs and DVDs where contents such as annual reports, software, music or video contents are replicated for our customers. As at the Latest Practicable Date, we had a small-scale production plant in Singapore, with a total site area of approximately 600 sq.m., which houses three production lines equipped with printing, packaging and inventory storage facilities.

SUMMARY

During the Track Record Period, there had not been any change in the business focus of our Group. The following diagram illustrates our principal business segments as at the Latest Practicable Date:



For the three years ended 31 December 2016 and the six months ended 30 June 2017, our total revenue was approximately S\$84.4 million, S\$104.5 million, S\$120.3 million and S\$71.3 million, respectively, of which rental and service income from our workers and student accommodation business represented approximately 90.5%, 95.2%, 98.2% and 98.7% of our total revenue, respectively.

SUPPLIERS AND CUSTOMERS

We engage Independent Third Party suppliers to provide cleaning, security, pest control, utility services, provision of furniture and equipment, construction, renovation and other repair and maintenance services. For RMIT Village in Australia, we also engage an Independent Third Party operator to provide management and administration services. As for our optical disc business, our suppliers are mainly the suppliers of raw materials for our optical disc production such as polycarbonate resins, aluminium targets, UV lacquer and DVD bonder.

We have a wide and diversified customer base operating in construction, marine, engineering, services, oil and gas and manufacturing industries in Singapore and Malaysia. Our customers for student accommodation business are mainly local and international students studying in the United Kingdom, Australia and Singapore. We also lease out commercial spaces located within our workers and student accommodation to Independent Third Party commercial tenants such as operators of minimarts, convenient shops, canteen, barber shops, sundry shops, and service providers of automatic tellers machines and laundry services etc. Our customers of the optical disc business are generally Singapore listed companies, local churches, music companies and multimedia companies.

OUR COMPETITIVE STRENGTHS

We believe our key competitive strengths are: (i) we are a market leader in the workers accommodation industry in Singapore and Malaysia; (ii) we have a sizeable portfolio of quality accommodation assets and an established brand; (iii) we have a diversified portfolio in different geographical locations and asset types, which are generally located in prime areas; (iv) we have established strong relations with our broad workers accommodation customer base and our diversified workers accommodation portfolio caters to multiple industries; and (v) we have an experienced, stable and prudent management team with a strong focus in the accommodation business.

OUR BUSINESS STRATEGIES

We intend to implement the following corporate strategies, including (i) further expand our student accommodation business to other cities in the United Kingdom, Australia, the USA and explore opportunities in other countries; (ii) further penetrate our workers accommodation business

SUMMARY

in Malaysia, Singapore and explore opportunities in other countries; (iii) provision of operation management services and other customised management and ancillary services for workers and student accommodation assets; and (iv) continue to calibrate the operational capacity to keep in line with the levels of demand.

RISK FACTORS

Our business is subject to a number of risks, including (i) our Group's business may be affected by relevant local government's or foreign governments' policy changes which reduce the number of foreign workers; (ii) our Group's business may be affected by policy changes which reduces the number of students; (iii) there is no assurance that our Group would be able to renew the leases to our accommodation assets at all or on similar commercial terms; (iv) our profitability may be affected by fluctuation in value of our investment properties; (v) our Group faces foreign exchange risks and translation risks; and (vi) our high gearing ratio which may or may not be associated with our rapid expansion and development plans may expose us to liquidity risk.

Among our accommodation assets held under land lease, the current tenancy agreements for Westlite Tuas Accommodation and dwell Selegie will expire on 30 January 2018 and 4 June 2018, respectively. On 1 November 2017, our Company announced that the relevant authorities in Singapore have not granted further extension of the Westlite Tuas Accommodation's lease as the site is needed for redevelopment. Accordingly, the tenancy agreement for Westlite Tuas Accommodation will expire on 30 January 2018 and we are in the process of making arrangements to move our residents to other workers dormitories owned by us as well as to a pre-arranged dormitory nearby with available bed capacity. As at the Latest Practicable Date, we were working with the relevant authorities on the reinstatement and return of the land by 30 January 2018. We expect that there will be a loss of revenue and cash inflow to our Group. During the year ended 31 December 2016, the revenue generated from the tenancy of Westlite Tuas Accommodation amounted to approximately S\$27.6 million which accounted for approximately 22.9% of the revenue of our Group or approximately S\$2.6 million in net profit which accounted for approximately 7.4% of our Group's profit from continuing operations. During the year ended 31 December 2016, our cashflow from operating activities generated from Westlite Tuas Accommodation was approximately S\$14.4 million, representing approximately 20.7% of our Group's total cashflow from operating activities. Westlite Tuas Accommodation has always been carried at fair value based on independent valuation report. The investment property of Westlite Tuas Accommodation has been fair valued as zero as at 31 December 2016. The intangible asset recognised on the favourable lease agreement and the plant and equipment of Westlite Tuas Accommodation are currently being amortised and depreciated throughout the lease period and will be fully amortised and depreciated on or before the lease period ends on 30 January 2018. As a result, our Directors confirmed that there will be no carrying value on the balance sheet by January 2018 and hence no write-off of Westlite Tuas Accommodation as a result of the non-renewal of the tenancy. In addition, in relation to dwell Selegie, given that we have a contractual right to renew the tenancy, and there has been no breach of the tenancy agreement by our Group with dwell Selegie operating in compliance with the applicable laws and regulations, our Directors are confident that the current tenancy will be renewed and we are not aware of any impediment to such renewal. If we were unable to renew the tenancy of dwell Selegie at all or on similar commercial terms, we expect there may be a loss of revenue. During the year ended 31 December 2016, the revenue generated from tenancy of dwell Selegie amounted to approximately S\$3.2 million which accounted for approximately 2.6% of the revenue of our Group and it recorded a loss of approximately S\$0.5 million for the year ended 31 December 2016. The loss in revenue of Westlite Tuas Accommodation and/or dwell Selegie may have a significant impact on the financial performance of our Group and reduce our bed capacity by 8,932 beds representing approximately 14.5% of our bed capacity as at the Latest Practicable Date.

During the three years ended 31 December 2016 and the six months ended 30 June 2017, approximately 27.5%, 34.8%, 30.1% and 28.8% of our total revenue were derived outside of Singapore, while our Company's borrowings are mainly denominated in SGD. Our Group's foreign

SUMMARY

currency risks are managed as far as possible by natural hedges and monitoring to ensure, to the fullest extent possible, our Group matches our sales and purchases in the same foreign currency. To the extent that our Group's sales, purchases and operating costs are not naturally matched in the same currency and to the extent that there are timing differences between invoicing and collection or payment, as the case may be, our Group will be exposed to adverse fluctuation of the various currencies and as a result, our earnings may be adversely affected. In addition, our Group is subject to translation risks as our consolidated financial statements are reported in SGD while the financial statements of each entity in our Group are prepared using the currency of the primary economic environment in which the entity operates. Please further refer to the paragraph headed "Business — Risk management — Hedging" for details of our foreign exchange risk management. A detailed discussion of the aforesaid and other risk factors are set out in the section headed "Risk factors" in this prospectus.

KEY OPERATIONAL AND FINANCIAL DATA

Our revenue and gross profit margin by business segment and geographical location during the Track Record Period are as follows:

	For the year ended 31 December									For the six months ended 30 June					
	2014			2015			2016			2016			2017		
	Revenue		Gross profit margin	Revenue		Gross profit margin	Revenue		Gross profit margin	Revenue		Gross profit margin	Revenue		Gross profit margin
	SS'000	%	Approximate %	SS'000	%	Approximate %	SS'000	%	Approximate %	SS'000	%	Approximate %	SS'000	%	Approximate %
Rental and service income	<i>(unaudited)</i>														
Workers accommodation															
Singapore	56,160	66.5	71.2	64,478	61.7	71.1	78,877	65.6	70.4	36,521	63.7	71.4	48,050	67.4	74.5
Malaysia	5,749	6.8	59.4	7,620	7.3	63.7	6,947	5.8	63.6	3,223	5.6	60.8	3,762	5.3	60.2
	61,909	73.3	70.1	72,098	69.0	70.3	85,824	71.4	69.9	39,744	69.3	70.5	51,812	72.7	73.5
Student accommodation															
United Kingdom	6,443	7.6	69.8	19,321	18.5	66.4	20,598	17.1	60.4	10,823	18.9	68.3	12,529	17.6	69.7
Australia	8,108	9.6	66.0	7,731	7.4	68.6	8,502	7.1	67.7	4,145	7.2	69.7	4,215	5.9	59.8
Singapore	—	—	—	322	0.3	—	3,176	2.6	—	1,266	2.2	—	1,792	2.5	—
	14,551	17.2	67.7	27,374	26.2	60.6	32,276	26.8	55.3	16,234	28.3	60.6	18,536	26.0	60.5
Other															
Optical disc business															
Singapore	5,090	6.0	48.9	3,318	3.2	46.9	2,045	1.7	37.1	1,250	2.2	41.0	921	1.3	33.0
Others	2,893	3.5	1.9	1,748	1.6	—	143	0.1	—	143	0.2	—	—	—	—
	7,983	9.5	31.9	5,066	4.8	30.6	2,188	1.8	26.0	1,393	2.4	28.9	921	1.3	33.0
Total	84,443	100.0	66.1	104,538	100.0	65.8	120,288	100.0	65.2	57,371	100.0	66.7	71,269	100.0	69.6

Below set out the weighted average occupancy rate and weighted average rental rate per bed of our accommodation business by business segment and geographical location during the Track Record Period:

	Workers accommodation assets		Student accommodation assets		
	Singapore	Malaysia	United Kingdom	Australia	Singapore
Weighted average occupancy rate (approximately)					
For the year ended 31 December 2014	89.8%	85.2%	99.6%	100%	—
For the year ended 31 December 2015	85.9%	82.9%	99.1%	100%	30.9%

SUMMARY

	Workers accommodation assets		Student accommodation assets		
	Singapore	Malaysia	United Kingdom	Australia	Singapore
	For the year ended 31 December 2016	83.9%	65.8%	98.4%	99.3%
For the six months ended 30 June 2017	93.9%	76.7%	95.3%	100%*	90.2%

Weighted average rental rate per bed (approximately)

	<i>Per month</i>		<i>Per week</i>		
For the year ended 31 December 2014	S\$285	S\$33	S\$200	S\$336	—
For the year ended 31 December 2015	S\$273	S\$35	S\$204	S\$315	S\$118
For the year ended 31 December 2016	S\$277	S\$33	S\$197	S\$345	S\$179
For the six months ended 30 June 2017	S\$274	S\$33	S\$197	S\$369	S\$179

* Based on available beds, after the closure of 29 beds for the asset enhancement programme of the RMIT Village which would add up to 160 new beds upon completion in the fourth quarter of 2018.

The weighted average occupancy rate for the workers accommodation assets in Singapore decreased from approximately 89.8% to 85.9% and then to 83.9% and increased to approximately 93.9% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. This was mainly due to the ramping up of the Westlite Woodlands Accommodation and the ASPRI-Westlite Papan Accommodation which commenced operations in the year ended 31 December 2015 and the year ended 31 December 2016, respectively.

The weighted average occupancy rate for the workers accommodation assets in Malaysia decreased from approximately 85.2% to 82.9% and then to 65.8% and increased to approximately 76.7% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. This was mainly due to the decrease in resident workers population of our workers accommodation assets for the same period as a result of Malaysia government's policies in freezing the intake of foreign workers to Malaysia and relaxing this policy towards the end of 2016.

The weighted average occupancy rate of dwell Selegie was lower in the year ended 31 December 2015 due to the initial start-up and ramping up of the occupancy as it only commenced operations in September 2015. From the year ended 31 December 2016 onwards, dwell Selegie had entered into a number of agreements with local academic institutions and there was an increase in walk-in students. Therefore, the occupancy rate has increased significantly.

With the improved occupancy rate, dwell Selegie started to charge higher rental rate starting from year 2016. Therefore, the weighted average rental per bed per week has increased significantly.

Cost structure of our workers and student accommodation businesses

We incurred higher costs for operating our student accommodation business as compared to that for our worker accommodation business during the Track Record Period, which was mainly attributable to (i) higher utility costs as we bore such expenses for the student tenants whereas the utility costs for worker accommodation were mostly borne by the tenants; (ii) higher repair and maintenance costs as we incurred turnaround costs for maintenance works for each academic year for our student accommodation assets; (iii) higher staff costs for our student accommodation business as compared to that of our worker accommodation; and (iv) higher rental expenses for the lease of our student accommodation asset in Singapore. The higher costs for our student accommodation business was offset by the higher property tax expenses for our workers accommodation business.

SUMMARY

Student accommodation assets generally experience above average “wear and tear” on their units. This leads to higher maintenance and renovation costs for our Group as compared to workers accommodation assets. The increase rate of “wear and tear” would require us to spend increased amounts on renovation at a shortened interval. A swift turnaround to prepare the student accommodation assets for the next academic year is needed to efficiently manage our student accommodation business. If not properly managed, this could have a material adverse effect on our business and financials.

Selected consolidated income statement

	For the year ended 31 December			For the six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				<i>(unaudited)</i>	
Revenue	84,443	104,538	120,288	57,371	71,269
Cost of sales	(28,659)	(35,718)	(41,885)	(19,108)	(21,662)
Gross profit	55,784	68,820	78,403	38,263	49,607
Other income and gains	864	1,543	2,041	416	785
Net fair value gains/(losses) on investment properties and assets held for sale	40,308	3,550	(3,121)	—	1,743
Expenses					
— Distribution expenses	(1,175)	(1,470)	(1,313)	(691)	(480)
— Administrative expenses	(14,502)	(20,241)	(18,166)	(7,975)	(11,578)
— Finance expenses	(8,889)	(15,940)	(21,383)	(10,815)	(10,048)
Share of profit of associated companies and joint ventures	45,332	5,986	5,398	2,780	1,468
Profit before income tax	117,722	42,248	41,859	21,978	31,497
Income tax expense	(6,503)	(8,269)	(7,048)	(4,204)	(8,258)
Profit from continuing operations	111,219	33,979	34,811	17,774	23,239
Profit from core business operations (<i>note</i>)	31,949	35,708	38,281	17,774	28,502

Note: Profit from core business operations is the profit from continuing operations adjusted for fair value (gains)/loss on investment properties, including those of associated companies, provision/(written back) deferred tax arising from fair value gains, share of profit from associated company from one-off sale of development properties, written down of investment in associated company and listing expenses. Profit from core business operations is a non-IFRS measure. We consider the disclosure of the profit from core business operations can provide potential investors with a better and clearer understanding of our year-to-year or period-to-period recurring profit derived from our core business operations. Please refer to note to the consolidated income statements under the paragraph headed “Financial information - Summary of results of operations” in this prospectus for the reconciliation of profit from core business operations with net profits.

The increase in our revenue and profit from core business operations during the Track Record Period was primarily due to our Group’s continual expansion of our workers and student accommodation portfolio to approximately 61,600 beds.

SUMMARY

Selected consolidated balance sheets

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Non-current assets	791,587	993,552	1,015,900	1,028,271
Current assets	82,446	148,092	103,834	112,812
Current liabilities	70,988	200,789	97,615	98,705
Net current assets/(liabilities)	11,458	(52,697)	6,219	14,107
Non-current liabilities	411,485	537,959	622,637	626,567
Net assets	391,560	402,896	399,482	415,811

Our net current assets/(liabilities) decreased from approximately S\$11.5 million as at 31 December 2014 to approximately S\$(52.7) million as at 31 December 2015. Our net current assets/(liabilities) increased from approximately S\$(52.7) million as at 31 December 2015 to approximately S\$6.2 million as at 31 December 2016. As at 30 June 2017, our net current assets increased to approximately S\$14.1 million.

Selected consolidated statement of cash flow

	For the year ended 31 December			For the six months ended 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Net cash provided by operating activities	53,544	54,071	69,521	31,931
Net cash used in investing activities	(268,111)	(190,860)	(84,570)	(16,708)
Net cash provided by/(used in) financing activities	230,303	213,117	(37,909)	(13,652)
Net increase/(decrease) in cash and cash equivalents held	15,736	76,328	(52,958)	1,571
Cash and cash equivalents at the beginning of the year	43,558	59,116	134,388	80,219
Effect of currency translation on cash and cash equivalents	(178)	(1,056)	(1,211)	115
Cash and cash equivalents at the end of the year	59,116	134,388	80,219	81,905

Key financial ratios

	As at/For the year ended 31 December			As at/For the six months ended 30 June
	2014	2015	2016	2017
Current ratio (<i>times</i>)	1.2	0.7	1.1	1.1
Quick ratio (<i>times</i>)	1.2	0.7	1.1	1.1
Net gearing ratio	94.4%	132.3%	144.7%	139.6%
Gearing ratio (<i>note</i>)	110.5%	166.7%	165.3%	159.9%
Return on total assets	3.7%	3.1%	3.4%	5.1%
Return on equity	8.2%	8.9%	9.8%	12.9%
Interest coverage ratio (<i>times</i>)	5.2	3.8	3.1	4.4

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Note: Gearing ratio is calculated as total debt divided by total equity as at the respective period end. Please refer to the paragraph headed “Financial information — Key financial ratios” in this prospectus for the method of calculation of other key financial ratios.

Our gearing ratio increased from approximately 110.5% to approximately 166.7% mainly due to the increase in bank borrowings and MTN issued in 2015. It has decreased to approximately 165.3% as at 31 December 2016 due to the redemption of MTN in October 2016, and further reduced to approximately 159.9% as at 30 June 2017 due to loan repayment. Please refer to the paragraph headed “Financial information — Key financial ratios” for further details of our Group’s gearing ratio and the paragraph headed “Business — Risk management” for details of our capital and liquidity management policy.

PROPERTY VALUATION

The Property Valuer, Knight Frank Petty Limited, an independent property valuer, has valued our Group’s property interests and is of the opinion that the market value of our Group’s property interests (including land and buildings) as of 30 September 2017 was approximately S\$960.0 million (excluding property interests held by the associated companies) on the basis that our Group has property with a total site area of approximately 284,002 sq.m..

In forming the opinions in the Property Valuation Report, the Property Valuer has adopted various approaches, among others, as follows: (i) Property interests held by our Group for (a) investment in Australia and Malaysia; (b) owner occupation in Malaysia; (c) future development in Malaysia; and (d) leasing by our Group for investment under long lease in Malaysia — investment approach by capitalising the rental income derived from the existing tenancies, where applicable, with due provision for the reversionary income potential of the property interests and direct comparison method by making reference to comparable sale transactions as available in the relevant market where applicable; (ii) Property interests held by our Group for investment in the United Kingdom, Singapore and the PRC — investment approach by capitalising the rental income derived from the existing tenancies, where applicable, with due provision for the reversionary income potential of the property interests; and (iii) Property interests held by our Group for investment, owner occupation and future development in Indonesia — direct comparison method by making reference to comparable sale transactions as available in the relevant market where applicable.

The key assumptions adopted by the Property Valuer in preparation of the Property Valuation Report included among others, the property interests are not subject to any unusual or onerous covenants, restrictions, encumbrances or outgoings; no charges, mortgages or amounts owing on the property interests or for any expenses or taxation which may be incurred in effecting the sale; the properties were in satisfactory exterior and interior decorative order without any unauthorised extension or structural alternations or illegal uses as at the valuation date; and the properties interests were constructed, occupied and used in full compliance with, laws and regulations without contravention of any ordinances, statutory requirements and notices except otherwise stated. Please refer to the Property Valuation Report in Appendix III to this prospectus for further details.

CORPORATE DEVELOPMENT

Established in 1984, our Company commenced the business of manufacturing and sale of audio cassette tapes and other audio related products. Subsequently, our Company diversified into the manufacturing and sale of optical storage media products such as CDs and DVDs. Our Company was first listed on Sesdaq in January 1995 and subsequently transferred our listing to the main board of SGX-ST in October 1998. In August 2011, our Group completed the Reverse Takeover of our accommodation business by acquiring the entire issued share capital in Westlite Toh Guan and 45% shareholding in Lian Beng-Centurion, which resulted in the change in our Group’s principal business to the development, owning and management of workers accommodation in 2011 and we further diversified into the student accommodation business in 2014. Since then, we continue to calibrate the

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operational capacity of our optical disc business to keep in line with the levels of demand. Prudent cost management strategies are exercised to ensure that our optical disc business continues to contribute positively to the overall profitability of our Group and generates cash flows to meet our Group's expansion needs.

OUR CONTROLLING SHAREHOLDERS

Our ultimate holding corporation is Centurion Global, which is an investment holding company that owns a diverse portfolio of businesses covering sectors such as real estate, investment management, private equity investments and others. Centurion Global in turn is owned as to 50.0% by each of Mr. Loh and Mr. Han, respectively. As at the Latest Practicable Date, approximately 54.2% of our Shares were held by Centurion Global indirectly, through Centurion Properties and Thinkpac Limited as to 53% and 1.2%, respectively, both of which are wholly-owned subsidiaries of Centurion Global. As at the Latest Practicable Date, Mr. Loh and his spouse collectively had a direct interest of approximately 2.3% of our Shares and Mr. Han and his spouse collectively had a direct interest of approximately 1.5% of our Shares. Upon completion of the Share Offer, Centurion Global, Centurion Properties, Mr. Loh and Mr. Han will be deemed to be interested in approximately 53.0%, 53.0%, 55.3% and 54.5% of our Shares, respectively. Accordingly, Centurion Properties, Centurion Global, Mr. Loh and Mr. Han will become our Controlling Shareholders upon Listing. Further, (i) Ms. Wong Wan Pei, being the spouse of Mr. Loh; (ii) Ms. Kang Lee Cheng Susanna, being the spouse of Mr. Han; and (iii) Thinkpac Limited, will become part of the group of Controlling Shareholders of our Company upon Listing. The group of Controlling Shareholders will be interested in approximately 56.8% of our Shares upon Listing.

OFFERING STATISTICS

Offer Price	:	Not more than HK\$3.30 per Offer Share and not less than HK\$3.00 per Offer Share
Offer size	:	36,000,000 Offer Shares, representing approximately 4.5% of the enlarged issued share capital of our Company
Estimated market capitalisation upon Listing based on the mid-point Offer Price	:	Approximately HK\$2,648.5 million (or S\$473.0 million)
Board lot	:	1,000 Shares
Offering structure	:	Approximately 83.3% Placing and 16.7% Public Offer
Use of proceeds based on the mid-point Offer Price	:	Net proceeds to our Company of approximately HK\$72.5 million (or S\$13.0 million) from the issue of the Offer Shares will be utilised as follows: (i) approximately HK\$65.3 million (or S\$11.7 million), or approximately 90% of the estimated net proceeds will be used for the development costs of the new student accommodation in Adelaide, Australia; and (ii) approximately HK\$7.2 million (or S\$1.3 million), or approximately 10% of the estimated net proceeds will be used for general working capital.
Unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of our Company per Share	:	HK\$3.04 (or S\$0.54) based on an Offer Price of HK\$3.00 per Offer Share to HK\$3.05 (or S\$0.54) based on an Offer Price of HK\$3.30 per Offer Share (<i>Note</i>) (Please refer to the section headed "Unaudited pro forma financial information" as set out in Appendix II to this prospectus for further details regarding the assumptions used and the calculation method.)

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Note: The unaudited pro forma net tangible assets per Share would have been HK\$2.97 (equivalent to S\$0.53) per Share based on the Offer Price of HK\$3.00 and HK\$2.98 (equivalent to S\$0.53) per Share based on the Offer Price of HK\$3.30, respectively, if the dividend of approximately S\$7,957,000 declared on 7 August 2017 and paid on 15 September 2017 and net proceeds from exercise of warrants of approximately S\$33,677,000 had been accounted for based on 840,779,000 Shares in issue.

LISTING EXPENSES

The total expenses for the Listing (including underwriting fees and commission payable) are estimated to be approximately S\$7.3 million (or HK\$40.9 million), of which approximately S\$1.5 million (or HK\$8.4 million) is directly attributable to the issue of the Offer Shares in the Share Offer and to be accounted for as a deduction from equity (none had been accounted for as at 30 June 2017) and approximately S\$5.8 million (or HK\$32.5 million) is to be charged as administrative expenses to our consolidated statements of comprehensive income for the year ending 31 December 2017. The recognition of listing expenses is expected to materially affect our financial results for the year ending 31 December 2017. The estimated listing-related expenses of our Group are subject to adjustments based on the actual amount of expenses incurred by our Company upon completion of the Listing.

DIVIDEND

Dividends declared and paid for the three years ended 31 December 2016 and the six months ended 30 June 2017 was approximately S\$11.4 million, S\$11.3 million, S\$14.8 million and S\$8.0 million, respectively, which has been fully settled in cash from internal resources of our Group. On 7 August 2017, our Company declared an interim dividend of S\$1.0 cent per Share relating to the financial year 2017 amounting to approximately S\$8.0 million. The dividend has been fully settled in cash from operating activities of our Group on 15 September 2017.

Dividends distributed by our Company are tax exempt dividends for Singapore tax purposes, which means they will not be subject to Singapore tax in the hands of shareholders. There is also no Singapore withholding tax on dividends paid to non-residents. Our Directors intend to maintain a balance between reserving sufficient capital to grow our business and reward our Shareholders. The declaration of future dividends will be subject to our earnings, cash flow, financial condition, capital requirements, statutory reserve requirements and any other factors our Directors may consider relevant. The dividends distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by our Company in the future. Currently, we do not have any dividend policy.

TAXATION IN SINGAPORE

The prevailing Singapore corporate income tax rate is 17% and Singapore laws do not impose tax on capital gains. However, gains arising from the disposal of ordinary shares of a Singapore incorporated company may be construed to be of an income nature and subject to Singapore tax if the gains arise from activities which the Controller of Income Tax of Singapore considers as the carrying on of a trade or business in Singapore. Dividends distributed by the Company are tax exempt dividends for Singapore tax purpose such that they will not be subject to Singapore tax in the hands of shareholders. In addition, there are no Singapore tax consequences from holding our Shares, whether through CCASS or outside CCASS. At present, Singapore and Hong Kong have only concluded a limited treaty, which only covers airline and shipping income. Therefore, there is no tax relief or exemption available to the Company based on the limited tax treaty concluded between Singapore and Hong Kong. However, given that there is no withholding tax on dividends, the availability of any tax treaty relief or exemption is not relevant. Please refer to section headed "Regulatory overview Singapore taxation" for further details.

RECENT DEVELOPMENT

As far as we are aware, our industry remained relatively stable after the Track Record Period and up to the Latest Practicable Date. There was no material adverse change in the general economic and market conditions in Singapore, the United Kingdom, Australia and Malaysia or the industry in

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which we operate that had affected or would affect our business operations or financial condition materially and adversely. As part of our asset rationalisation exercise, Westlite Desa Cemerlang Accommodation ceased operations in January 2017 and the property was held for sale as at the Latest Practicable Date. In May 2017, we commenced an asset enhancement programme for the development of a new wing at RMIT Village, which will add approximately 34.8% of its current bed capacity to approximately 620 beds and is expected to be completed in the fourth quarter of 2018. In July and August 2017, we entered into six conditional agreements for the proposed acquisitions of six existing PBSA assets, across five states in the USA, including Auburn, Alabama; Tallahassee, Florida; Madison, Wisconsin and College Station, Texas; and New Haven, Connecticut, with an aggregate capacity of approximately 2,140 beds. Please refer to “Business — Our business — A. Our accommodation business — 2. Student accommodation business — (d) Proposed acquisition of student accommodation business in the USA” for further details. It is also contemplated that our Group will enter into a joint venture with a partner which is an established student accommodation manager in the USA to manage the operations of these assets after completion.

From 1 July 2017 and up to the date of this prospectus, we did not experience any significant drop in revenue or increase in cost of sales or other costs as there were no significant changes to the general business model of our Group and economic environment. In November 2017, 19,449,600 treasury shares held by our Company were cancelled pursuant to Section 76K of the Companies Act. Prospective investors should note that the financial performance of our Group for the year ending 31 December 2017 is expected to be affected by the non-recurrent expenses in relation to the Share Offer. Prospective investors are specifically warned that, given the aforesaid expenses, our Group’s financial performance for the year ending 31 December 2017 may not be comparable to that of the previous years.

Performance review for the third quarter of 2017

Please also refer to Appendix IA to this prospectus for the results of our Group for the nine months ended 30 September 2017, which have been reviewed by PricewaterhouseCoopers, our reporting accountant, in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by Independent Auditor of the Entity”.

No material adverse change

Our Directors confirmed that, save for the non-recurring listing expenses, the declaration of interim dividend and the cancellation of the treasury shares held by our Company as disclosed above, up to the date of this prospectus, there had been no material adverse change in the financial or trading position of our Group since 30 June 2017 (being the date of which our Group’s latest audited consolidated financial statements were made up as set out in the Accountant’s Report as set out in Appendix I to this prospectus) and there has been no occurrence of any event since 30 June 2017 which would materially affect the information shown in the Accountant’s Report as set out in Appendix I to this prospectus.

DEFINITIONS

In this prospectus, the following expressions have the following meanings, unless the context otherwise requires:

“Accountant’s Report”	the accountant’s report as set out in Appendix I to this prospectus
“affiliate(s)”	any other person(s), directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“Application Form(s)”	WHITE Application Form(s) and YELLOW Application Form(s) or where the context so requires, any of them, to be used in connection with the Public Offer
“ASPRI”	the Association of Process Industry of Singapore, a membership-based trade association that represents interests of companies in the process industry in Singapore
“ASPRI-Westlite Papan Accommodation”	a PBWA asset and ASPRI training centre located at 5/5C/5D Jalan Papan, Singapore
“associate(s)” or “close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“AUD” or “A\$”	the lawful currency of Australia
“Audit Committee”	the audit committee of our Board
“Board” or “our Board”	our board of Directors
“Braemar Portfolio”	a portfolio of PBSA assets in the United Kingdom comprising dwell Beechwood House, dwell Garth Heads, dwell Hotwells House and dwell Weston Court
“Business Day”	any day (other than a Saturday, a Sunday or a public holiday) on which licensed banks in Hong Kong are generally open for normal banking business to the public
“BVI”	the British Virgin Islands
“CAGR”	compound annual growth rate

DEFINITIONS

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Clearing Participant”	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Operational Procedures”	the operational procedures of the HKSCC in relation to CCASS containing the practices, procedures and administrative requirements relating to the operations and functions of CCASS, as from time to time in force
“CCASS Participant”	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant
“CDP”	The Central Depository (Pte) Limited
“Centurion Global”	Centurion Global Ltd, a company incorporated in BVI on 16 April 2008, which is owned as to 50% by Mr. Loh and 50% by Mr. Han
“Centurion-Lian Beng Papan”	Centurion-Lian Beng (Papan) Pte. Ltd., a private limited company incorporated in Singapore on 9 October 2013, which is a 51% owned subsidiary of our Company
“Centurion Overseas Ventures”	Centurion Overseas Ventures Ltd., a private limited company incorporated in Labuan, Malaysia on 27 November 2013 and is an indirect wholly-owned subsidiary of our Company
“Centurion Properties”	Centurion Properties Pte. Ltd., a company incorporated in Singapore on 10 March 2004 and is wholly-owned by Centurion Global, which is our Controlling Shareholder

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“China” or “PRC”	the People’s Republic of China, which for the purpose of this prospectus and for geographical reference only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Companies Act”	the Companies Act (Cap. 50) of Singapore, as amended, supplemented or otherwise modified from time to time
“Companies (Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies Registry”	the Companies Registry of Hong Kong
“Company”, “our Company”, “SM Summit”, “us” or “we”	Centurion Corporation Limited (formerly known as SM Summit Holdings Limited from 30 December 1994 until 1 August 2011, Summit Audio Industries Pte. Ltd. from 19 June 1991 until 30 December 1994 and Summit Audio Enterprise Pte. Ltd. from 31 March 1984 until 19 June 1991), a company incorporated in Singapore on 31 March 1984, and had been listed on Sesdaq of SGX-ST from 26 January 1995 and then transferred to the main board of the SGX-ST on 28 October 1998 and registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on 22 June 2017
“Compliance Adviser”	VBG Capital Limited
“connected person(s)” or “core connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Constitution”	the constitution of our Company, as amended, supplemented or otherwise modified from time to time, a summary of which is set out in the section headed “Summary of the constitution of our Company and salient provisions of the laws of Singapore” as set out in Appendix IV to this prospectus

DEFINITIONS

“Controlling Shareholder(s)”	(i) the controlling shareholder(s) (having the meaning ascribed to it in the Listing Rules) of our Company, namely, Centurion Properties, Centurion Global, Mr. Loh and Mr. Han; and (ii) Ms. Wong Wan Pei (being the spouse of Mr. Loh), Ms. Kang Lee Cheng Susanna (being the spouse of Mr. Han) and Thinkpac Limited, as part of the group of Controlling Shareholders of our Company
“Deed of Indemnity”	the deed of indemnity dated 21 November 2017 and executed by our Controlling Shareholders in favour of our Company (for ourselves and as trustee for each of our subsidiaries), particulars of which are set out in the paragraph headed “D. Other information — 1. Deed of Indemnity” as set out in Appendix VI to this prospectus
“Deed of Non-competition”	the deed of non-competition dated 21 November 2017 executed by our Controlling Shareholders in favour of our Company (for ourselves and as trustee for each of our subsidiaries), particulars of which are set out in the paragraph headed “Relationship with Controlling Shareholders — Non-competition undertaking” in this prospectus
“Director(s)” or “our Director(s)”	the director(s) of our Company
“dwell Adelaide”	a PBSA asset under construction as at the Latest Practicable Date and is expected to be completed in the fourth quarter of 2018, which is located at 12-18 Synagogue Place, Adelaide, SA5000, Australia
“dwell Beechwood House”	a PBSA asset located at House 9–11 Ladybarn Lane, Fallowfield, Manchester, M14 6NQ, United Kingdom
“dwell Cathedral Campus”	a PBSA asset located at 1 Dean Patey Court, Cathedral Gate, Off Upper Duke Street, Liverpool, L1 7BT, United Kingdom
“dwell Garth Heads”	a PBSA asset located at Melbourne Street, Newcastle upon Tyne NE1 2JE, United Kingdom
“dwell Hotwells House”	a PBSA asset located at 192–216 Hotwell Road, Bristol BS8 4UR, United Kingdom

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“dwell Manchester Student Village”	a PBSA asset located at Lower Chatham Street, Manchester, M1 5SX, United Kingdom
“dwell Manchester Student Village South”	a PBSA asset located at 357A Great Western Street, Manchester, M14 4AH, United Kingdom
“dwell Selegie”	a PBSA asset located at 1A Short Street, Singapore 188210
“dwell The Grafton”	a PBSA asset located at 60 Grafton Street, Manchester, M13 9NU, United Kingdom
“dwell Weston Court”	a PBSA asset located at 45–47 Cromwell Range, Fallowfield, Manchester M14 6HH, United Kingdom
“Euromonitor”	Euromonitor International Limited, an independent market research expert and an Independent Third Party
“Euromonitor Report”	the industry report prepared by Euromonitor and commissioned by our Company, a summary of which is set out in the section headed “Industry overview” in this prospectus
“FEDA”	Foreign Employee Dormitories Act 2015 (No. 3 of 2015) of Singapore, as amended, supplemented or otherwise modified from time to time
“GDP”	gross domestic product
“Group”, “our Group”, “we” or “us”	our Company together with our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, such subsidiaries as if they were our subsidiaries at the relevant time
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC

DEFINITIONS

“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Branch Share Register”	the branch share register of members of our Company in Hong Kong maintained by our Hong Kong Branch Share Registrar
“Hong Kong Branch Share Registrar”	Tricor Investor Services Limited, being the Hong Kong branch share registrar of our Company
“Hong Kong dollar(s)” or “HK\$”	Hong Kong dollar(s) and cent(s), respectively, the lawful currency of Hong Kong
“IFRS”	International Financial Reporting Standards, amendments and interpretations issued by the International Accounting Standards Board
“Independent Third Party(ies)”	individual(s) or company(ies) who or which is or are independent of and not connected with (within the meaning of the Listing Rules) any of our Directors, chief executive or substantial Shareholders of our Company or our subsidiaries or any of their respective associates
“Joint Global Coordinators”, “Joint Bookrunners” or “Joint Lead Managers”	UOB Kay Hian, Pacific Foundation and VBG Capital
“Latest Practicable Date”	20 November 2017, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information in this prospectus
“Lian Beng-Centurion”	Lian Beng-Centurion (Mandai) Pte. Ltd., a private limited company incorporated in Singapore on 4 January 2011, which is a 45%-owned associated company of our Company
“Lian Beng Group”	Lian Beng Group Ltd, a company incorporated in Singapore and is listed on the main board of SGX-ST, together with its subsidiaries

DEFINITIONS

“LIMA Portfolio”	a portfolio of PBSA assets in the United Kingdom comprising dwell Cathedral Campus, dwell Manchester Student Village, dwell Manchester Student Village South and dwell The Grafton
“Listing”	the listing of our Shares on the Main Board of the Stock Exchange
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Date”	the date on which the dealings in our Shares first commence on the Stock Exchange which is expected to be on or about 12 December 2017
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM
“mm”	millimetre(s)
“MTN”	multicurrency medium term notes issued by our Company pursuant to the programme agreement dated 6 September 2013 made between our Company as issuer, DBS Bank Ltd. as arranger and dealer and constituted by the trust deed dated 6 September 2013 and supplemental trust deed dated 29 October 2014 made between our Company and DBS Trustee Limited, as amended, varied or supplemented from time to time
“MOM”	the Ministry of Manpower of Singapore
“Mr. Han”	Mr. Han Seng Juan (韓成元), a Controlling Shareholder of our Company and a non-executive Director
“Mr. Loh”	Mr. Loh Kim Kang David, a Controlling Shareholder of our Company and a non-executive Director

DEFINITIONS

“Mr. Teo”	Mr. Teo Peng Kwang, our chief operating officer for accommodation business
“Nominating Committee”	the nominating committee of our Board
“Offer Price”	the final offer price per Offer Share in Hong Kong dollars (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), at which the Offer Shares are to be subscribed pursuant to the Share Offer, which will not be more than HK\$3.30 and is currently expected to be not less than HK\$3.00 and to be agreed upon by our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on or before the Price Determination Date
“Offer Shares”	collectively, the Public Offer Shares and the Placing Shares
“Pacific Foundation”	Pacific Foundation Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 9 (asset management) regulated activities under the SFO
“Placing”	the conditional placing of the Placing Shares by the Placing Underwriters on behalf of our Company with professional, institutional and other investors in Hong Kong for cash at the Offer Price, as further described in the section headed “Structure and conditions of the Share Offer” in this prospectus
“Placing Shares”	30,000,000 new Shares initially offered by our Company for subscription at the Offer Price (subject to re-allocation as described in the section headed “Structure and conditions of the Share Offer” in this prospectus)
“Placing Underwriters”	the underwriters of the Placing, who are expected to enter into the Placing Underwriting Agreement to underwrite the Placing

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“Placing Underwriting Agreement”	the conditional underwriting agreement relating to the Placing and to be entered into on or about the Price Determination Date by, among others, our Company, our non-executive Directors, the Controlling Shareholders, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Placing Underwriters, particulars of which are summarised in the section headed “Underwriting” in this prospectus
“Pounds” or “£”	Pound sterling or British Pounds, the lawful currency of the United Kingdom
“Price Determination Agreement”	the agreement to be entered into by our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on or before the Price Determination Date to record and fix the final Offer Price
“Price Determination Date”	the date on which the Offer Price is to be determined, is expected to be on or about Wednesday, 6 December 2017, or such later date as may be agreed between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters), but in any event not later than Friday, 8 December 2017
“Property Valuation Report”	the property valuation report prepared by the Property Valuer as set out in Appendix III to this prospectus
“Property Valuer”	Knight Frank Petty Limited, an Independent Third Party and an independent property valuer
“Public Offer”	the conditional offer to the public in Hong Kong for subscription of the Public Offer Shares at the Offer Price, on and subject to the terms and conditions stated in this prospectus and in the Application Forms, details of which are described in the section headed “Structure and conditions of the Share Offer” in this prospectus and the related Application Forms

DEFINITIONS

“Public Offer Shares”	the 6,000,000 new Shares initially offered by our Company for subscription pursuant to the Public Offer, representing approximately 16.7% of the total number of the Offer Shares (subject to re-allocation as described in the section headed “Structure and conditions of the Share Offer” in this prospectus)
“Public Offer Underwriters”	the underwriters of the Public Offer whose names are set forth in the paragraph headed “Underwriting — Public Offer Underwriters” in this prospectus
“Public Offer Underwriting Agreement”	the conditional underwriting agreement dated on or around Tuesday, 28 November 2017 relating to the Public Offer and entered into by, among others, our Company, our non-executive Directors, the Controlling Shareholders, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Public Offer Underwriters, particulars of which are summarised in the section headed “Underwriting” in this prospectus
“Remuneration Committee”	the remuneration committee of the Board
“Reverse Takeover”	the acquisitions by our Company of (i) 45% interest in Lian Beng-Centurion; and (ii) the entire issued and paid-up share capital of Westlite Toh Guan pursuant to the terms and conditions of the sale and purchase agreements both dated 6 April 2011 and completed in August 2011, which acquisition was classified as a “reverse takeover” pursuant to Rule 1015 of the Singapore Listing Manual
“RM”	Malaysian Ringgit, the lawful currency of Malaysia
“RMB”	Renminbi, the lawful currency of the PRC
“RMIT Village”	a PBSA asset associated with a university located at 5–17 Flemington Road, North Melbourne VIC 3051, Australia
“Rp”	Indonesian Rupiah, the lawful currency of Indonesia
“Rules of CCASS”	the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time

DEFINITIONS

“Sesdaq”	Stock Exchange of Singapore Dealing and Automated Quotation System, the predecessor of the catalist board of the SGX-ST
“SFA”	the Securities and Futures Act (Cap. 289) of Singapore, as amended, supplement or otherwise modified from time to time
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Share(s)”	ordinary share(s) in the share capital of our Company with no par value
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Share Offer”	the Public Offer and the Placing
“Singapore Code”	the Singapore Code on Take-overs and Mergers, as amended, supplemented or otherwise modified from time to time
“Singapore Listing Manual”	the listing manual of the main board of the SGX-ST as amended, supplemented or otherwise modified from time to time
“Singapore Principal Share Register”	the principal share register of members of our Company in Singapore maintained by our Singapore Principal Share Registrar
“Singapore Principal Share Registrar”	B.A.C.S. Private Limited, being the Singapore share registrar of our Company
“SLA”	Singapore Land Authority

DEFINITIONS

“Sole Sponsor” or “VBG Capital”	VBG Capital Limited, a corporation licensed to engage in Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the sole sponsor to the Share Offer
“sq.m.”	square metre(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“Summit CD Manufacture”	Summit CD Manufacture Pte. Ltd., a private limited company incorporated in Singapore on 7 May 1981 and is a direct wholly-owned subsidiary of our Company
“S\$” or “SGD”	Singapore dollars, the lawful currency of Singapore
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC as amended, supplemented or otherwise modified from time to time
“Thinkpac Limited”	Thinkpac Limited, a company incorporated in BVI on 15 March 2007, which is wholly-owned by Centurion Properties
“Track Record Period”	the period comprising the three years ended 31 December 2016 and the six months ended 30 June 2017
“UK” or “United Kingdom”	the United Kingdom of Great Britain, Northern Ireland, Scotland and Wales
“Underwriters”	collectively, the Public Offer Underwriters and the Placing Underwriters
“Underwriting Agreements”	the Public Offer Underwriting Agreement and the Placing Underwriting Agreement

DEFINITIONS

“UOB Kay Hian”	UOB Kay Hian (Hong Kong) Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
“URA”	Urban Redevelopment Authority of Singapore
“USA”, “US” or “United States”	the United States of America, including its territories and possessions and all areas subject to its jurisdiction
“US\$”	United States dollars, the lawful currency of the United States of America
“Warrants”	the bonus warrants issued by our Company on 28 October 2013, each of which carries the right to subscribe for one (1) new Share at an exercise price of S\$0.50 for each Share and expired on 27 October 2017
“Westlite Bukit Minyak Land”	a parcel of land located at Jalan Sri Tambun 1, 14100 Simpang Ampat, Penang, Malaysia which is under construction
“Westlite Desa Cemerlang Accommodation”	a PBWA asset located at Lot 2152, Batu 13 1/4, Jalan Sungai Tiram 81800 Ulu Tiram, Johor, Malaysia, the operation of which ceased in January 2017
“Westlite Johor Technology Park Accommodation”	a PBWA asset located at PLO 46, Jalan Teknologi 5, Taman Teknologi Johor, 81400 Senai, Johor, Malaysia
“Westlite Juru Land”	a parcel of land located at Jalan Juru, Mukim 13, Seberang Perai, Tengah, Bukit Mertajam, Penang, Malaysia, which is pending completion of the acquisition and final planning approval
“Westlite Mandai”	Lian Beng-Centurion (Dormitory) Pte. Ltd., a private limited company incorporated in Singapore on 15 September 2011, which is wholly owned by Lian Beng-Centurion
“Westlite Mandai Accommodation”	a PBWA asset located at 32/34/36 Mandai Estate, Singapore, which our Group owns 45% interest through Lian Beng-Centurion

DEFINITIONS

“Westlite Nusajaya Land”	a parcel of land located at Lot No. 1108 Mukim of Jeram Batu, District of Pontion, Johor, Malaysia
“Westlite Pasir Gudang Accommodation”	a PBWA asset located at Lot Nos. No. 72, 73, 74, 75, Jalan Tembusu, Taman Air Biru, 81700 Pasir Gudang, Johor, Malaysia
“Westlite Senai Accommodation”	a PBWA asset located at Lot 6212, Taman Perindustrian Senai, Mukim Senai, Daerah Kulaijaya, Johor Darul Takzim, Malaysia
“Westlite Senai II Accommodation”	a PBWA asset located at Lot 6214, Taman Perindustrian Senai, Mukim Senai, Daerah Kulaijaya, Johor Darul Takzim, Malaysia
“Westlite Tampoi Accommodation”	a PBWA asset located at No. 6, Jalan Bayu, Taman Perindustrian Tampoi Jaya, 81200 Johor Bahru, Johor Darul Takzim, Malaysia
“Westlite Tebrau”	Westlite Dormitory (Tebrau) Sdn. Bhd. (formerly known as Alpha Sunshine Sdn. Bhd. from 20 October 2010 until 29 August 2012), a private limited company incorporated in Malaysia on 20 October 2010 and is an indirect wholly-owned subsidiary of our Company
“Westlite Tebrau Accommodation”	a PBWA asset located at PLO 250, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor, Malaysia
“Westlite Toh Guan”	Westlite Dormitory (Toh Guan) Pte. Ltd. (formerly known as Duchess Dormitory Pte. Ltd. from 23 July 2007 until 30 May 2008 and as Centurion Dormitory (Westlite) Pte. Ltd. from 1 June 2008 until 1 August 2012), a private limited company incorporated in Singapore on 23 July 2007 and is an indirect wholly-owned subsidiary of our Company
“Westlite Toh Guan Accommodation”	a PBWA asset located at 14/16/18/20/22/24/26/28 Toh Guan Road East, Singapore

DEFINITIONS

“Westlite Tuas”	Westlite Dormitory (Tuas) Pte. Ltd. (formerly known as 5 Star Dormitory Management Pte. Ltd. from 15 February 2005 until 27 June 2012), a private limited company incorporated in Singapore on 15 February 2005 and is an indirect wholly-owned subsidiary of our Company
“Westlite Tuas Accommodation”	a PBWA asset located at 90 Tuas South Avenue 9, Singapore
“Westlite Woodlands”	Westlite Dormitory (Woodlands) Pte. Ltd. (formerly known as Di Food Services Pte. Ltd. from 28 March 2005 until 4 June 2013 and as Westlite Dormitory (V One) Pte. Ltd. from 5 June 2013 until 27 October 2015), a private limited company incorporated in Singapore on 28 March 2005 and is an indirect wholly-owned subsidiary of our Company
“Westlite Woodlands Accommodation”	a PBWA asset located at 2 Woodlands Sector 2, Singapore 737723
“WHITE Application Form(s)”	the application form(s) for use by the public who require(s) such Public Offer Shares to be issued in the applicant’s or applicant’s own name(s)
“YELLOW Application Form(s)”	the application form(s) for use by the public who require(s) such Public Offer Shares to be deposited directly into CCASS
“%”	per cent.

Unless expressly stated or the context requires otherwise in this prospectus:

- *all dates and times refer to Hong Kong time;*
- *all information is as at the Latest Practicable Date;*
- *certain monetary amount and percentage figures have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them; and*
- *certain figures used in this prospectus that are expressed in HK\$ are calculated based on the conversion rate of SGD1 = HK\$5.60. No representation is made that any amounts in SGD or HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates or at all.*

GLOSSARY OF TECHNICAL TERMS

This glossary contains explanation of certain terms and definitions used in this prospectus in connection with our business and operations. The terms and their meanings may not correspond to the standard industry meanings or usage of those terms.

“CD”	compact disc, an optical disc used to store audio, video or computer data
“CDR”	compact disc recordable onto which data can be written but not erased or modified
“DVD”	digital versatile disc or digital video disc, an optical disc used to store audio, video or computer data
“DVDR”	DVD recordable, a DVD which data can be written but not erased or modified
“ERP”	acronym for enterprise resource planning. ERP systems are data information systems to manage production planning, production, delivery and inventory management
“GFA”	gross floor area
“GIRO”	a tripartite mechanism between billing organisations, customer and the bank for electronic direct debit to collect payments
“PBSA”	purpose-built student accommodation
“PBWA”	purpose-built workers accommodation
“purpose-built”	purpose-built dormitories are specially designed and built dormitories with features such as amenities, services and recreational facilities to meet the needs of residents
“StarRez system”	StarRez is a comprehensive student housing solution including online housing applications, online roommate and room self selection, roommate matching, core staff administrative functions such as billing, reporting, email and mail merge, as well as complete integration with other campus systems

FORWARD-LOOKING STATEMENTS

We have included in this prospectus forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements. We have made these statements with due care and have no reason to believe that the statements are not accurate.

These forward-looking statements include, without limitation, statements relating to our future financial position and results of operations, our strategies, plans, objectives, goals and targets, future developments in the markets where we participate or are seeking to participate, any statements preceded by, followed by or that include the words “aim”, “anticipate”, “believe”, “consider”, “continue”, “could”, “estimate”, “expect”, “going forward”, “intend”, “ought to”, “may”, “plan”, “potential”, “predict”, “project”, “seek”, “should”, “will”, “would” and similar expressions or the negative thereof, and any other statements in this prospectus that are not historical facts.

These forward-looking statements are based on current plans and estimates, and speak only as at the date they are made. We undertake no obligation to update or revise any forward-looking statement in light of new information, future events or otherwise. Forward-looking statements involve inherent risks and uncertainties and are subject to assumptions, some of which are beyond our control. We caution you that a number of important factors could cause actual outcomes to differ, or to differ materially, from those expressed in any forward-looking statement. These factors include, among others, the following:

- our business strategies and plans to execute these strategies;
- our capital expenditure plans;
- our operations and business prospects, including development plans for our existing and new businesses;
- business opportunities that we may pursue;
- projects under construction or planning;
- our financial condition;
- availability of bank loans and other forms of financing;
- our ability to reduce costs;
- our dividend policy;
- the future developments trends, conditions and competitive environment in our industry;

FORWARD-LOOKING STATEMENTS

- the effect of the global financial markets and economic crisis;
- changes or volatility in interest rates, foreign exchange rates and overall market changes;
- changes in government policies, laws or regulations, in particular the regulatory environment for our industry in general; and
- the general economic trend of Singapore, the United Kingdom, Australia, Malaysia, Hong Kong, the PRC and globally.

Additional factors that could cause actual results, performance or achievement to differ materially include, but not limited to, those discussed under the section headed “Risk factors” and elsewhere in this prospectus. Due to these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all.

Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements contained in this prospectus are qualified by reference to this cautionary statement.

RISK FACTORS

Prospective investors should consider carefully all the information set forth in this prospectus and, in particular, should consider the following risks and special considerations in connection with an investment in our Company before making an investment in our Shares. The occurrence of any of the following risks may have a material adverse effect on the business, results of operations, financial conditions and future prospects of our Group. Additional risks not currently known to us or that we now deem immaterial may also harm us and affect your investment.

This prospectus contains certain forward-looking statements regarding our plans, objectives, expectations and intentions which involve risks and uncertainties. Our Group's actual results could differ materially from those discussed in this prospectus. Factors that could cause or contribute to such differences include those discussed below as well as those discussed elsewhere in this prospectus. The trading price of our Shares could decline due to any of these risks and you may lose all or part of your investment.

A. RISKS RELATING TO OUR BUSINESS

I. Risks associated with workers accommodation business

Our Group's business may be affected by relevant local government's or foreign governments' policy changes which reduce the number of foreign workers

Our Group provides housing for foreign workers employed in Singapore and Malaysia. For the three years ended 31 December 2016 and the six months ended 30 June 2017, the workers accommodation business contributed to approximately 73.3%, 69.0%, 71.4% and 72.7% of our Group's total revenue, respectively. The workers accommodation industry is dependent on the presence of a certain transient population of foreign workers in Singapore and Malaysia which is subject to the policies (including those governing foreign worker levies and the granting of work permits) imposed by the governmental bodies in the two countries. Any change in such policies which increases the foreign worker levies payable by companies employing foreign workers in Singapore and Malaysia or which reduces the number of work permits granted to foreign workers or which reduces the ratio of foreign workers to domestic workers could result in a reduction of foreign workers in Singapore and Malaysia. In addition, the employers of these foreign workers may be affected by policies of immigration and other authorities of the different countries where the foreign workers come from. Any future changes to the policies of the immigration department of any country that restricts the export of labour may adversely affect the numbers of foreigners of that nationality who are employed to work. In the event that suitable replacements from other countries cannot be obtained, this may affect the number of foreign workers, and hence the occupancy rate of our Group's workers accommodation assets and business operations. As a result of any of the above situations, our business, profitability, financial conditions and results of our operations could be adversely affected.

RISK FACTORS

Our Group is dependent on the industries in which our customers operate in

Our Group's customers comprise companies that rent accommodation units to house their foreign workers. As at the Latest Practicable Date, such customers principally comprised companies operating in the marine, engineering, manufacturing, oil and gas, and construction industries in Singapore and Malaysia. As such, our Group will be affected by the cyclical changes of such industries in Singapore and Malaysia. A downturn in these industries in Singapore and Malaysia may result in fewer marine, engineering, oil and gas or construction projects which may lead to a fluctuation of the number of foreign workers brought into Singapore and Malaysia to work on such projects. A downturn may also halt or delay existing projects thereby causing existing foreign workers to be repatriated to their home countries due to a lack of suitable employment for them. For example, in the oil and gas industry, the level of business activities is affected principally by actual and projected prices of oil and gas which are subject to substantial fluctuation, as seen in 2015 and 2016. Such price fluctuations are beyond the control of our Group, and a decrease in business activities in the oil and gas sector may in turn lead to less demand for our Group's accommodation from workers in the oil and gas industry. As a result, our business, profitability, financial conditions and results of our operations could be adversely affected.

Our Group's business may be affected by changes in regulations relating to the workers accommodation industry

The workers accommodation industry in Singapore and Malaysia is subject to various government regulations which regulate general matters such as compulsory land acquisition, urban redevelopment and planning, as well as restrictions on the design, construction and use of properties as workers accommodation. Compliance with such regulations may increase our Group's cost of operations.

Changes in laws and governmental regulations relating to real estate including those governing usage, zoning, taxes and government charges may lead to an increase in the costs of managing our Group's accommodation or unforeseen capital expenditure in order to ensure compliance. Our Group's usage of the workers accommodation may also be restricted by legislative actions, such as revisions to the relevant building standards laws, city planning laws, or the enactment of new laws relating to the use and/or redevelopment of properties.

In addition, the government may introduce policies concerning the workers accommodation industry in general or restrictions on geographical areas that can be used for workers accommodation, which could have a material adverse effect on our Group's financial conditions and results of operations.

Our Group may also require certain additional statutory and regulatory permits, licences and approvals in order for it to carry on its business.

RISK FACTORS

From 2016, operators of dormitories in Singapore that provides accommodation to 1,000 or more foreign employees are required to obtain a licence from the MOM in respect of those dormitories. The licence may impose conditions requiring the operators to comply with standards for facilities, services and accommodation provided.

There is no guarantee that our Group would be able to obtain the necessary licence or that it would be able to renew such licence upon expiry. The failure to obtain or renew such licence may have a material adverse effect on our Group's business as our Group may not be able to carry on our operations without such licence being granted or renewed. In addition, it may be costly for our Group to comply with the conditions stipulated in the licence and the profitability of our Group may be adversely affected.

Furthermore, if our Group is required to apply for fresh approvals and permits for its workers accommodation business, there can be no assurance that the relevant authorities will issue any of such permits or approvals within the time frames anticipated by our Group or at all. If our Group fails to obtain the necessary approvals and permits or if there is any delay in obtaining these approvals and permits, this may impede the execution of our Group's business plans, and may materially and adversely affect our Group's business and financial conditions.

We are in breach of land title conditions

We may acquire more land in Malaysia and elsewhere to expand our accommodation business. Some land in Malaysia may impose express conditions on the usage of the land for certain purpose, unless otherwise varied in accordance with the relevant procedures. During the Track Record Period, there were two properties in Malaysia, being Westlite Tampoi Accommodation and Westlite Tebrau Accommodation, currently being used by our Group as workers accommodation, which were not in compliance with the express conditions stated in the issue documents of title. Please refer to paragraph headed "Business — Property interests — Our accommodation asset portfolio" for more details. Any breaches of title condition as stated above may cause the properties be liable to forfeiture by the relevant state authority in Malaysia, unless the land administrator elects to impose a fine (and rectification of the breaches) or require the breach (which is capable of being remedied) to be remedied. During the year ended 31 December 2016, the aggregate revenue generated from both Westlite Tampoi Accommodation and Westlite Tebrau Accommodation amounted to approximately S\$1.7 million which accounted for approximately 1.4% of the revenue of our Group or approximately S\$1.3 million in net loss which accounted for approximately (3.7)% of our Group's profit from continuing operations. During the year ended 31 December 2016, our aggregate cashflow from operating activities generated from Westlite Tampoi Accommodation and Westlite Tebrau Accommodation was approximately S\$0.3 million, representing approximately 0.5% of our Group's total cashflow from operating activities.

RISK FACTORS

As at the Latest Practicable Date, we had (i) applied to the relevant state authority for the necessary variation of the express conditions in the issue documents of title of Westlite Tampoi Accommodation and obtained a written confirmation from the relevant authority that it has no objection in principle against the application; and (ii) sought and obtained written confirmation from the registered owner of Westlite Tebrau Accommodation, which is an investment arm of the relevant state authority, that we are permitted to build workers accommodation on the relevant land and they will render the necessary assistance to us to apply for variation of title conditions. In the event that we are unable to vary the express title condition on one or both of the document issue of title and the relevant state authority decides to forfeit the land, it may have an adverse financial effect on our operations. In addition, there is no assurance that we will not encounter similar situation for other workers accommodation assets of our Group in the future.

Our Group may be subject to a reduction in future financial earnings and a reduction in property valuation in relation to the number of permitted beds at our accommodation assets

In 2012, our Group undertook upgrading works to increase Westlite Toh Guan Accommodation's bed capacity from approximately 5,300 beds to approximately 8,600 beds and expanded our existing recreation and commercial facilities. The upgrading works were completed in January 2014.

As a result of the new FEDA which came into effect on 1 January 2016 which required all workers dormitories exceeding 1,000 beds to be licensed by MOM by 1 January 2017, our Group made an application for the licence for Westlite Toh Guan Accommodation in August 2016. During the licensing application process, it was brought to our attention that there was a documentation discrepancy between the actual bed capacity of 8,628 and the bed capacity of 7,820 documented in the architect's plans, which were attached to the written permission granted by URA back in 2011 when our Group undertook an asset enhancement initiative ("AEI") for Westlite Toh Guan Accommodation.

The bed capacity of 7,820 in the architect's plans was derived by aggregating the bed count of 4,480 stated in URA's written permission dated 2003 where a more generous physical living space of 4 sq.m. per worker were provided, and the approved bed count for the new 18-storey block based on the prevailing guidelines of a living space of 3 sq.m. per worker in 2011. In retrospect, the computation should have taken into account the entire development post-AEI based on the prevailing guideline of 3 sq.m. per worker, which would have amounted to 8,628 beds, and this figure should have been updated with URA during the AEI written permission submission in 2011. While the AEI was approved by URA in 2011, we were required to clarify the abovementioned bed capacity records with URA and request for a ratification of the actual bed capacity in the relevant documentation relating to Westlite Toh Guan.

RISK FACTORS

In August 2016, our Group announced on the SGX-ST that we had written to URA to clarify the discrepancy in the bed capacity of Westlite Toh Guan Accommodation but URA responded and stated that it was unable to allow our Group's request to rectify the discrepancy by increasing the bed capacity of Westlite Toh Guan Accommodation recorded in URA from 7,820 to 8,628. In November 2016, we announced that we had submitted an appeal against URA's decision but URA disallowed the appeal. Accordingly, the bed capacity in Westlite Toh Guan Accommodation was reduced by 808 beds to 7,820 and the excess workers would be shifted out from that accommodation asset.

With the reduction of 808 beds, the estimated decrease to our Group's total revenue and profits after tax is approximately S\$2.9 million and S\$2.0 million per annum respectively and a decrease in the valuation of Westlite Toh Guan Accommodation.

Our Directors confirmed that based on our records, the total number of workers residing at Westlite Toh Guan Accommodation at any point of time during the relevant period did not exceed the bed capacity of 7,820 allowed in the written permission granted by URA in 2011, hence there was no breach of the terms of the written permission. As at the Latest Practicable Date, our Directors confirmed that they were not aware of any other similar documentation discrepancies involving other accommodation assets. To prevent similar incidents from recurring in the future, our Group has put in place a procedure whereby a legal due diligence checklist will be completed by relevant staff when we acquire any new accommodation assets in the future to ensure proper documentation and they will also engage legal advisors and other professionals to advise us on proper documentation and other relevant regulatory requirements. However, there is no assurance that we will not encounter similar situation for other workers accommodation assets of our Group in the future, which may adversely affect our Group's business and financial conditions.

The on-going upgrading works on the worker's accommodation may have an impact on our Group's business operations and financial position

For the three years ended 31 December 2016 and the six months ended 30 June 2017, our Group incurred a total amount of approximately S\$2.3 million, S\$4.3 million, S\$5.0 million and S\$2.0 million, respectively, for repairs and maintenance. The actual cost of our Group's upgrading works for the accommodation assets may be different from the estimates. In the event that the actual cost is higher than the estimated cost or completion of such upgrading works are delayed, our Group's financial position could be adversely affected. The upgrading works may entail the demolition of a number of our Group's accommodation units and commercial spaces. The temporary loss of income from such affected units during upgrading period could have an adverse effect on our business and financial position. In addition, tenancy of some operational accommodation units may also be affected by the construction activities and disruption caused by the upgrading works and this could have an adverse effect on our Group's business and financial position.

RISK FACTORS

Our Group is exposed to risk of illegal immigrants found at its accommodation

Our Group's accommodation caters to the housing needs of foreign workers employed in various industries in Singapore and Malaysia, primarily the marine, engineering, manufacturing, oil and gas, and construction industries. Our Group is required to ensure that the foreign workers residing in our accommodation assets are not illegal immigrants. Our Group has taken precautionary measures to ensure that the foreign workers residing at our accommodation assets have the necessary work passes/permits, such as issuing the access passes to workers registered as residents of our accommodation, ensuring the entries of details of work passes/permits of each worker registered as a resident into our dormitory management system before their check-in and conducting regular check on the validity of their work passes/permits.

Although our Group has not previously been found guilty of harbouring illegal immigrants, we cannot assure that no illegal immigrants will be found at our accommodation assets in the future, and there is no assurance that the measures that our Group undertakes to ensure that no illegal immigrants will be found at our accommodation assets would be effective.

II. Risks associated with student accommodation business

Our Group's business may be affected by policy changes which reduces the number of students

During the Track Record Period and as at the Latest Practicable Date, our Group operated student accommodation business in Manchester, Liverpool, Bristol and Newcastle, the United Kingdom, Melbourne, Australia and Singapore, with a total of approximately 3,200 beds. The student accommodation industry is dependent on the presence of a certain population of foreign students in the United Kingdom, Australia and Singapore, and is also subject to the policies (including, without limitation, those policies governing immigration, academic fees, student loans and the granting of student permits or visas) imposed by the governmental bodies in these countries. Any change in immigration policies, policies affecting the subsidies in respect of academic fees or student loans, or policies which reduces the number of student permits or visas granted to foreign students could result in a reduction of foreign students in the United Kingdom, Australia and Singapore.

In particular, the results of the United Kingdom referendum on its withdrawal from the European Union may have an adverse impact on the freedom of movement of people between the United Kingdom and the rest of the European Union countries. In the event that the number of students coming to the United Kingdom to pursue higher education decreases due to more restrictive entry conditions into the United Kingdom, the occupancy rate of our Group's student accommodation assets and our Group's business and financial performance may be adversely affected.

RISK FACTORS

Our Group's business may be affected by the policies of universities on the admission of students

The student accommodation industry is dependent on the presence of sufficient number of foreign students. If a university located in the areas where our Group operates our student accommodations decides to reduce its intake of students for any or all academic years for any reason, the student population in the areas may be reduced. This may result in an oversupply of student accommodation and hence affect the occupancy rate of our Group's student accommodation assets. Our Group's business and financial performance may be adversely affected.

Our Group's business may be affected by changes in regulations relating to the student accommodation industry

There may be new restrictions on foreign investment imposed from time to time which may impact our Group's ability to secure the requisite permissions to operate the student accommodation business. For example, in Australia, the acquisition by a foreign person of an interest in securities, assets or Australian land which is vacant or, if developed, of value above certain monetary thresholds, is subject to regulation and may be prohibited. If the relevant legislation becomes more restrictive, our Group's ability to acquire student accommodation assets may be adversely affected. This would have an adverse impact on our Group's future business growth and financial performance.

It should be particularly noted that the governmental authorities where our Group's student accommodation are located may be empowered under local laws to compulsorily acquire any of our Group's properties, or any part of such properties, for public purposes or various other reasons, and compensate our Group in respect of such properties, or part thereof, being compulsorily acquired. There is a risk that the compensation in respect of any such compulsory acquisition by the relevant governmental authority will be less than the market value of the relevant property and/or the purchase consideration paid by our Group for the property or the carrying amount of the relevant property. This may adversely affect our Group's financial condition and our Group's results of operations and our profitability. Further, there is no assurance that our Group will be able to find a suitable alternative investment to replace the income loss in a timely manner or at all and this may have an adverse effect on the financial conditions and our Group's results of operations and our profitability.

As our Group's strategy for our student accommodation business is to locate our accommodation within or in close proximity to student campuses, any change in zoning rules or regulations may adversely affect the business operations and consequently, the occupancy of our Group's student accommodation within or in close proximity to such student campuses. While our Group will conduct all reasonable due diligence investigations, our Group's future investment and business decisions may accordingly not be based on accurate, complete and timely information. Inaccurate information may adversely affect our Group's business decisions, which could materially and adversely affect our Group's business and financial condition.

RISK FACTORS

The student accommodation industry is subject to the laws and regulations of the markets in which our Group is currently operating in. Any change in laws and regulations may require our Group to obtain fresh or additional regulatory approvals, permits, certificates, consents and/or licences to engage in the student accommodation business. In the event that our Group is unable to obtain such approvals and/or licences, or where there is a delay in obtaining them, our Group's ability to engage in the student accommodation business will be adversely affected.

Our Group's business may be affected by any drop in the reputation of universities located in the areas which our Group operates in

The United Kingdom and Australia are two of the world's key education hubs, with students from across the world seeking quality education in these countries. During the Track Record Period and as at the Latest Practicable Date, our Group operated student accommodation business in Manchester, Liverpool, Bristol and Newcastle, the United Kingdom, Melbourne, Australia and Singapore, with a total of approximately 3,200 beds. Nevertheless, if for whatever reason, there is a drop in the ranking of any university located in the areas where our Group operates in, there is a possibility that students may decide to enrol in other universities with higher rankings instead. If such universities are located in areas where our Group does not operate in, this may lead to an outflow of students from such areas. This may affect the occupancy rates of our Group's student accommodation assets and adversely affect our Group's business and financial conditions.

Our Group's business may be subject to high maintenance cost

Our Group's business may be affected by high maintenance cost. Student accommodation assets generally have a high turnaround cost and experience above-average "wear and tear" on their units. This leads to higher maintenance and renovation costs for our Group as compared to workers accommodation assets. The increase rate of "wear and tear" would require us to spend increased amounts on renovation at more shortened interval. A swift turnaround to prepare the student accommodation assets for the next academic year is needed to efficiently manage our student accommodation business. If not properly managed, this could have a material adverse effect on our business and financials.

Should our Group fail to provide adequate management and maintenance, the value of our Group's properties might be adversely affected and this may result in a loss of tenants, which will adversely affect our Group's financial position, results of operations, cash flows and prospects.

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Our Group's business may be affected by the risk of terrorist threats in the United Kingdom

For the three years ended 31 December 2016 and the six months ended 30 June 2017, we derived approximately S\$6.4 million, S\$19.3 million, S\$20.6 million and S\$12.5 million, represented approximately 7.6%, 18.5%, 17.1% and 17.6% of our total revenue from our student accommodation business in the United Kingdom, respectively. Major cities in the United Kingdom such as London and Manchester have faced a number of terrorist attacks in the recent years. Due to the rising concerns over the risk of terrorist threats in the United Kingdom, for security reason, new tertiary students and/or their parents may opt for other countries for studying abroad rather than the United Kingdom, and overseas students currently studying in the United Kingdom may consider to cancel or shorten their tertiary programmes in order to leave the United Kingdom as soon as possible. In the event that the number of international students coming to the United Kingdom to pursue their tertiary education decrease as a result of the increasing risk of terrorist threats in the country, the overall occupancy rate of our Group's student accommodation assets and our Group's business and financial performance may be materially and adversely affected.

The proposed acquisition of the six PBSA assets in the USA may be aborted or not complete

As at the Latest Practicable date, the proposed acquisitions of the six PBSA assets in the USA were pending completion. As at the Latest Practicable Date, we paid approximately US\$10.2 million as deposit, which will be held in escrow prior to completion, all of which is not refundable if the acquisition does not proceed to completion as the due diligence for all six PBSA assets has been completed and the agreements have become unconditional but pending completion. There is no assurance that the intended acquisition of the six PBSA assets will be successfully completed. The failure to complete the intended acquisition of the six PBSA assets due solely to our default will have an adverse impact on our financial results due to the forfeiture of the deposit paid.

There is no assurance that we will be able to operate the six PBSA assets in the USA successfully upon completion of the proposed acquisition

Upon completion of the proposed acquisition of the six PBSA assets, it will be our maiden foray into student accommodation assets business in the USA. We plan to set up a joint venture, which we will own a majority stake, with a USA student accommodation manager to co-manage these assets under the "dwell" brand upon the completion of the proposed acquisition. As at the Latest Practicable Date, our proposed joint venture partner, which is headquartered in New York and Charlotte, had over six years of experience in managing student accommodation in 14 states in the USA including Connecticut, Texas and Alabama, and managed 24 student accommodation assets totaling approximately 11,000 beds. However, this is the first time we ever work with the proposed joint venture partner. Accordingly, there is no assurance that we will be able work well with the joint venture partner to co-manage these assets through a joint venture company or the joint venture company will be able to operate these PBSA assets successfully.

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There is no assurance of investment return on the investment fund to be established in relation to the investment in the six PBSA assets in the USA

The six PBSA assets in the USA which we will acquire through the investment fund to be established may not achieve their expected revenues and may experience substantial fluctuations in their value. Property investment and trading is subject to the effect of economic cycles such that values can increase or decrease. The investment fund will be subject to the risk associated with the underlying investments, including market conditions, changes in regulatory environment, general economic and political conditions, loss of key management personnel and other factors. There can be no assurance that the investment fund's investment objective will be achieved, nor that an investor will receive a return on its capital.

The fund manager of the investment fund to be established in relation to the investment in the six PBSA assets in the USA may not be able to implement the fund's investment objective and strategy

The investment objective and strategy of the investment fund is to generate stable and recurring income to deliver a total return by investing in student accommodation assets located in education cities in the USA. As at the Latest Practicable Date, it was contemplated that the expected payback period of the investment in the six PBSA assets to be in the range of 10 to 15 years and the fund manager has to sell all the portfolio assets comprising the six PBSA assets prior to the expiry of the investment fund life of five years. However, if the market conditions are not favourable to effect a sale, the fund manager can seek the approvals of the investors of investment fund to extend the life of the investment fund. The ability of the fund manager to achieve the investment objective and strategy of the investment fund to be established in relation to the investment in the six PBSA assets in the USA is subject to factors such as changes in regulatory environment, general economic, industrial, political and international conditions, loss of key management personnel, prices and costs and other factors. There is no assurance that the fund manager will be able to achieve the fund's investment objective and strategy successfully.

III. Risks associated with optical disc business

Defending against intellectual property infringement claims could be expensive and disruptive to our Group's business

While our customers warrant their copyrights or other intellectual property rights in relation to any CDs or DVDs our Group replicates for them and we are indemnified against any claims relating thereto, our Group cannot be certain that the material they provide do not infringe copyrights or other intellectual property rights held by third parties. In the event that legal proceedings are brought against our Group by such third parties for making copies of movies or television series provided by our Group's customers to our Group, a substantial amount of time and money would have to be

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expended by our Group to contest such claims regardless of the merit of such claims. Further, successful infringement claims against our Group may result in substantial monetary liability or may materially disrupt the conduct of our Group's business.

IV. General risks relating to our Group

Our profitability may be affected by fluctuations in value of our investment properties

The values of our investment properties will be affected by those factors that affect the rental yield: (i) government regulations; (ii) changes in the general economic climate unfavourable to our operations; (iii) the supply of and demand for comparable properties; (iv) changes in applicable tax laws; (v) interest rate levels; (vi) inflation, political and economic developments in the countries we operate in; and (vii) applicable zoning law.

In addition, our profitability may be affected by the annual revaluation of our investment properties required by IFRS. In accordance with IFRS, we must recognise changes to the fair value of our investment properties as a gain or loss (as applicable) in our consolidated income statement. The recognition of any such gain or loss reflects unrealised capital gains or losses on our investment properties on the relevant balance sheet dates and does not generate any actual cash inflow or outflow until such investment properties are disposed of.

For the three years ended 31 December 2016 and the six months ended 30 June 2017, we recorded net fair value gains/(loss) on our investment properties and assets held for sale of approximately S\$40.3 million, S\$3.6 million, S\$(3.1) million and S\$1.7 million, respectively, representing approximately 36.2% and 10.4% respectively, of our net profit for the two years ended 31 December 2015 and 7.5% of our net profit for the six months ended 30 June 2017. The amount of revaluation adjustments have been, and may continue to be, significantly affected by the prevailing property market conditions and may be subject to market fluctuations. We cannot guarantee that we will continue to record fair value gains on investment properties in the future or the fair value of our investment properties will not decrease in the future. Any decrease in the fair value of our investment properties will have an adverse effect on our profits.

Our property valuation is based on certain assumptions which, by their nature, are subjective and uncertain and may materially differ from actual results

Valuations of our property interests as of 30 September 2017 prepared by the Property Valuer are set out in the section headed "Property valuation report" as set out in Appendix III to this prospectus. The valuations are based on certain assumptions which, by their nature, are subjective and uncertain and may differ from actual results. Accordingly, these valuations are not a prediction of the actual value expected to be achieved by us. Unanticipated results of, or changes in, general or local economic conditions or other relevant factors, could affect such values.

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Our Group may fail to successfully implement our growth and expansion strategies

Our Group intends to explore and/or pursue various expansion and growth initiatives including to expand our workers and student accommodation assets by seeking acquisition opportunities in Singapore, the United Kingdom, Australia, Malaysia, USA and other countries. For example, in July and August 2017, we entered into six conditional agreements for the proposed acquisitions of six existing PBSA assets, which we intend to have an interest of up to 30%, across five states in the USA, including Auburn, Alabama; Tallahassee, Florida; Madison, Wisconsin and College Station, Texas; and New Haven, Connecticut, with an aggregate capacity of approximately 2,140 beds. Our growth and future success will be dependent on, amongst others, the successful completion of such expansion and growth initiatives proposed to be undertaken by our Group and the sufficiency of demand for our services. There is no assurance that these initiatives undertaken will achieve results that commensurate with our Group's investment costs or that our Group will be successful in securing new customers. Should our Group fail to implement our expansion plans or there is insufficient demand for our services, our Group's business, results of operation and financial position will be materially and adversely affected.

Our Group may face uncertainties associated with the expansion of our business

A large portion of our revenue from continuing operations was derived from Singapore, where our workers accommodation in Singapore accounted for approximately 66.5%, 61.7%, 65.6% and 67.4%, for the three years ended 31 December 2016 and the six months ended 30 June 2017 respectively, of our total revenue from continuing operations. Our Group intends to expand our business overseas and explore strategic alliances, acquisitions or investment opportunities (in Singapore and overseas) in businesses that are complementary to our business. Expansion involves numerous risks, including but not limited to the financial costs of setting up overseas operations and working capital requirements. There can be no assurance that our Group's expanded operations will achieve a sufficient level of revenue which will cover our operational costs and if our Group fails to manage such costs, our profitability and financial position may be adversely affected.

Participation in strategic alliances, acquisitions or investments similarly involves numerous risks, including but not limited to difficulties in assimilation of the management, operations, services, products and personnel and the possible diversion of management attention from other business concerns. The successful implementation of our Group's growth strategies depends on our Group's ability to identify suitable partners and the successful integration of their operations with our Group. There can be no assurance that our Group will be able to execute such growth strategies successful and as such, the performance of any strategic alliances, acquisitions or investments could fall short of expectations.

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Our Group is dependent on certain key personnel for our continued success

Our Group's success to date is attributable to the contributions and expertise of our senior management and key officers who have contributed towards the success of our Group. Our Group's continued success and growth will depend, to a large extent, on our ability to retain the services of our senior management. Mr. Kong Chee Min, the chief executive officer of our Group, together with our other senior management personnel, have been playing significant roles in different parts of our day-to-day operation and management. Our senior management have entered into service contracts with our Company. For more detailed information on our Directors and senior management personnel, please refer to the section headed "Directors and senior management" in this prospectus. The loss of the services of our senior management without suitable and timely replacement, or the inability to attract and retain other qualified personnel, would have an adverse effect on our Group's operations and financial performance.

Our Group faces risks associated with debt financing and debt refinancing and may require additional financing in future

As at 30 September 2017, our Group had issued S\$149.0 million MTN and outstanding bank loans of S\$456.5 million. Our Group is subject to the risks associated with debt financing and debt refinancing (including debt securities such as the multicurrency medium term notes), including the risk that its cash flow will be insufficient to meet required payments of principal and interest under such financing.

Our Group may need to obtain additional debt or equity financing to fund our business operations, acquisitions or capital expenditure in the future. Additional debt financing may include conditions that would restrict our Group's freedom to operate its business, such as conditions that:

- (i) limit our Group's ability to pay dividends or require our Group to seek the lenders' consent for payment of dividends;
- (ii) impose restrictions on acquisitions of new businesses;
- (iii) require our Group to set aside a portion of cash flow from business operations towards repayment of our Group's debt, thereby reducing the availability of our Group's cash flow to fund capital expenditure, working capital and other general corporate purposes; and/or
- (iv) limit our Group's flexibility in planning for, or reacting to, changes in our Group's business and industry.

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Our Group cannot assure that we will be able to obtain any additional financing on terms that is acceptable to our Group, or at all. Failure to obtain additional financing on favourable terms will result in our Group foregoing expansion opportunities and this could affect our Group's business materially and adversely.

Furthermore, if prevailing interest rates or other factors at the time of refinancing result in higher interest rates upon refinancing, the interest expense relating to such refinanced indebtedness would increase, which would adversely affect our Group's cash flow. An increase in interest rates, especially for a prolonged period, could have a material and adverse effect on our Group's business and financial performance.

Our high gearing ratio which may or may not be associated with our rapid expansion and development plans may expose us to liquidity risk

We rely on cash generated from our business operations and bank borrowings to finance our business operations and expansion. We currently expect that there will not be any material change in the sources of funding within our Group.

As at 31 December 2014, 2015 and 2016 and 30 June 2017, our Group had gearing ratio of approximately 110.5%, 166.7%, 165.3% and 159.9%, respectively, which were primarily due to the bank borrowings and the issue of the MTN for the funding of expansion in workers and student accommodation business during the Track Record Period. Please refer to the paragraph headed "Financial information — Key financial ratios" for further details. In addition, we may obtain additional bank borrowings for the acquisition, development, or construction of additional accommodation assets, which may further deteriorate our Group's gearing ratio due to rapid expansion and development plans. Our high level of borrowings and gearing ratio could materially and adversely affect our liquidity. For examples, the high level of bank borrowings and high gearing ratio could:

- require us to allocate a higher portion of our cash flow from operations to fund the repayments, thus reducing the availability of our cash flow from operations to fund working capital, capital expenditure and other general corporate purposes;
- increase our vulnerability to adverse economic or industry conditions;
- limit our flexibility in planning for, or reacting to, changes in our business or in the industry in which we operate;

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- potentially restrict us from pursuing strategic business opportunities;
- limit our ability to incur additional debt; and
- increase our exposure to interest rate fluctuations.

Our Group may be affected by changes to tax laws and tax rates

There is no assurance that the taxes which our Group is subject to will remain as forecast and projected. Our Group's tax expenses may increase due to reasons including but not limited to the following:

- (i) increase in applicable tax rates;
- (ii) changes to the basis of assessment for the applicable taxes; and
- (iii) changes to the tax legislation.

There can be no assurance that should the taxes increase, such increase will not have a significant impact on our Group's business and financial position.

Our Group faces foreign exchange risks and translation risks

Our Group operates in Singapore, Malaysia, Australia and the United Kingdom during the Track Record Period. Over the three years ended 31 December 2016 and the six months ended 30 June 2017, approximately 27.5%, 34.8%, 30.1% and 28.8% of our total revenue were derived outside of Singapore, while our Company's borrowings are mainly denominated in Singapore Dollars. Exposures to foreign currency risks are managed as far as possible by natural hedges and monitoring to ensure, to the fullest extent possible, our Group matches our sales and purchases in the same foreign currency. To the extent that our Group's sales, purchases and operating costs are not naturally matched in the same currency and to the extent that there are timing differences between invoicing and collection or payment, as the case may be, our Group will be exposed to adverse fluctuation of the various currencies and as a result, our earnings may be adversely affected.

In addition, our Group is subject to translation risks as our consolidated financial statements are reported in Singapore dollars while the financial statements of each entity in our Group are prepared using the currency of the primary economic environment in which the entity operates. For the three years ended 31 December 2016, our Group recorded a currency translation losses arising from consolidation of approximately S\$5.5 million, S\$9.0 million and S\$18.9 million, respectively. There

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was a currency translation gain arising from consolidation of approximately S\$1.6 million for the six months ended 30 June 2017. Accordingly, we may incur currency translation losses or gains due to translation of functional currency into the presentation currency which may adversely affect our financial position.

Our Group may be adversely affected by changes in the social, economic or political conditions locally and globally

Our Group's business may be materially and adversely affected by local and global developments in relation to inflation, bank interest rates, government policies and regulations and other conditions which impact on social, economic and political stability. Our Group has no control over such conditions and developments and there is no assurance that such conditions and developments will not occur and adversely affect our Group's operations.

Our Group's business operations may be affected by an outbreak of contagious or virulent disease

The outbreak of severe acute respiratory syndrome (SARS) or other contagious or virulent diseases in Singapore, the United Kingdom, Australia, Malaysia or other parts of the world will disrupt global and regional businesses. In addition, several countries such as the United Kingdom and those in Asia have suffered or are suffering from outbreaks of communicable diseases such as Influenza A and Middle East Respiratory Syndrome (MERS). Such an outbreak of communicable disease will have a material adverse effect on our Group's operations, as well as the operations of our customers, such as the shutting down of accommodation and quarantining of residents in the event that the residents in our Group's accommodation are infected with SARS, MERS or other diseases, in order to prevent the spread of such diseases. In addition, the suspension of operations by our Group's customers may result in cashflow problems for them, potentially leading to a delay or default in payment of rental to our Group. If any of these should arise, our Group's business and results of operations would be adversely affected.

Our Group's acquisition or future acquisitions may be subject to risks and may not yield expected returns

While our Group believes that reasonable due diligence investigations and feasibility studies have been conducted with respect to our property, there can be no assurance that our Group's property or future acquisitions will not have defects or deficiencies requiring significant capital expenditure, repair or maintenance costs, or payment or other obligations to third parties. Certain building defects and deficiencies may be difficult or impossible to ascertain due to the limitations inherent in the scope of the inspections, the technologies or techniques used and other factors.

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There is no assurance that our Group would be able to renew the leases to our accommodation assets at all or on similar commercial terms

Our Group holds a number of its accommodation assets under land leases. Our current tenancy agreements for Westlite Tuas Accommodation and dwell Selegie will expire on 30 January 2018 and 4 June 2018, respectively. On 1 November 2017, our Company announced that the relevant authorities in Singapore have not granted further extension of the lease as the site is needed for redevelopment. Accordingly, the tenancy agreement for Westlite Tuas Accommodation will expire on 30 January 2018 and we are in the process of making arrangements to move our residents to other workers dormitories owned by us as well as to a pre-arranged dormitory nearby with available bed capacity. As at the Latest Practicable Date, we were working with the relevant authorities on the reinstatement and return of the land by 30 January 2018. We expect there may be a loss of revenue. During the year ended 31 December 2016, the revenue generated from the tenancy of Westlite Tuas Accommodation amounted to approximately S\$27.6 million and accounted for approximately 7.4% of our Group's profit from continuing operations. During the year ended 31 December 2016, our cashflow from operating activities generated from Westlite Tuas Accommodation was approximately S\$14.4 million, representing approximately 20.7% of our Group's total cashflow from operating activities. Westlite Tuas Accommodation has always been carried at fair value based on independent valuation report. As at 31 December 2016, the intangible asset on the favourable lease relating to the property is recorded at approximately \$1.6 million and this will be fully amortised by January 2018. Our Directors confirmed that there will be no write-off of Westlite Tuas Accommodation as a result of the non-renewal of the tenancy. In addition, in relation to dwell Selegie, despite our Group having the right to request for renewal of the tenancy for a further term of three years, such renewal is at the sole discretion of the landlord. If we were unable to renew the tenancy of dwell Selegie at all or on similar commercial terms, we expect there may be a loss of revenue. During the year ended 31 December 2016, the revenue generated from tenancy of dwell Selegie amounted to approximately S\$3.2 million. The loss in revenue of Westlite Tuas Accommodation and/or dwell Selegie may have a significant impact on the financial performance of our Group.

There is also no assurance that we will not encounter similar situations for our other accommodation assets, and that our Group will be able to renew the leases on terms commercially acceptable to our Group or that our Group would be able to renew the leases for our other accommodation assets. If our Group is unable to do so, our Group will have to surrender the accommodation asset to the relevant lessor upon the expiry of the lease, resulting in a loss of the income attributable to such accommodation asset and a corresponding reduction of our Group's net assets. This may have an adverse effect on our Group's business, financial conditions and results of operations.

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Development of properties for our Group will increase our Group's exposure to construction risks

Delays in completion of the construction of our Group's properties can arise due to several factors, including adverse weather conditions, shortage of construction materials, equipment and/or labour, accidents and disputes with our Group's contractors. Such delays may result in cost overruns and increased financing costs and accordingly affect our Group's profitability.

In the event of a shortage of raw materials, labour and/or construction equipment to our Group, the costs of such raw materials, equipment and labour may increase and our Group's costs of development may exceed our initial projections, thereby affecting our profitability or even causing our Group to suffer a loss. If our Group is unable to find alternative sources of cheaper supplies, our Group's financial performance will be adversely affected.

Furthermore, our Group faces the risk of accidents involving our employees or third parties at its development sites. If accidents occur but are not covered by our Group's insurance policies, or if claims arising from such accidents are in excess of our insurance coverage and/or any of our insurance claims are contested by our insurers, our Group will be required to pay compensation and our financial performance may be adversely affected.

Such accidents could also have an adverse impact on our Group's operations if our Group is required by regulatory manpower authorities to suspend our construction for a period of time. This may result in fines or delays in project completion and possibly, cost overruns or liquidated damages, which will in turn affect our Group's profitability. Such accidents could damage our Group's reputation and may, as a result, lead to a loss of business.

Our Group may suffer material losses in excess of insurance proceeds or our Group may not put in place or maintain adequate insurance in relation to our Group's properties and our potential liabilities to third parties

Our Group's properties would face the risk of suffering physical damage caused by fire, acts of God such as natural disasters or other causes, as well as potential public liability claims, including claims arising from the operations of our Group's properties.

In addition, certain types of risks (such as war risk, terrorist acts and losses caused by the outbreak of contagious diseases, contamination or other environmental breaches) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk (for example war, terrorist acts, outbreak of contagious diseases, contamination or other environmental breaches).

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Should an uninsured loss or a loss in excess of insured limits occur, our Group could be required to pay compensation and/or lose capital invested in the affected property as well as anticipated future revenue from that property as it may not be able to rent out or sell the affected industrial property. Our Group will also be liable for any debt or other financial obligation related to that property. No assurance can be given that material losses in excess of insurance proceeds will not occur.

Renovation or redevelopment works or physical damage to our Group's properties may disrupt the operations of the properties and collection of rental income or otherwise have an adverse impact on the financial condition of our Group

The properties owned by our Group may need to undergo renovation or redevelopment works from time to time to retain their competitiveness and may also require unforeseen *ad hoc* maintenance or repairs in respect of faults or problems that may develop or because of new planning laws or regulations.

In addition, physical damage to our Group's properties resulting from fire, industrial accidents or other causes may lead to a significant disruption to the business and operation of our Group's properties and, together with the foregoing, may impose unbudgeted costs on our Group and result in an adverse impact on the financial condition and results of operations of our Group, especially if the claims exceed the insurance coverage.

Increased depreciation charges from additional capital expenditure could affect our financial performance

For the three years ended 31 December 2016 and the six months ended 30 June 2017, our Group's capital expenditures have principally consisted of expenditures on (i) property, plant and equipment in the amounts of approximately S\$2.4 million, S\$6.0 million, S\$4.5 million and S\$1.6 million, respectively; and (ii) investment properties in the amounts of approximately S\$278.1 million, S\$214.0 million, S\$79.6 million and S\$10.1 million, respectively. We intend to expand our operations by acquiring more leasehold land and building, leasehold improvements, plant, machinery and equipment, renovation, furniture and fittings, motor vehicles and office equipment and computers for the year ending 31 December 2017. The increase in capital expenditure will lead to an increase in our assets and increase the depreciation charge which could affect our financial performance in the five years that the additional purchases are depreciated.

Our Group recorded net current liabilities as at 31 December 2015 and 30 September 2017

Our Group recorded net current liabilities of approximately S\$52.7 million and S\$34.5 million as at 31 December 2015 and 30 September 2017 respectively. Such net current liability positions as at 31 December 2015 and 30 September 2017 mainly arose from the reclassification of notes payable of approximately S\$99.1 million and S\$65.0 million from non-current liability to current liability as

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the amount was due for repayment in October 2016 and July 2018 respectively. Our Group has sufficient cash resources and banking facilities (both in aggregate of approximately S\$213 million and S\$235.0 million) as at 31 December 2015 and 30 September 2017 respectively, available to meet the financing needs of the maturing notes payable and its current liabilities. There can be no assurance that our Group will not experience liquidity problems in the future. If our Group fails to generate sufficient revenue from our operations, or if we fail to maintain sufficient cash and financing or fails to obtain borrowings on commercially acceptable terms, our Group, on our own, may not have sufficient cash flows to fund our business, operations and capital expenditure and our business and financial position will be adversely affected.

Our share of profit of associated companies and joint ventures may vary which may affect our overall financial performance

For the three years ended 31 December 2016 and the six months ended 30 June 2017, our share of profit in associated companies and joint ventures were approximately S\$45.3 million, S\$6.0 million, S\$5.4 million and S\$1.5 million, respectively. The fluctuations in the share of profits were largely due to the fair value gain or loss arising from its investment property and one-off gain on sale of development projects in associated company and joint ventures. For the year ended 31 December 2014, there were recorded the net fair value gain of approximately S\$22.5 million and a one-off gain of approximately S\$17.3 million from sale of the jointly-owned industry development M-Space. For the six months ended 30 June 2017, a fair value loss of approximately S\$1.3 million was included in the share of profit in associated companies and joint ventures. Accordingly, our share of profit of associated companies and joint ventures may be subject to fair value gain or loss and a number of one-off transaction or other business development or plans of our associated companies and joint ventures, which may adversely affect our Group's overall financial performance. Further, our share of profit of associated companies and joint ventures during the Track Record Period may not be indicative of our future financial performance.

In addition, our investments in associated companies and joint ventures are accounted for in using the equity method of accounting less impairment losses, if any. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise our Group's share of its associated companies' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movement in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies or joint ventures are recognised as a reduction of the carrying amount of the investments. Accordingly, even if profits are reported under equity accounting for these investments in associated companies and joint ventures, there will be no cash inflow to our Group until dividends are declared and received by us. Such investments are not as liquid as compared to other investments as the shares of these investments in associated companies and joint ventures are not publicly traded and that the Group does not have a controlling stake in these investments. Hence, it will be more difficult to identify a potential buyer and agree on the price as there are pre-emptive provisions to dispose its shares to the

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controlling and existing shareholders of the associated companies or joint ventures. Our liquidity will be affected if the associated companies and joint ventures do not make sufficient profit and declare and pay dividends or we are not able to dispose such investments within a reasonable short time.

The application of IFRS 16 on our operating lease commitments may materially affect our financial performance

As at the Latest Practicable Date, some of our properties for which we operate our business on were obtained through leases, which the relevant leases were classified as operating leases. We also leased out investment properties to non-related parties under non-cancellable operating leases. Our current accounting policy for such leases is set out in note 2.17 to the Accountant's Report. As at 30 June 2017, our Group's future aggregate minimum lease payments under non-cancellable operating leases contracted for but not recognised as liabilities amounted to approximately S\$61.3 million.

During the Track Record Period, our future operating lease commitments were not reflected in our consolidated balance sheets. IFRS 16, which we expect to apply from the financial year beginning 1 January 2019, provides new provisions for the accounting treatment of lease and will in the future no longer allow lessees to recognise certain leases outside of the consolidated balance sheets. Instead, when the Group is the lessee, almost all leases must be recognised in the form of an asset (for the right of use) and a financial liability (for the payment obligation). Thus, each lease will be mapped in the Group's consolidated balance sheets. As for the financial performance impact in the consolidated income statements and comprehensive income, rental expenses will be replaced with straight-line depreciation expense on the right-of-use asset and interest expenses on the lease liability. The combination of the straight-line depreciation of the right-of-use asset and the effective interest rate method applied to the lease liability will result in a higher total charge to profit or loss in the initial years of the lease, and decreasing expenses during the latter part of the lease term. Our financial and results of operations may be adversely affected as a result. Please refer to the paragraph headed "Financial information — Impact of IFRS 16" in this prospectus for further details.

We are exposed to credit risk

The majority of the Group's sales are on cash terms. The remaining amounts are with credit terms of 30 to 60 days and which are mostly covered by customers' rental deposits. Thus, our Group's working capital and liquidity positions are subject to our customers' prompt payment of rental. Our Group had made allowance for impairment on trade receivables of approximately S\$0.2 million, (S\$39,000), S\$0.1 million and S\$0.1 million respectively during each of the three years ended 31 December 2016 and the six months ended 30 June 2017. The impaired trade receivables arise mainly from sales to customers who have financial difficulties and significant delays in payments. There is no assurance that we will be able to recover all or any part of the amount due from our customers, or we will be able to collect all or any part of the amount within the agreed credit terms. Any delay or difficulty in collecting our trade receivables may negatively affect our cash flows and financial performance.

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B. RISK RELATING TO THE INDUSTRY IN WHICH WE OPERATE

Our Group faces competition from our competitors and new entrants

Our Group may face competition and price-cutting pressures from our competitors. Further, such competition may increase due to the entry of new players in the workers accommodation industry, student accommodation industry, or completion of new accommodation developments. If our Group is unable to respond competitively, the occupancy rate at our Group's accommodation could fall and our Group's profitability and financial performance will be adversely affected.

Any failure by our Group to compete effectively with its existing and future competitors and to adapt to changing market conditions and trends and remain competitive will adversely affect the demand for our business, results of operations and financial conditions.

Our business may be affected by the decrease in growth of industry revenue receipts by the workers and student accommodation service providers in the jurisdictions where we operate our business

According to the Euromonitor Report, it is expected that there will be a decrease in the growth of the industry revenue receipts by workers and/or students accommodation service providers in Singapore, Malaysia and the United Kingdom from 2017 to 2021 (the "**Forecast Period**") as follows:

- industry revenue receipts accrued by workers' accommodation service providers in Singapore are expected to grow by approximately 1.7% CAGR in the Forecast Period, as compared to approximately 12.0% CAGR between 2012 to 2016 (the "**Historical Period**");
- industry revenue receipts accrued by workers' accommodation service providers in Malaysia are expected to grow by approximately 17.4% CAGR in the Forecast Period, as compared to approximately 62.4% CAGR during the Historical Period;
- industry revenue receipts accrued by student accommodation service providers in Singapore are expected to grow by approximately 1.6% CAGR in the Forecast Period, as compared to approximately 7.3% CAGR during the Historical Period; and
- industry revenue receipts accrued by student accommodation service providers in the United Kingdom are expected to grow by approximately 5.6% CAGR in the Forecast Period, as compared to approximately 10.2% CAGR during the Historical Period.

The decrease in the growth of industry revenue receipts by workers and/or students accommodation service providers in any jurisdictions we operate our business may have an adverse impact on our profitability and financial performance. In addition, similar situation may appear in other countries where we may expand our accommodation business. This may potentially restrict us from pursuing our business plans and adversely affect our growth in the long run.

RISK FACTORS

Failure to retain existing tenants and attract new tenants may have an adverse impact on our Group

During the Track Record Period, we derived our revenue primarily from the rental and service income from our workers and student accommodations and commercial spaces. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our total revenue and service income from our workers and student accommodation business was approximately S\$76.5 million, S\$99.5 million, S\$118.1 million and S\$70.3 million, respectively, represented approximately 90.5%, 95.2%, 98.2% and 98.7% of our total revenue, respectively.

Our workers accommodation lease agreements are generally for a term of one year, subject to an option to renew for a further term of one year. Generally, three months prior to the expiry date of the tenancy agreements, the tenants will need to confirm if they wish to renew the tenancy. If the tenants indicate that they do not wish to renew the tenancy, our Group will put the unit up for lease with another new tenant. On the other hand, the term of tenancy for our student accommodation generally is for the whole of an academic year, range from 40 to 52 weeks in Australia and 42 to 51 weeks in the United Kingdom, while in Singapore, we entered into three tenancy agreements with three institutions to lease out a majority of the room or beds with a term ranges from 1 to 1.75 years, subject to an option to renew for a further term. In general, one or two weeks before the launch of leasing of units for the next academic year, the existing tenants are offered the priority to rebook or lease the existing units for the next academic year. For those units that are not rebooked by the existing tenants, they will be put up for lease with new tenants before the commencement of the next academic year. While our lease management officers will closely monitor the leases which are near expiry from our rental listing and follow up with our tenants on renewal, there is no assurance that our existing tenant will renew the leases or we are able to attract new tenants when the existing tenant does not wish to renew upon lease expires.

Whether we can retain existing customers and attract new customers depends on a number of factors, which including, but not limited to, the following:

- availability of alternative accommodation at better rental rate;
- any government or other policy changes which reduces the number of foreign workers or students; or
- our ability to maintain the existing accommodation to the satisfaction of our existing customers and/or new customers.

Some of the factors above, to a large extent, are beyond our control. If our existing tenants decide not to renew their lease agreements with us for any reason, and we are unable to attract new customers, our business and result of operations may be materially and adversely affected.

RISK FACTORS

Our Group is exposed to increases in property expenses and other operating costs

Factors that could increase our Group's property expenses and other operating expenses include:

- (i) increases in property taxes, value added taxes, goods and services taxes, council tax and rates and other indirect tax and statutory charges;
- (ii) changes in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;
- (iii) increase in insurance premiums;
- (iv) increase in the rate of inflation;
- (v) increase in labour costs;
- (vi) increase in repair and maintenance costs; and
- (vii) increase in management costs and utility charges.

There can be no assurance that should the property expenses and operating expenses increase, such increase will not have a significant impact on our Group's business and financial position.

Losses or liabilities from latent building or equipment defects may adversely affect our Group's business and financial performance

Our Group may require additional capital expenditure, special repair or maintenance costs or the payment of damages or other obligations to third parties for any design, construction or other latent property or equipment defects in our Group's accommodation assets from time to time. Costs or liabilities arising from such property or equipment defects may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material adverse effect on our Group's earnings and cash flows.

The contractual representations, warranties and indemnities given to our Group by the vendor of our Group's accommodation assets may have already lapsed. In addition, statutory representations, warranties and indemnities given to our Group by the vendor of accommodation or statutory or contractual representations, warranties and indemnities given to our Group by any supplier of equipment may not accord satisfactory protection from costs or liabilities arising from such property or equipment defects.

Furthermore, if our Group is unable to repair any latent defects in our accommodation or carry out structural repairs, there may be an impact on its ability to rent out the units at the accommodation, which will have an adverse impact on our Group's business and financial performance.

RISK FACTORS

Our Group is exposed to the risk of loss from natural disasters and other events outside its control that affect the place where its accommodation are or may be located

Our Group faces the risk of loss or damage to our accommodation or properties that our Group may own or lease from time to time due to riots, fire, theft and natural disasters including but not limited to earthquakes and floods. The occurrence of any of the aforesaid where our Group's properties or customers are located could interrupt its business. Such events may cause disruptions or cessation in our Group's operations, and thus adversely affect our financial results.

Our Group may be affected by legal proceedings which may arise from the development of our accommodation projects

Our Group may be involved in disputes with various parties involved in the development of new accommodation projects or upgrading of its existing accommodation such as contractors, suppliers, construction companies and other parties. Such disputes may lead to legal or arbitration proceedings, and may cause our Group to suffer additional costs and delays. In addition, whilst our Group does not currently have and have not previously had disputes or disagreements with regulatory bodies during the course of our operations, in the event that such disputes or disagreements arise, our Group may be subject to administrative proceedings and unfavourable decrees that result in financial losses and delays in the construction or completion of our Group's projects or upgrading works.

The workers accommodation business and student accommodation business is dependent on the availability of land suitable for the development of workers and student accommodation

The workers accommodation business and student accommodation business are dependent, in part, on the availability of land suitable for the development of workers and student accommodation. Governments may implement measures to adjust macroeconomic policies to prevent and curtail the overheating of our economies, which may affect the real estate markets that our Group will operate in. Additionally, our Group's ability to acquire land or licencing rights to develop such land for future development and the acquisition costs of such land will be affected by the policies of governments toward land supply. There is no assurance that our Group will be able to identify and acquire attractive sites in the future at commercially acceptable prices, or at all. If our Group is not able to identify and acquire attractive new sites at commercially acceptable prices, this could impair our Group's ability to compete with other property developers in the workers and student accommodation sector and materially and adversely affect our Group's business and financial performance.

RISK FACTORS

C. RISKS RELATING TO OUR WORLDWIDE BUSINESS ACTIVITIES

I. Risks associated with business activities in Malaysia

We may be unable to obtain relevant approvals from the Malaysian authorities

Approval of the state authorities is required prior to any acquisition, transfer or disposal of interests in land or any creation of a lease or a charge over certain types of the land in Malaysia. Any acquisition, transfer or disposal of interest in land in favour of any foreign interest requires approval of the state authorities under the relevant land legislations. However, there can be no assurance that the Malaysian state authorities will approve the application for approval to transfer land or disposal of interest in land. In the event that we wish to acquire any real property in Malaysia or realise our investments in Malaysia which require such approvals, by transferring or disposing the same, we cannot assure you that we will be able to obtain the necessary approvals to do so in a timely manner or at all. If such an event occurs, our proposed acquisition or disposal may not be completed in a timely manner or at all and as a result of which our business, financial condition, results of operations and prospects may be adversely affected.

We may face risks relating to taxation in Malaysia

For the year ended 31 December 2016, our Malaysian subsidiaries had incurred total interest expense of approximately S\$0.9 million with respect to a shareholder's loan extended by its parent company. Malaysia has introduced thin capitalisation legislation from 1 January 2009 that disallows a deduction for interest and other financial charges in respect of financial assistance granted by associated persons which are deemed by the Malaysian tax authorities to be excessive. There have been several deferrals of the implementation date of the thin capitalisation rules. In the 2018 budget speech announced by the Prime Minister of Malaysia on 27 October 2017, it was proposed that the thin capitalisation rules will be replaced by the earning stripping rules, which is expected to be effective as from 1 January 2019, to control excessive deductibility of interest expense on the loans between related parties. Under the earning stripping rules, the interest deduction on loans between related companies within the same group will be limited to a ratio as determined by the country's tax authority, ranging from 10% to 30% of the company's profit before tax either using the earning before interest and taxes (EBIT) or the earning before interest, tax, depreciation and amortisation (EBITDA). When the earning stripping rules become effective, we expect there will be certain tax exposure for our Group as a result of the implementation of such rules. For illustration purposes, by taking into account the amount of the relevant interest expenses for the year ended 31 December 2016, and on the assumption that all these interest expenses are not tax deductible upon the implementation the earning stripping rules, our Group's additional tax exposure is expected to be approximately S\$84,000 based on the current applicable Malaysian corporate income tax rate of 24%.

RISK FACTORS

There is foreign exchange control in Malaysia

There are foreign exchange policies in Malaysia which support the monitoring of capital flows into and out of the country in order to preserve its financial and economic stability. The foreign exchange policies are administered by the Foreign Exchange Administration, an arm of Bank Negara Malaysia which is the central bank of Malaysia. The foreign exchange policies monitor and regulate both residents and non-residents. Under the current Exchange Control Notices of Malaysia and Foreign Exchange Administration Policies issued by Bank Negara Malaysia, non-residents are free to repatriate any amount of funds in Malaysia at any time, including capital, divestment proceeds, profits, dividends, rental, fees and interest arising from investment in Malaysia, subject to the applicable reporting requirements, and any withholding tax. In the event Bank Negara Malaysia was to introduce restrictions in the future, we may be affected in our ability to repatriate dividends or distributions from our Malaysian subsidiaries.

II. Risks associated with business activities in the United Kingdom

Our Group's business may be affected by the decision made by the United Kingdom referendum held on the 23 June 2016 to leave the European Union

The student accommodation industry is dependent on the presence of a certain population of students coming from the European Union. As a result of the decision of the United Kingdom referendum to leave the European Union, European Union students, who may no longer receive any tuition fee subsidies after the United Kingdom leaves the European Union, could potentially find higher education in the United Kingdom less financially attractive. Also, there are medium term concerns about continuity of European Union funding of United Kingdom research universities post graduate student programs. These higher costs for the students might affect the occupancy rate of our Group's student accommodation assets in the United Kingdom and have an adverse impact on our Group's business and financial performance.

Our Group's business may be affected by the increasingly stringent control of the immigration rules and student visas in the United Kingdom

The student accommodation industry is dependent on the presence of a certain population of students coming from around the world. Since the tabling of a Statement of Changes in Immigration Rules on 13 July 2015 where further education students from outside the European Union are eliminated of work rights, the incentives of international students studying in the United Kingdom could potentially decline due to the stringent control on the immigration rule and the post-work visas.

As evidenced by the home secretary of the United Kingdom, Amber Rudd, who pledged a crackdown on international student numbers at the Conservative party conference in October 2016, to include tougher visa rules for lower quality universities and courses, the potential intention of the

RISK FACTORS

United Kingdom Government in cutting international student numbers at the universities could mean that there is a less demand of our Group's student accommodation assets in the United Kingdom. As such, the business and financial performance of our Group could be materially and adversely affect.

Our Group's business may be affected by changes to tax policy of the United Kingdom

The recent general election in the United Kingdom did not produce an outright majority for any party, with consequent uncertainty for the direction of tax policy in the United Kingdom. Prior to that election, the previous Government of the United Kingdom had proposed various changes to its tax regime which could impact on debt-financed business, including property businesses; in particular, it proposed a cap on the amount of tax relief which is available for certain finance expenses and to bring non-United Kingdom resident companies such as non-resident landlords, which are currently subject to only income tax within the scope of corporation tax. It is unclear when, or how, the Government of the United Kingdom will proceed with these, or other, changes.

III. Risks associated with business activities in Australia

We face increasing competition that could adversely affect our business and financial position in Australia

In recent years, a large number of operators have begun to undertake student accommodation projects in Australia, especially in Melbourne. Many of these operators have significant financial, managerial, marketing and other resources, as well as experience in property and accommodation development. Competition among these developers is intense and may result in, among others, increased operating costs, oversupply of student accommodation in Australia, a decrease in accommodation price, a slowdown in the rate at which our new accommodation will be approved by the relevant government authorities, an increase in difficulty in obtaining high quality occupants. Any such effect may adversely affect our business, results of operation and financial position. In addition, the market for student accommodation in Australia is rapidly changing. If we cannot respond to changes in market conditions more swiftly or effectively than our competitors, our ability to generate revenue, our financial conditions and our results of operations as well as future growth and prospects may be adversely affected.

D. RISKS RELATING TO THE SHARE OFFER AND OWNERSHIP OF SHARES

The market price of our Shares could be volatile

The trading price of our Shares on the SGX-ST might not be indicative of the expected market price for our Shares on the Stock Exchange following the Listing. Further, the trading price of our Shares on the SGX-ST has been, and might continue to be subject to substantial fluctuations. The trading price of our Shares could increase or decrease in response to a number of events and factors, including without limitation:

RISK FACTORS

- (i) actual or anticipated fluctuations in our operating results;
- (ii) valuations of properties held by us;
- (iii) changes in estimates and recommendations by securities analysts;
- (iv) developments affecting us or our competitors; and
- (v) changes in general economic conditions and investor perception of the investment environment in Asia and Europe including Singapore, the United Kingdom, Australia, Malaysia, the PRC and Hong Kong; and
- (vi) fluctuations of exchange rates between the SGD, the Hong Kong dollar, RM, AUD and Pounds.

The volatility can adversely affect the trading price of our Shares regardless of our operating performance. Further, for these reasons amongst others, our Shares might trade at prices that are higher or lower than the attributable net asset value of our Shares. In addition, we cannot guarantee that investors can regain the amount invested. It is possible that investors could lose all or a part of their investment in our Shares.

You will experience immediate dilution and may experience further dilution if we issue additional Shares in the future

In the event that the final Offer Price of our Offer Shares is lower than the net tangible asset value per Share immediately prior to the Share Offer, subscribers of our Offer Shares under the Share Offer will experience an immediate dilution in the net tangible asset value per Share.

If we issue additional Shares in the future, you and other subscribers of our Shares may experience further dilution in the net tangible asset value per Share if we issue additional Shares at a price lower than the net tangible asset value per Share at the time of their issuance.

Future sales of our Shares by us or our existing Shareholders could affect our Share price

Any future sale or offering of our Shares in the public market could exert a downward pressure on our Share price. We cannot assure you that our existing Shareholders will not dispose of our Shares held by them or that we will not issue Shares in the future. We cannot predict the effect, if any, that any future sales of Shares by our existing Shareholders, or the availability of Shares for sale by our existing Shareholders, or the issuance of Shares by our Company could have on the market price of our Shares. The sale of a significant amount of our Shares in the public market or the perception that such sale might occur, could adversely affect the market price of our Shares. These factors could also affect our ability to issue additional equity securities in the future.

RISK FACTORS

The liquidity of our Shares on the Stock Exchange could be limited

Our Shares have not been traded on the Stock Exchange before the Listing and there could be limited liquidity in our Shares on the Stock Exchange. Although Shareholders will be able to transfer the registration of our Shares from Singapore to Hong Kong, and vice versa, there is no certainty as to the number of Shares that Shareholders may elect to transfer to Hong Kong. This could adversely affect investors' ability to purchase or liquidate Shares on the Stock Exchange. Accordingly, there is no guarantee that the price at which Shares are traded on the Main Board of the Stock Exchange will be substantially the same as or similar to the price at which Shares are traded on the main board of the SGX-ST or that any particular volume of Shares will trade on the Main Board.

Overseas Shareholders may be unable to participate in rights offerings or certain other equity issues

If we offer or cause to be offered to Shareholders rights to subscribe for additional Shares or any right of any other nature, we may be subject to regulations as to the procedure to be followed in making such rights available to holders of our Shares or in disposing of such rights for the benefit of such holders and making the net proceeds available to such holders. We may not offer such rights to the Shareholders having an address in jurisdictions outside Hong Kong or Singapore. Accordingly, Shareholders having an address outside Hong Kong or Singapore may be unable to participate in rights offerings and may experience a dilution in their holdings as a result.

There is no guarantee that we will declare dividends in the future

During the three years ended 31 December 2016 and the six months ended 30 June 2017 dividends declared and paid was approximately S\$11.4 million, S\$11.3 million, S\$14.8 million and S\$8.0 million, respectively, which has been fully settled in cash from internal resources of our Group. On 7 August 2017, our Company declared an interim dividend of S\$1.0 cent per Share relating to the financial year 2017 amounting to approximately S\$8.0 million. The dividend has been fully settled in cash from operating activities of our Group on 15 September 2017. There is no assurance that dividends will be declared or paid in the future. Dividends declared and paid in the past should not be regarded as an indication of the dividend policy to be adopted by our Company following the Listing, which will be at the discretion of our Directors and will depend on our future operations and earnings, capital requirements and surplus, general financial condition and other factors which our Directors deem relevant. Our Group does not have a pre-determined dividend payout ratio. In addition, dividends distributed by the Company are tax exempt dividends for Singapore tax purpose such that they will not be subject to Singapore tax in the hands of shareholders. Singapore laws do not impose tax on capital gains. However, investors and Shareholders of our Company shall be cautioned that gains arising from the disposal of ordinary shares of a Singapore incorporated company may be construed to be of an income nature and subject to Singapore tax if the gains arise from activities which the Controller of Income Tax of Singapore considers as the carrying on of a trade or business in Singapore. Please refer to paragraph headed "Singapore Taxation" in section headed "Regulatory overview" for further details.

RISK FACTORS

Termination of the Underwriting Agreements

Prospective investors should note that the Joint Global Coordinators (for themselves and on behalf of the Underwriters) are entitled to terminate the Underwriters' obligations under the Underwriting Agreements by giving written notice to our Company upon the occurrence of any of the events stated in the paragraph headed "Underwriting — Underwriting arrangements and expenses — Public Offer — Grounds for termination" in this prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date. Such events include, without limitation, any act of God, war, riot, public disorder, civil commotion, fire, flood, tsunami, explosion, epidemic, pandemic, act of terrorism, earthquake, strike or lock-out. Should the Joint Global Coordinators exercise their rights and terminate the Underwriting Agreements, the Share Offer will not proceed and will lapse.

Our Controlling Shareholders have substantial control over our Company and their interests may not be aligned with the interests of our other Shareholders

Our Controlling Shareholders will, upon Listing, beneficially own up to approximately 56.8% of our share capital. As such, our Controlling Shareholders will have substantial control over our business. By virtue of their ownership of our share capital as well as their positions on our Board, they will be able to exert significant influence over our business and other matters of significance to us and other Shareholders by voting at general meetings of our Shareholders or our Board meetings, including:

- (i) election of our Directors;
- (ii) selection of senior management members;
- (iii) amount and timing of dividend payments and other distributions;
- (iv) acquisition of or merger with another entity;
- (v) overall strategic and investment decisions;
- (vi) issuance of securities and adjustment to our capital structure; and
- (vii) amendments to our Constitution.

The interests of our Controlling Shareholders may differ from the interests of other Shareholders, and they are free to exercise their votes according to their own interests. In particular, our Controlling Shareholders are able to:

- (i) subject to applicable laws and regulations, cause our Board to act in a manner that may not be in the best interests of our other Shareholders;

RISK FACTORS

- (ii) subject to the provisions of our Constitution, cause us to adopt amendments to our Constitution, including amendments that are not in the best interests of our other Shareholders; or
- (iii) otherwise determine the outcome of most corporate actions, including the enforcement of indemnities against our Controlling Shareholders and, subject to the applicable requirements of the Stock Exchange, cause us to effect corporate transactions without the approval of our other Shareholders.

In the event that the interests of our Controlling Shareholders conflict with those of other Shareholders, our other Shareholders may be disadvantaged as a result.

E. RISKS RELATING TO OUR DUAL PRIMARY LISTING

There are different characteristics between the Singapore stock market and the Hong Kong stock market

Our Shares have been listed and traded on Sesdaq since January 1995 and then on the main board of the SGX-ST since October 1998. Following the Listing, it is our current intention that our Shares will continue to be traded on the main board of the SGX-ST. Our Shares traded on the Stock Exchange will be registered by the Hong Kong Branch Share Registrar. As there is no direct trading or settlement between the stock markets of Singapore and Hong Kong, the time required to transfer shares between the Singapore Principal Share Register and the Hong Kong Branch Share Register could vary and there is no certainty when transferred Shares will be available for trading or settlement.

The main board of the SGX-ST and the Main Board have different trading hours, trading characteristics (including trading volume and liquidity), trading and listing rules and investor bases (including different levels of retail and institutional participation). As a result, the trading price of our Shares on the main board of the SGX-ST and the Main Board might not be the same.

Further, fluctuations in the price of our Shares on the main board of the SGX-ST could adversely affect the price of our Shares on the Main Board, and vice versa. Moreover, fluctuations in the exchange rate between Singapore dollars and Hong Kong dollars can also adversely affect the trading prices of our Shares on the main board of the SGX-ST and the Main Board. Due to the different characteristics of the stock markets of Singapore and Hong Kong, the historical prices of our Shares on the main board of the SGX-ST might not be indicative of the performance of our Shares on the Main Board after the Listing. You should therefore not place undue reliance on the prior trading history of our Shares on the main board of the SGX-ST when evaluating an investment in our Shares through the Main Board.

RISK FACTORS

We will be concurrently subject to Hong Kong and Singapore listing and regulatory requirements

As we are listed on the main board of the SGX-ST and will be listed on the Main Board, we will be required to comply with the listing rules (where applicable) and other regulatory regimes of both jurisdictions, unless an exemption is available or a waiver has been obtained. Accordingly, we may incur additional costs and resources in complying with both sets of listing rules in Singapore and Hong Kong.

The time lag of the transfer of Shares between the Hong Kong and Singapore markets could be longer than expected, and our Shareholders might not be able to settle or effect any Share sale during this period

There is no direct trading or settlement between the stock exchanges of Singapore and Hong Kong. To enable the transfer of Shares between the two stock exchanges, our Shareholders are required to comply with specific procedures and bear the necessary costs. Under normal circumstances and assuming that there are no deviations from the usual share transfer procedures, our Shareholders can expect a normal transfer from the Singapore Principal Share Register to the Hong Kong Branch Share Register to complete within 15 Business Days and from the Hong Kong Branch Share Register to the Singapore Principal Share Register within 15 Business Days depending on whether our Shares are registered under CCASS, CDP or in the name of our Shareholders. However, we cannot assure you that the transfer of Shares will be completed in accordance with this timeline. There could be unforeseen market circumstances or other factors that could delay the transfer, thereby preventing our Shareholders from settling or effecting the sale of their Shares.

You could experience difficulties in enforcing your shareholder rights because we are incorporated in Singapore, and the laws of Singapore for minority shareholders' protection could be different from those under the laws of Hong Kong and other jurisdictions

We are a company incorporated in Singapore with limited liability, and the laws of Singapore differ in some respects from those of Hong Kong or other jurisdictions where investors might be located. Our corporate affairs are governed by our Constitution, the Companies Act and the laws of Singapore. The laws of Singapore relating to the protection of the interests of minority shareholders differ in some respects from those established under statutes and judicial precedents in existence in other jurisdictions. This could mean that the remedies available to our Company's minority Shareholders could be different from those they would have under the laws of other jurisdictions.

RISK FACTORS

F. RISKS RELATING TO CERTAIN INFORMATION CONTAINED IN THIS PROSPECTUS

Certain facts and statistics in this prospectus may not be accurate and reliable

The facts and statistics disclosed in this prospectus (particularly those set out in the sections headed “Industry overview” and “Regulatory overview” in this prospectus) relating to Singapore, the United Kingdom, Australia and Malaysia, their economies, regulatory frameworks, and the creative production industry has been derived from various government publications or leading institutions that we believe to be reliable and appropriate sources for such information. However, we cannot guarantee the quality or reliability of such source materials. Whilst we have taken reasonable care in the reproduction of such information, they have not been independently verified by us, the Sole Sponsor, any of our or their respective directors or any other parties involved in the Share Offer. Therefore, all the aforesaid parties, including but not limited to our Company and the Sole Sponsor, make no representation as to the accuracy of such facts and statistics disclosed in this prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice, the facts and statistics disclosed in this prospectus may be inaccurate or may not fairly reflect the actual situations or market conditions. Furthermore, we cannot assure that such information is stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In all cases, prospective investors should give careful consideration as to how much weight or importance they should attach to, or place on, such statistics, projected industry data and other information relating to the economy and the industry.

Information contained in press articles or other media

We wish to emphasise to prospective investors that we do not accept any responsibility for the accuracy or completeness of the information contained in any press articles or other media coverage regarding our Group or the Share Offer, and such information that was not sourced from or authorised by us. We make no representation as to the appropriateness, accuracy, completeness or reliability of any information contained in any press articles or other media about our business or financial projections, share valuation or other information. Accordingly, in all cases, prospective investors should give consideration as to how much weight or importance they should attach to, or place on, such press articles or other media coverage.

Forward-looking statements contained in this prospectus may prove inaccurate and therefore investors should not place undue reliance on such information

This prospectus contains certain forward-looking statements relating to the plans, objectives, expectations and intentions of our Directors and our Group. Such forward-looking statements are based on numerous assumptions as to the present and future business strategies of our Group and the development of the environment in which our Group operates. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual financial results, performance or achievements of our Group to be materially different from the anticipated financial results, performance or achievements of our Group expressed or implied by these statements.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

In preparation for the dual primary listing of our Company on the Stock Exchange, we have sought certain waivers from strict compliance with certain provisions of the Listing Rules. Set out below is a summary of the waivers sought and granted by the Stock Exchange:

<u>Relevant Listing Rules provision</u>	<u>Subject matter</u>	<u>Pages in this prospectus</u>
Rule 8.12	Sufficient management presence in Hong Kong	64
Rules 3.28 and 8.17	Qualification of joint company secretaries	66
Rule 9.09	Dealings in securities by core connected persons during a listing application process	68
Rule 10.04 and paragraph 5(2) of Appendix 6	Allocation of Placing Shares to existing Shareholders and their close associates	69
Rule 19.10(6)	Inspection of legislation and regulations	70

1. SUFFICIENT MANAGEMENT PRESENCE IN HONG KONG (RULE 8.12)

Rule 8.12 of the Listing Rules requires that a new applicant applying for a primary listing on the Stock Exchange must have a sufficient management presence in Hong Kong, which normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. As the principal business operations, properties, offices and facilities of our Group are predominantly located, conducted and managed in Singapore, the United Kingdom, Australia, Malaysia and elsewhere other than Hong Kong, our Directors and senior management are and will continue to be based predominantly in those countries. Further, our Board currently comprises six members, all of whom are non-executive Directors and independent non-executive Directors, and none of whom are executive Directors. For further background and reasons of having no executive Directors, please refer to the paragraph headed “Directors and senior management — Compliance with the Corporate Governance Code and Listing Rules — Requirements under paragraph A3 of the CG Code” in this prospectus. As such, our Board composition falls short of the requirement of having two executive directors under Rule 8.12 of the Listing Rules.

As at the Latest Practicable Date, save for our Hong Kong company secretary, Ms. Wong Tak Yee (“**Ms. Wong**”), none of our Directors or senior management is a Hong Kong resident or based in Hong Kong. If two Directors who are ordinarily residents in Hong Kong need to be appointed for the purpose of complying with the requirements of Rule 8.12 of the Listing Rules, such personnel may not be able to fully understand or familiarise themselves with the business and operations of our Group immediately. This may have an adverse impact on their ability to exercise their discretion on

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

a fully informed basis, or make appropriate decisions beneficial to the business operations and development of our Group. Further, as our Company is also listed on SGX-ST, there are other compliance issues with SGX-ST that our Company needs to satisfy. Hence, our Directors consider it may not be practicable or in the best interest of our Company nor the Shareholders as a whole to appoint two executive Directors who are ordinarily residents in Hong Kong for the purpose of satisfying the requirements of Rule 8.12 of the Listing Rules.

Our Company has applied for and the Stock Exchange has granted a waiver from the strict compliance with the requirements of Rule 8.12 of the Listing Rules on the following conditions:

- (a) our Company has appointed and will continue to maintain two authorised representatives pursuant to Rule 3.05 of the Listing Rules, who will act as the principal channel of communication between our Company and the Stock Exchange. Our Company will ensure that the authorised representatives will comply with the Listing Rules at all times. We have appointed Ms. Wong, our Hong Kong company secretary, who is ordinarily resident in Hong Kong, and Mr. Wong Kok Hoe, our non-executive Director and chairman of the Board as our two authorised representatives;
- (b) each of the authorised representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable period of time upon request and will be readily contactable by telephone, facsimile or email. Each of the two authorised representatives has been duly authorised to communicate on behalf of our Company with the Stock Exchange;
- (c) each of the authorised representatives has means to contact all members of the Board (including the independent non-executive Directors) and the senior management team of our Group promptly at all times as and when the Stock Exchange wishes to contact any of them for any matter;
- (d) our Company will implement a policy that (i) every Director will provide his or her mobile phone number, residential phone number, office phone number, fax number and email address to the authorised representatives; (ii) every Director will provide his or her phone number, place and phone number of the place of accommodation and other means of communication to the authorised representatives if such Director is expecting to travel or be out of office; and (iii) every Director (including independent non-executive Directors) will provide his or her mobile phone number, residential phone number, office phone number, fax number and email address to the Stock Exchange;
- (e) each Director who is not ordinarily resident in Hong Kong has confirmed that he possesses valid travel documents which allow him to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable time upon request;

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- (f) our Company has pursuant to Rule 3A.19 of the Listing Rules appointed VBG Capital Limited as our compliance adviser; and
- (g) any meeting between our Company and the Stock Exchange can be arranged through the authorised representatives or the compliance adviser, or directly with our Directors. We will inform the Stock Exchange of any change in authorised representative or compliance adviser in accordance with the Listing Rules.

2. QUALIFICATION OF JOINT COMPANY SECRETARIES (RULES 3.28 AND 8.17)

Rule 8.17 of the Listing Rules provides that the issuer must appoint a company secretary who satisfies the requirements under Rule 3.28 of the Listing Rules.

According to Rule 3.28 of the Listing Rules, the secretary of the issuer must be a person who, by virtue of his or her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

Note 1 to Rule 3.28 of the Listing Rules provides that the Stock Exchange considers that the following academic or professional qualifications to be acceptable: (i) a member of The Hong Kong Institute of Chartered Secretaries; (ii) a solicitor or barrister (as defined in the Legal Practitioners Ordinance); and (iii) a certified public accountant (as defined in the Professional Accountants Ordinance).

Note 2 to Rule 3.28 of the Listing Rules provides that in assessing “relevant experience”, the Stock Exchange will consider the individual’s (i) length of employment with the issuer and other listed companies and the roles he or she played; (ii) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies (Miscellaneous Provisions) Ordinance and the Takeovers Code; (iii) relevant training taken and/or to be taken in addition to the minimum requirement of taking not less than 15 hours of relevant professional training in each financial year under Rule 3.29 of the Listing Rules; and (iv) professional qualifications in other jurisdictions.

Having considered the rationale of Rules 3.28 and 8.17 of the Listing Rules, our Directors acknowledge the important role of the company secretary in the corporate governance of a listed issuer, particularly in assisting the listed issuer as well as its directors in complying with the Listing Rules and other relevant laws and regulations.

Ms. Hazel Chia Luang Chew (謝鸞秋) (“**Ms. Chia**”), aged 56, was appointed as company secretary of our Company on 30 January 2015. She is a practising chartered secretary in Singapore certified by the Singapore Association of the Institute of Chartered Secretaries and Administrators and a fellow member of the Institute of Chartered Secretaries and Administrators. Ms. Chia has over

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

30 years of experience in corporate secretarial practice including handling members' voluntary liquidation and advising board of directors of listed companies in Singapore. She has also been appointed as company secretary of several companies listed on the SGX-ST. She also acts as company secretary of many private limited companies incorporated in Singapore.

Ms. Juliana Tan Beng Hwee (陳明慧) (“**Ms. Tan**”), aged 46, was appointed as company secretary of our Company on 1 January 2017. She obtained an external degree of Bachelor of Science (Economics) in the specialism of management studies from the University of London and is a practising chartered secretary in Singapore certified by the Singapore Association of the Institute of Chartered Secretaries and Administrators. Ms. Tan has over two decades of experience in corporate secretarial practice. She has also served as company secretary for several companies listed on the SGX-ST and private limited companies incorporated in Singapore.

Our Board acknowledged that Ms. Chia and Ms. Tan do not possess the academic or professional qualifications as set out in Note 1 to Rule 3.28 of the Listing Rules. Nevertheless, our Directors believe that Ms. Chia and Ms. Tan, by virtue of the length of acting as company secretaries of our Company and their experience in corporate secretarial practice, coupled with the implementation of the following arrangements by our Company, should be able to discharge their function as company secretaries of our Company and would satisfy the requirements of Rules 3.28 and 8.17 of the Listing Rules in relation to company secretaries:

1. our Company has appointed Ms. Wong, who is a member of The Hong Kong Institute of Chartered Secretaries and meets the requirements under Note 1 to Rule 3.28 of the Listing Rules, as our Hong Kong company secretary to work closely with Ms. Chia and Ms. Tan in discharge of their duties as company secretaries for an initial period of three years commencing from the Listing Date. As part of the proposed arrangement, Ms. Wong will familiarise herself with the affairs of our Company and will communicate regularly with Ms. Chia and Ms. Tan on matters relating to corporate governance, the Listing Rules as well as the applicable laws and regulations and other affairs of our Company;
2. Ms. Chia and Ms. Tan will endeavour to attend relevant training courses to keep themselves abreast with the applicable Hong Kong laws and regulations (including the Listing Rules) organised by accredited organisations and seminars organised by the Stock Exchange for listed issuers from time to time, in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
3. a further evaluation of the qualifications and experience of Ms. Chia and Ms. Tan and the need for on-going assistance would be made prior to the expiry of the three year period from the date of the proposed Listing.

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Accordingly, our Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules. This waiver is valid for a period of three years from the Listing Date and will be revoked immediately if Ms. Wong ceases to provide assistance to Ms. Chia and Ms. Tan as a joint company secretary of our Company during the three years after the Listing Date.

3. DEALINGS IN SECURITIES BY CORE CONNECTED PERSONS DURING A LISTING APPLICATION PROCESS (RULE 9.09)

Rule 9.09 of the Listing Rules provides that there must be no dealing in the securities for which listing is sought by any core connected person of the issuer from four clear business days before the expected hearing date until listing is granted (the “**Relevant Period**”). Our Company, being a company the Shares of which are widely held, publicly traded and listed on the SGX-ST, is not in a position to control the investment decisions of our Shareholders (other than the Controlling Shareholders) or the investing public in Singapore. To the best knowledge of our Directors after making reasonable enquiry, other than the Controlling Shareholders, there is no other Shareholder who held more than 10% of the total issued share capital of our Company as at the Latest Practicable Date. Further, other than Mr. Loh, Mr. Han and Mr. Gn Hiang Meng, none of our Directors was directly or indirectly interested in any Shares as at the Latest Practicable Date.

Our Company has applied for and the Stock Exchange has granted a waiver from the strict compliance with the requirements of Rule 9.09 of the Listing Rules subject to the following:

- (a) the core connected person(s), other than those who are Directors:
 - (i) shall have no influence over the listing process; and
 - (ii) are not in possession of any non-public inside information;
- (b) we shall promptly release any inside information to the public in accordance with the relevant laws and regulations in Singapore and Hong Kong;
- (c) we shall procure that none of the Controlling Shareholders and the Directors and any of their respective associates deals in the Shares during the Relevant Period;
- (d) we will notify the Stock Exchange if there is any dealing or suspected dealing in the Shares by any of our core connected persons during the Relevant Period;
- (e) for any person (other than the Controlling Shareholders) who, as a result of dealing in the securities of our Company during the Relevant Period, becomes a substantial shareholder of our Company (the “**Potential New Substantial Shareholder**”), we confirm that:

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- (i) such Potential New Substantial Shareholder is currently not a Director or a member of the senior management of our Company or any of our subsidiaries and would not become a Director or a member of the senior management of our Company after Listing; and
- (ii) our Company and our management have not had control over the investment decisions of such Potential New Substantial Shareholder or its associates; and
- (f) no dealing by any core connected person of our Company in the Shares where our Company is a party will be conducted during the Relevant Period.

As at the Latest Practicable Date, we were not aware of any core connected person which may not be able to comply with Rule 9.09 of the Listing Rules.

4. ALLOCATION OF PLACING SHARES TO EXISTING SHAREHOLDERS AND THEIR CLOSE ASSOCIATES

Rules 10.03(1), 10.03(2) and 10.04 of the Listing Rules provide that a person who is an existing shareholder of the issuer may only subscribe for or purchase securities for which listing is sought which are being marketed by or on behalf of a new applicant either in his or its own name or through nominees if the following conditions are fulfilled: (i) no securities are to be offered to the existing shareholders on a preferential basis and no preferential treatment is given to them in the allocation of the securities; and (ii) the minimum prescribed percentage of public shareholders required by Rule 8.08(1) of the Listing Rules is achieved.

Paragraph 5(2) of Appendix 6 to the Listing Rules provides, among other matters, that unless with the prior written consent of the Stock Exchange, no allocations will be permitted to directors or existing shareholders of the applicant or their close associates, whether in their own names or through nominees unless the conditions set out in Rules 10.03 and 10.04 of the Listing Rules are fulfilled.

The Placing Underwriters will solicit from prospective professional, institutional and private investors indications of interest in acquiring the Placing Shares in the Placing. Prospective professional, institutional and private investors will be required to specify the number of Placing Shares under the Placing they would prepare to acquire either at different prices or at a particular price. It may be necessary for the Placing Underwriters to include existing Shareholders in such “book-building” process described above.

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Our Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 10.04 of the Listing Rules, and its consent under paragraph 5(2) of Appendix 6 to the Listing Rules to permit our Company to allocate the Placing Shares in the Placing to existing Shareholders and their close associates, subject to the following conditions:

- (a) each existing Shareholder to whom Placing Shares may be allocated in the Placing must hold less than 5% of the issued Shares in our Company prior to Listing;
- (b) such existing Shareholders and their close associates are not, and will not be, core connected persons (as defined under the Listing Rules) of our Company or any close associate (as defined under the Listing Rules) of any such core connected person immediately prior to or following the Share Offer;
- (c) such existing Shareholders have no right to appoint directors of our Company and do not have other special rights in our Company;
- (d) allocation to such existing Shareholders and their close associates will not affect our Company's ability to satisfy the public float requirement under Rule 8.08 of the Listing Rules;
- (e) each of our Company, the Joint Global Coordinators and the Sole Sponsor confirms to the Stock Exchange in writing that no preferential treatment has been, nor will be, given to our existing Shareholders and their close associates by virtue of their relationship with our Company in any allocation in the Placing; and
- (f) the relevant information in respect of the allocation to our existing Shareholders and/or their close associates will be disclosed in the allotment results announcement.

5. INSPECTION OF LEGISLATION AND REGULATIONS (RULE 19.10(6))

Rule 19.10(6) of the Listing Rules provides that an overseas issuer must offer for inspection a copy of any statutes or regulations which are relevant to the summary of the regulatory provisions of the jurisdiction in which the overseas issuer is incorporated. In the case of our Company, these include the Companies Act, the SFA, the Singapore Code and the Singapore Listing Manual. These copies of legislation are lengthy and it would be difficult to deliver copies to Hong Kong in physical format. In addition, these copies of legislations can be readily accessed via the Internet free of charge. For further details about how to access these copies of legislations via the Internet, please refer to the section headed "Documents delivered to the registrar of companies in Hong Kong and available for inspection — Documents available for inspection" as set out in Appendix VII to this prospectus.

Our Company has sought, and the Stock Exchange has granted, a waiver from strict compliance with Rule 19.10(6) of the Listing Rules.

INFORMATION ABOUT THIS PROSPECTUS AND THE SHARE OFFER

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus, for which our Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information with regard to our Group. Our Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and is not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

Printed copies of this prospectus required by the Listing Rules and the Companies (Miscellaneous Provisions) Ordinance are available, for information purposes only, during normal office hours from 9:00 a.m. to 5:00 p.m. at the offices of the Joint Global Coordinators at 15/F, China Building, 29 Queen's Road Central, Hong Kong, 11/F, New World Tower II, 16–18 Queen's Road Central, Hong Kong and 18th Floor, Prosperity Tower, 39 Queen's Road Central, Hong Kong from Wednesday, 29 November 2017 to Monday, 4 December 2017 (both dates inclusive).

OFFER SHARES ARE FULLY UNDERWRITTEN

This prospectus is published solely in connection with the Share Offer which is sponsored by the Sole Sponsor and is managed by the Joint Global Coordinators. The Offer Shares are fully underwritten by the Underwriters subject to the terms and conditions of the Underwriting Agreements and is subject to the Offer Price to be fixed by the Price Determination Agreement on the Price Determination Date, which is expected to be on or around Wednesday, 6 December 2017, or such later date as may be agreed between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters). Further information relating to the underwriting arrangements is set out in the section headed "Underwriting" of this prospectus.

If, for any reason, the Offer Price is not agreed between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on or before the Price Determination Date or such later date as may be agreed by the parties, the Share Offer will not become unconditional and will lapse.

INFORMATION OF THE SHARE OFFER

The Public Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and the Application Forms and on the terms and subject to the conditions set out herein and therein. No person is authorised to give any information in connection with the Share Offer or to make any representation not contained in this prospectus or the relevant Application Forms, and any information or representation not contained herein and therein

INFORMATION ABOUT THIS PROSPECTUS AND THE SHARE OFFER

must not be relied upon as having been authorised by our Company, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors, agents, employees or advisors or any other parties involved in the Share Offer.

Neither the delivery of this prospectus nor any offering, sale or delivery made in connection with the Offer Shares should, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in our affairs since the date of this prospectus or imply that the information contained in this prospectus is correct as of any date subsequent to the date of this prospectus.

Details of the structure of the Share Offer, including its conditions, are set out in the section headed “Structure and conditions of the Share Offer” in this prospectus, and the procedures for applying for the Public Offer Shares are set out in the section headed “How to apply for the Public Offer Shares” in this prospectus and on the relevant Applications Forms.

UNDERWRITING

This prospectus is published solely in connection with the Share Offer. For applicants under the Public Offer, this prospectus and the Application Forms set out the terms and conditions of the Public Offer.

The Listing is sponsored by the Sole Sponsor. The Public Offer is fully underwritten by the Public Offer Underwriters under the terms of the Public Offer Underwriting Agreement, and is subject to the agreement on the Offer Price between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on the Price Determination Date or such later date as may be agreed by the parties. A Placing Underwriting Agreement relating to the Placing is expected to be entered into on or around Wednesday, 6 December 2017, subject to the Offer Price being agreed. The Share Offer is managed by the Joint Global Coordinators.

If, for any reason, the Offer Price is not agreed between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on or before the Price Determination Date or such later date as may be agreed by the parties, the Share Offer will not proceed and will lapse. Further details of the Underwriters and the underwriting arrangements are set out in the paragraph headed “Underwriting — Underwriting arrangements and expenses” in this prospectus.

OFFER PRICE

The Offer Shares are being offered at the Offer Price, which is expected to be fixed by the Price Determination Agreement between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on the Price Determination Date, which is currently expected to be on or about, Wednesday, 6 December 2017 (or such later date as our Company and the Joint Global

INFORMATION ABOUT THIS PROSPECTUS AND THE SHARE OFFER

Coordinators (for themselves and on behalf of the Underwriters) may agree). If, for any reason, our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) are unable to agree on the Offer Price on or before the Price Determination Date or such later date as may be agreed by the parties, the Share Offer will not become unconditional and will lapse. For information relating to the determination of the Offer Price, please refer to the section headed “Structure and conditions of the Share Offer” in this prospectus.

RESTRICTIONS ON SALE OF THE OFFER SHARES

No action has been taken to permit a public offering of the Offer Shares or the distribution of this prospectus and/or the related Application Forms in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation, nor is it calculated to invite or solicit offers in any jurisdiction or in any circumstances in which such an offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this prospectus and the offering of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the securities laws of such jurisdictions pursuant to registration with or an authorisation by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Offer Shares have not been offered and sold, and will not be offered or sold, directly or indirectly in the USA, except in compliance with the relevant laws and regulations of each of such jurisdictions.

The Offer Shares are offered to the public in Hong Kong for subscription solely on the basis of the information contained and the representations made in this prospectus and the related Application Forms. No person is authorised in connection with the Share Offer to give any information or to make any representation not contained in this prospectus, and any information or representation not contained in this prospectus must not be relied upon as having been authorised by our Company, the Sole Sponsor, the Joint Global Coordinators, the Joint Lead Managers, the Joint Bookrunners, the Underwriters, any of their respective directors, agents or advisers or any other person involved in the Share Offer.

Each person acquiring the Offer Shares will be required, and is deemed by his or her acquisition of the Offer Shares, to confirm that he or she is aware of the restrictions on offers of the Offer Shares described in this prospectus and that he or she is not acquiring, and has not been offered any Offer Shares in circumstances that contravene any such restrictions.

The following information is provided for guidance only. Prospective applicants for Offer Shares should consult their financial advisers and take legal advice, as appropriate, to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions. Prospective applicants for the Offer Shares should inform themselves as to the relevant legal requirements of applying for the Offer Shares and any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.

INFORMATION ABOUT THIS PROSPECTUS AND THE SHARE OFFER

Singapore

This prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares may not be circulated or distributed, nor may the Offer Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to section 275(1), or a person who acquires the securities as principal pursuant to section 275(1A), and in accordance with the conditions specified in section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Offer Shares are subscribed or purchased in reliance on an exemption under sections 274 or 275 of the SFA, the Offer Shares shall not be sold within the period of six months from the date of the initial acquisition of the Offer Shares, except to any of the following persons:

- (a) an institutional investor (as defined in section 4A of the SFA);
- (b) a relevant person (as defined in section 275(2) of the SFA); or
- (c) any person pursuant to an offer referred to in section 275(1A) of the SFA,

unless expressly specified otherwise in section 276(7) of the SFA or regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulation 2005 of Singapore (“SFR”).

Where the Offer Shares are subscribed or under section 275 of the SFA by a relevant person which is:

- (1) a corporation (which is not an accredited investor as defined in section 4A of the SFA) the sole business of which is to hold investments and the entire issued share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (2) a trustee (who is not an accredited investor) of a trust the sole purpose of which is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Offer Shares pursuant to an offer made under section 275 except:

INFORMATION ABOUT THIS PROSPECTUS AND THE SHARE OFFER

- (a) to institutional investors or to relevant persons defined in section 275(2) of the SFA, or (in the case of such corporation) where the transfer arises from an offer referred to in section 276(3)(i)(B) of the SFA or (in the case of such trust) where the transfer arises from an offer referred to in section 276(4)(i)(B) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in section 276(7) of the SFA; or
- (e) as specified in regulation 32 of the SFR.

Malaysia

No approval has been obtained from the Securities Commission of Malaysia (“SC”) pursuant to the Capital Markets and Services Act 2007 (“CMSA”) to make available, offer for subscription or purchase, or issue an invitation to subscribe for or purchase the Shares in Malaysia.

Hence, the Shares may not be made available, offered for subscription or purchase, or be made subject to an invitation for subscription, unless the Share Offer comes within the classes or categories of transactions or securities exempted from the requirement to obtain such approval set out in Schedule 5 of the CMSA, among others, if the Share Offer is made to:

- (a) a holder of Capital Markets Services Licence;
- (b) a closed-end fund approved by SC;
- (c) a person who acquires shares, as principal, for a consideration of not less than RM250,000.0 or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise;
- (d) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceeds RM3,000,000.0 or its equivalent in foreign currencies, excluding the value of the primary residence of the individual;
- (e) an individual who has a gross annual income exceeding RM300,000.0 or its equivalent in foreign currencies per annum in the preceding 12 months;

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- (f) an individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000.0 or its equivalent in foreign currencies per annum in the preceding 12 months; or
- (g) a corporation with total net assets exceeding RM10,000,000.0 or its equivalent in foreign currencies based on the last audited accounts,

provided that the foreign exchange is specified by the SC and the distribution of the Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities.

The Prospectus is not a prospectus within the meaning of the CMSA and the Prospectus has not been approved by, registered nor lodged with the SC or any authority in Malaysia. Hence, the Prospectus or any other offering document or material relating to the Shares may not be circulated or distributed, directly or indirectly, in Malaysia and no issue of, offer for subscription or purchase of, or invitation to subscribe for or purchase any of the Shares to which the Prospectus relate shall be made available in Malaysia pursuant to the Prospectus, unless the offers, invitations or issues are “excluded offers”, “excluded invitations” or “excluded issues” made to “accredited investors”, “high net worth entity” or “high net worth individual” stipulated in Schedule 6 and Schedule 7 of the CMSA in accordance with the conditions specified in sections 229 and 230 of the CMSA.

PRC

This prospectus has not been and will not be circulated or distributed in the PRC, and the Offer Shares may not be offered or sold, and will not be offered or sold to any person for re-offering or resale, directly or indirectly, to any resident of the PRC except pursuant to applicable laws and regulations of the PRC.

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

Further details of the structure and conditions of the Share Offer are set out in the section headed “Structure and conditions of the Share Offer” in this prospectus.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

Application has been made to the Listing Committee for the listing of, and permission to deal in, on the Main Board of the Stock Exchange, our Shares in issue and listed on the main board of the SGX-ST and Shares that may be allotted and issued pursuant to (i) the Share Offer; and (ii) the exercise of Warrants that have been issued by us and which are listed and quoted on the main board of SGX-ST. The issued Shares are currently listed on the SGX-ST, and in August 2017, the SGX-ST has granted its approval in-principle for the listing and quotation of the new Shares to be issued pursuant to the Share Offer on the SGX-ST.

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Our Company's listings on both the Main Board of the Stock Exchange and the main board of the SGX-ST will be dual primary listings. Consequently, unless otherwise agreed by the SGX-ST or, as the case may be, by the Stock Exchange, we must comply with the Listing Rules and the Singapore Listing Manual and any other relevant regulations and guidelines in Hong Kong and Singapore that are applicable to our Company. In the event where there is a conflict or an inconsistency between the requirements of the listing rules of the two stock exchanges, the listing rules with the more onerous requirements shall prevail. Our Directors will use their best endeavours to ensure that no release of information will be made in Singapore unless a simultaneous release is made in Hong Kong and vice versa.

As Shareholders' approval is required for matters relating to the proposed Share Offer and Listing and the proposed adoption of a new set of Constitution to, amongst other things, comply with the requirements of the Listing Rules and the Singapore Listing Manual, a circular in relation to such matters was submitted to the SGX-ST for clearance on 12 June 2017. On 1 August 2017, our Company received the requisite clearance for the contents of the circular and such circular was despatched by our Company on 14 August 2017 to our Shareholders. An extraordinary general meeting of our Company was consequently held on 6 September 2017 whereby resolutions were passed for, inter alia, the approval of matters relating to the proposed Share Offer and the Listing and the proposed adoption of a new set of Constitution.

Save as disclosed above, no other regulatory approvals, including the approval from the SGX-ST, are required to be obtained for the proposed Share Offer or the Listing.

Save as disclosed in this prospectus, no part of the share capital or debt securities of our Company is listed or dealt in on any other stock exchange and no such listing or permission to deal is being or is proposed to be sought in the near future. All the Offer Shares will be registered on the Hong Kong Branch Share Register in order to enable them to be traded on the Stock Exchange.

Details of arrangement for the removal of Shares from the Singapore Principal Share Register to the Hong Kong Branch Share Register or from the Hong Kong Branch Share Register to the Singapore Principal Share Register are set out in the section headed "Listings, registration, dealings and settlement" in this prospectus.

Under section 44B(1) of the Companies (Miscellaneous Provisions) Ordinance, any allotment made in respect of any application will be void if the listing of, and the permission to deal in, the Offer Shares on the Stock Exchange is refused before the expiration of three weeks from the date of the closing of the Share Offer, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to our Company by or on behalf of the Stock Exchange.

INFORMATION ABOUT THIS PROSPECTUS AND THE SHARE OFFER

COMMENCEMENT OF DEALINGS IN OUR SHARES

Dealings in our Shares on the Main Board are expected to commence at 9:00 a.m. on or about Tuesday, 12 December 2017. Shares will be traded in board lots of 1,000 each. The stock code for the Shares will be 6090. No temporary documents or evidence of title will be issued.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the approval of, and permission to deal in, our Shares on the Stock Exchange and the compliance with the stock admission requirements of HKSCC, our Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or on any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day.

All activities under CCASS are subject to the Rules of CCASS.

All necessary arrangements have been made for our Shares to be admitted into CCASS. If you are unsure about the details of CCASS settlement arrangements and how such arrangements will affect your rights and interests, you should seek the advice from your stockbrokers or other professional advisers.

PROFESSIONAL TAX ADVICE RECOMMENDED

If you are unsure about the taxation implications of the subscription for, purchase, holding or disposal of, dealing in, or the exercise of any rights in relation to our Shares, you should consult your professional advisers. It is emphasised that none of our Company, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors, agents or advisers or any other person involved in the Share Offer accepts responsibility for any tax effects on or liabilities of any person resulting from the subscription for, purchase, holding or disposal of, dealing in, or the exercise of any rights in relation to our Shares.

CONSEQUENCES OF HOLDING AN INTEREST IN SHARES

Holders and beneficial owners of our Shares should be aware that they may be subject to certain legal requirements under Hong Kong law and the Listing Rules, including, for example, reporting obligations upon reaching certain specified ownership thresholds. You should consult your own legal adviser as to the Hong Kong legal consequences of investing in our Shares. As our Company is also listed on the main board of the SGX-ST, Shareholders will also be subject to applicable requirements under Singapore law and the Singapore Listing Manual.

INFORMATION ABOUT THIS PROSPECTUS AND THE SHARE OFFER

HONG KONG REGISTER OF MEMBERS AND STAMP DUTY

Our Singapore Principal Share Register and transfer office in Singapore are maintained by our Singapore Principal Share Registrar, B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544 in Singapore and our Hong Kong Branch Share Register and transfer office in Hong Kong will be maintained by our Hong Kong Branch Share Registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

Dealings in our Shares registered on our branch register of members in Hong Kong will be subject to Hong Kong stamp duty. For further details about Hong Kong stamp duty, please refer to the paragraph headed "D. Other information — 9. Taxation of holders of Shares" as set out in Appendix VI to this prospectus.

Unless our Company determines otherwise, dividends (if any) payable in HK dollars in respect of our Shares will be paid at the Shareholder's risk by ordinary post to the registered address of each Shareholder or, in the case of joint Shareholders, to the first-named Shareholder.

ROUNDING

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables in this prospectus may not be an arithmetic aggregation of the figures which proceed them due to rounding.

LANGUAGE

If there is any inconsistency between the English version of this prospectus and the Chinese translation of this prospectus, the English version of this prospectus shall prevail. Names of any laws and regulations, governmental authorities, institutions, natural persons or other entities which have been translated into English and included in this prospectus and for which no official English translation exists are unofficial translations for your reference only.

EXCHANGE RATE CONVERSION

Solely for your convenience, this prospectus contains translations of certain HK\$, RMB, A\$, Pound, RM, Rp and/or US dollar amounts into S\$ amounts or vice versa at specified rates. You should not construe these translations as representations that HK\$, RMB, A\$, Pounds, RM, Rp and/or US dollar amounts could actually be converted into SGD amounts or vice versa at the rates indicated or at all. For the purpose of this prospectus, unless we indicate otherwise, the translation of the following foreign currency amounts into Hong Kong dollar amounts have been made at the rate of:

- HK\$1 to S\$0.18

INFORMATION ABOUT THIS PROSPECTUS AND THE SHARE OFFER

- RMB1 to S\$0.20
- RM1 to S\$0.32
- A\$1 to S\$1.02
- Pound 1 to S\$1.78
- Rp1000 to S\$0.10
- US\$1 to S\$1.38

No representation is made that any amounts in S\$, RMB, A\$, Pound, RM, Rp, US dollars or HK\$ can be or could have been at the relevant dates converted at the above rates or any other rates, or at all.

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments/are rounded to one decimal place. Any discrepancies in any table or chart between the total shown and the sum of amounts listed are due to rounding.

DIRECTORS AND PARTIES INVOLVED IN THE SHARE OFFER

DIRECTORS

Name	Residential address	Nationality
<i>Non-executive Directors</i>		
Mr. Han Seng Juan (韓成元)	27 Cluny Hill Singapore 259666	Singaporean
Mr. Loh Kim Kang David	10 Cluny Hill Singapore 259682	Singaporean
Mr. Wong Kok Hoe	18 Sunset Close Singapore 597532	Singaporean

Independent non-executive Directors

Mr. Gn Hiang Meng	102 Duchess Avenue #02-01 Singapore 266310	Singaporean
Mr. Chandra Mohan s/o Rethnam	100 Thomson Terrace Singapore 574611	Singaporean
Mr. Owi Kek Hean (黃格賢)	7A Lantana Avenue Singapore 277905	Singaporean

Please refer to the section headed “Directors and senior management” in this prospectus for further details.

PARTIES INVOLVED IN THE SHARE OFFER

Sole Sponsor

VBG Capital Limited

*A corporation licensed to carry out Type 1
(dealing in securities) and Type 6
(advising on corporate finance)
regulated activities under the SFO*
18th Floor, Prosperity Tower
39 Queen’s Road Central
Hong Kong

DIRECTORS AND PARTIES INVOLVED IN THE SHARE OFFER

**Joint Global Coordinators, Joint
Bookrunners and Joint Lead
Managers**

UOB Kay Hian (Hong Kong) Limited
*A corporation licensed to carry out Type 1
(dealing in securities), Type 4 (advising on
Securities) and Type 6 (advising on corporate
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15/F, China Building
29 Queen's Road Central
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Pacific Foundation Securities Limited
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(asset management)
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VBG Capital Limited
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Public Offer Underwriters

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Pacific Foundation Securities Limited
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VBG Capital Limited
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Hong Kong

Placing Underwriters

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DIRECTORS AND PARTIES INVOLVED IN THE SHARE OFFER

Pacific Foundation Securities Limited

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VBG Capital Limited

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Legal advisers to our Company

as to Hong Kong law:

Robertsons

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as to Singapore law:

Dentons Rodyk & Davidson LLP

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as to Malaysia law:

Lee & Tengku Azrina

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Johor, Malaysia

as to Australia law:

Withers Australia

Level 2
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as to United Kingdom law:

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DIRECTORS AND PARTIES INVOLVED IN THE SHARE OFFER

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Roosdiono & Partners

a member of ZICOLaw

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as to PRC law:

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Songjiang District

Shanghai

China

as to Jersey law:

Bedell Cristin Jersey Partnership

26 New Street

St Helier

Jersey

JE2 3RA

as to British Virgin Islands law:

Conyers Dill & Pearman

29th Floor

One Exchange Square

8 Connaught Place

Central

Hong Kong

**Legal advisers to the Sole Sponsor,
Joint Global Coordinators,
Joint Bookrunners, Joint Lead
Managers and Underwriters**

as to Hong Kong law:

Howse Williams Bowers

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Hong Kong

Reporting accountant

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Certified Public Accountants

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DIRECTORS AND PARTIES INVOLVED IN THE SHARE OFFER

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PricewaterhouseCoopers LLP

Certified Public Accountants

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PWC Building

Singapore 048424

Independent property valuer

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4th Floor, Shui On Centre

6-8 Harbour Road

Wanchai, Hong Kong

Industry consultant

Euromonitor International Limited

60-61 Britton Street

London EC1M 5UX

United Kingdom

Receiving bank

Bank of China (Hong Kong) Limited

1 Garden Road

Hong Kong

CORPORATE INFORMATION

Registered office	45 Ubi Road 1, #05-01 Singapore 408696
Headquarters and principal place of business in Singapore	45 Ubi Road 1, #05-01 Singapore 408696
Principal place of business in Hong Kong	Room 5705 57th Floor, The Center 99 Queen's Road Central Hong Kong
Company secretaries	Hazel Chia Luang Chew, <i>FCS</i> 10 Anson Road #23-02 International Plaza Singapore 079903 Juliana Tan Beng Hwee, <i>ACS</i> 10 Anson Road #23-02 International Plaza Singapore 079903 Wong Tak Yee, <i>FCIS, FCS(PE)</i> Level 54 Hopewell Centre 183 Queen's Road East Hong Kong
Authorised representatives	Wong Kok Hoe 18 Sunset Close Singapore 597532 Wong Tak Yee Level 54 Hopewell Centre 183 Queen's Road East Hong Kong
Audit Committee	Gn Hiang Meng (<i>Chairman</i>) Chandra Mohan s/o Rethnam Owi Kek Hean

CORPORATE INFORMATION

Nominating Committee	Gn Hiang Meng (<i>Chairman</i>) Chandra Mohan s/o Rethnam Owi Kek Hean
Remuneration Committee	Chandra Mohan s/o Rethnam (<i>Chairman</i>) Gn Hiang Meng Wong Kok Hoe
Singapore Principal Share Registrar and transfer office	B.A.C.S. Private Limited 8 Robinson Road #03-00 ASO Building Singapore 048544
Hong Kong Branch Share Registrar and transfer office	Tricor Investor Services Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
Compliance Adviser	VBG Capital Limited <i>A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO</i> 18th Floor, Prosperity Tower 39 Queen's Road Central Hong Kong
Principal bankers	United Overseas Bank Limited 80 Raffles Place UOB Plaza Singapore 048624 DBS Bank Ltd 12 Marina Boulevard Level 43 DBS Asia Central @ Marina Bay Financial Centre Tower 3 Singapore 018982 Malayan Banking Berhad 2 Battery Road Maybank Tower Singapore 049907
Company's website	www.centurioncorp.com.sg <i>(Note: The contents of this website do not form part of this prospectus)</i>

INDUSTRY OVERVIEW

The information that appears in this Industry Overview has been prepared by Euromonitor and reflects estimates of market conditions based on publicly available sources and trade opinion surveys, and is prepared primarily as a market research tool. References to Euromonitor should not be considered as the opinion of Euromonitor as to the value of any security or the advisability of investing in our Company. Our Directors believe that the sources of information contained in this Industry Overview are appropriate sources for such information and have taken reasonable care in reproducing such information. Our Directors have no reason to believe that such information is false or misleading or that any material fact has been omitted that would render such information false or misleading. The information prepared by Euromonitor and set out in this Industry Overview has not been independently verified by our Group, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters or any other parties involved in the Share Offer and neither they nor Euromonitor give any representations as to its accuracy and the information should not be relied upon in making, or refraining from making, any investment decision.

SOURCES OF INDUSTRY INFORMATION

We commissioned a report from Euromonitor to conduct an analysis of, and to report on, the accommodation services market in Singapore, Malaysia, the United Kingdom, Australia and United States. A total fee of USD182,500 was paid to Euromonitor for the preparation of the Euromonitor Report.

Established in 1972, Euromonitor is the world leader in strategy research for both consumer and industrial markets. In compiling and preparing the Euromonitor Report, Euromonitor used the following methodologies to collect multiple sources, validate the data and information collected, and cross-check each respondent's information and views against those of others:

- Secondary research, which involved reviewing published sources including national statistics and official sources such as the Department of Statistics Singapore, the Ministry of Manpower, the Ministry of Education (Singapore), the Department of Statistics Malaysia, the Ministry of Human Resources (Malaysia), the Office for National Statistics of the United Kingdom, the Australian Bureau of Statistics, the Australian Government Department of Education and Training, US Census Bureau, US Department of Commerce, and US Department of Education, specialist trade press and associations such as the Dormitory Association of Singapore, company reports including audited financial statements where available, independent research reports, and data based on Euromonitor own research database.
- Primary research which involved interviews with a sample of leading industry participants and industry experts for latest data and insights on future trends and to verify and cross check the consistency of data and research estimates.
- Projected data were obtained from historical data analysis plotted against macroeconomic data with reference to specific industry-related drivers.
- Review and cross-checks of all sources and independent analysis to build all final estimates including the size, shape, drivers and future trends of the workers' accommodation services and students' accommodation services market and prepare the final report.

With both primary and secondary research in place, Euromonitor has utilised both types of sources to validate all data and information collected, with no reliance on any single source. Furthermore, a test of each respondent's information and views against those of others is applied to ensure reliability and eliminate bias from these sources.

FORECASTING BASES AND ASSUMPTIONS

Euromonitor based the Euromonitor Report on the following assumptions:

- The Singapore, Malaysia, the United Kingdom, Australia and United States economies are expected to maintain positive growth over the forecast period;

INDUSTRY OVERVIEW

- The Singapore, Malaysia, the United Kingdom, Australia and United States social, economic, and political environments are expected to remain stable in the forecast period;
- There will be no external shock, such as financial crisis or raw material shortage that affects the demand and supply of workers' accommodation services and students' accommodation services in Singapore, Malaysia, the United Kingdom, Australia and United States during the forecast period;
- Key market drivers such as the number of foreign workers and international students are expected to boost the development of the workers' accommodation services and students' accommodation services market;
- Key drivers including the release of land supply, high global university rankings and a shift towards higher quality worker and student accommodation facilities are likely to drive the future growth of the workers' accommodation services and students' accommodation services market.

The research results may be affected by the accuracy of these assumptions and the choice of these parameters. The market research was completed in April 2017 (Singapore, Malaysia, the United Kingdom and Australia coverage only) and August 2017 (United States coverage only) and all statistics in the Euromonitor Report are based on information available at the time of reporting. Euromonitor's forecast data comes from analysis of historic development of the market, the economic environment and underlying market drivers, and is cross-checked against established industry data and trade interviews with industry experts.

SINGAPORE

Singapore's economy grew by 0.5% during 2016, a marked slowdown when compared with earlier in the historic period. Slowing growth was due in part to falling external demand for Singapore's exports, which can be attributed to decelerating growth in China, as well as weak demand from developed economies such as Japan and the European Union. Although some sectors in Singapore, such as electronics and information and communications, have done well over the past year, other sectors, including shipping and marine and offshore, have been impacted by cyclical weakness.

Table 1 GDP in Singapore, 2012-2016 historic

	2012	2013	2014	2015	2016	CAGR2012-2016
GDP (SGD mn)	361,365.90	378,531.60	390,447.70	408,096.60	410,271.90	3.2%

Source: the Department of Statistics Singapore

Workers' accommodation services market in Singapore

Market overview

Trends for the workers' accommodation services market in Singapore

Over the last 30 years Singapore's economy has been structured around the tertiary sector and this shift has inevitably drained the local manual labour force so deeply that most employees from labour intensive industries are from overseas. Finding suitable accommodation for foreign workers has long been a cause for concern for corporations that are dependent on these sources of labour, considering conventional forms of housing, such as Housing Development Board ("HDB") flats are not allowed to be leased out to foreign workers as mandated by the Ministry of Manpower. Most foreign workers with a Work Permit ("WP") must be housed within a dormitory that is approved under the land-use policies by the relevant government agencies and comply with regulations from the National Environment Agency ("NEA"), Public Utilities Board ("PUB"), Singapore Civil Defence Force ("SCDF"), Building and Construction Authority ("BCA") and Jurong Town Corporation ("JTC").

Purpose built workers' accommodations ("PBWA") can be segmented into permanent dormitories (freehold or long term land leases typically between 20 to 30 years) and temporary dormitories (with short term land leases typically between six to nine years). At present,

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approximately 60% of Singapore’s current supply of workers’ accommodation falls within the classification of temporary PBWA. The average leasehold of a temporary PBWA ranges between six to nine years (the typical land leases available for tender are 3+3, 3+3+2 or 3+3+3 years). Demand for foreign manpower is aligned to the supply of projects across all industries (manufacturing, construction, marine, process, oil and gas, etc.), therefore, the ability to control the supply of temporary PBWA by policymakers is highly valued. This accounts for a large amount of land allocated towards temporary PBWA.

Traditionally, most beds in the PBWA sector are occupied by foreign workers from a few common labour intensive industries, namely, construction, marine, oil and gas, chemical processing, manufacturing and mechanical and electrical engineering. PBWA typically possesses the necessary infrastructure, facilities and amenities to meet the needs of foreign workers, including handling higher volumes of laundry, greater outdoor space, sufficient electrical outlets and backup generators. Although PBWA are located across the island, there is a higher concentration in the western region of Singapore due to two main factors. Firstly, the proximity of industrial corporations that employ these workers and secondly, the high volume of public/private construction projects in the west.

Average cost of workers’ accommodation in Singapore falls over historic period

Since 2012, the average cost to house a worker in a dormitory has increased from an average of SGD271 per bed per month to peak at SGD284 in 2014 before declining to SGD252 per bed per month in 2016. Nonetheless, this decline did not take place evenly across the island. The oil price collapse in late 2014 has forced marine, oil and gas and petroleum companies to roll out restructuring plans to their overall headcount, and the worst affected group was labourers working at rigs and plants. These severe cuts to manpower coupled with the entry of new supply of PBWA impacted the occupancy rates of PBWA operating in the western region of Singapore. Since then, most dormitory operators have been engaging in aggressive price competition to stem the fall in occupancy rates. Against Singapore’s relatively weak economic backdrop, rates in the west have bottomed out at approximately SGD180 per worker per month for selected operators that are contented with thinner margins. However, dormitories in the east and north of Singapore have fared better. Nonetheless, new PBWA supply leading up to September 2016 resulted in a more competitive environment for operators in affected areas and this has dampened average monthly charges per worker overall in Singapore over the historic period.

Positive growth over the forecast as capacity expected to shrink

Industry revenue receipts accrued by workers’ accommodation service providers in Singapore are expected to reach SGD747.4 million in 2017, rising by 4.1% when compared with 2016. In terms of the forecast period, industry revenue receipts accrued by workers’ accommodation service providers in Singapore are expected to grow by a 1.7% CAGR between 2017 and 2021 to reach SGD799.2 million in 2021. Average rental rates are expected to rise as capacity falls over the forecast period. The decline in capacity (number of beds) will be due to the expiration of short-term leases between 2017 and 2021.

Table 2 Industry revenue receipts accrued by workers’ accommodation service providers in Singapore, 2012-2016 historic

(SGD, mn)	2012	2013	2014	2015	2016	CAGR 2012-2016
	455.76	470.81	564.64	567.31	717.87	12.0%

Table 3 Industry revenue receipts accrued by workers’ accommodation service providers in Singapore, 2017-2021 forecast (“F”)

(SGD, mn)	2017F	2018F	2019F	2020F	2021F	CAGR 2017F-2021F
	747.35	775.37	802.51	788.98	799.23	1.7%

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Table 4 Average charges for workers' accommodation services in Singapore, 2012-2016 historic

(SGD)	2012	2013	2014	2015	2016	CAGR2012-2016
	270.88	275.26	283.61	265.30	252.41	-1.8%

Source for table 2 to 4:

Euromonitor estimates from desk research and trade interviews with leading workers' accommodation service providers/dormitory operators and the relevant trade associations in Singapore.

Note: Average charges refer to average monthly rental rates per bed for workers' accommodation services in Singapore.

Drivers, trends and constraints

Drivers for the workers' accommodation services market

The development of Singapore's foreign workforce is encouraged by the government. Certain benefits will be made available to employers who recruit skilled foreign workers instead of hiring cheaper labour. These benefits incentivise employers to upgrade their current labour pool to capitalise on the benefits available. The government has implemented the Foreign Employee Dormitory Act ("FEDA"), effective from 2016, to alleviate the working and living conditions of foreign labour within Singapore. The strong upcoming supply of public and private construction projects will aid in generating more demand for beds to house workers, as not all developers or employers are able to house workers on-site even if this is an approved accommodation option.

Another significant driver is the blend of leasehold tenure for land designated for dormitory usage. This ranges from six to nine years for temporary dormitories with an option for extension or 20-30 years for long-term leases. This mix of tenure allows greater control over to match supply with demand for dormitory space and achieve equilibrium across the industry.

Key barriers to entry in workers' accommodation

Considering that many workers' accommodation service providers actually construct their own dormitories, the cost of construction is considered a major barrier to entry for new players. Those new players without the relevant capital means may enter the market as a management-only company, provided they can enter into a partnership with construction companies. Furthermore, potential new entrants may find themselves with a greater challenge than their predecessors with the impending rise in water costs for industrial and residential buildings in Singapore. The government has also mentioned that for Q2 2017, electricity tariffs will increase by an average of 6.1% for households in Singapore. It is reasonable to assume that a similar treatment will apply to commercial buildings during 2017. Higher operating costs in the form of water and electricity expenses also pose a barrier to entry for new players. New players will also need to build relationships with major corporations in the manufacturing, oil and gas and construction sectors (among other sectors) in order to promote their dormitories and generate sales. This may prove difficult considering that workers may make requests to their employers to stay at their existing dormitories, rather than a new, unknown dormitory.

Competitive landscape

PBWA is a fragmented market in Singapore

The PBWA industry in Singapore is relatively fragmented, with the top five players accounting for approximately 50% of the market in terms of revenue and capacity. Most players operate between one to five sites, however, the number of beds per site can vary greatly (less than 1,000 beds to more than 15,000 beds per dorm).

In recent years the concept of a "mega dorm" has arisen, whereby newer dormitories can house in excess of 15,000 workers. The cost of construction represents a significant barrier to entry for the PBWA sector in Singapore. Nonetheless, more and more construction companies may consider

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moving into this space (i.e. the operation and management of dormitories) over the forecast period if margins are considered profitable enough. The future growth of the workers' dormitory industry is also linked to the availability of land in Singapore, which also acts as a barrier to entry for new players.

Creating a benchmark for PBWA in Singapore

Our Company has managed to build capacity in the PBWA services industry in Singapore since 2012 to become a major player in terms of the number of beds in 2016. Having been present within the industry for a number of years, our Company capitalises on its well-established Westlite branding. Westlite is known within the industry for creating a benchmark for the operation of PBWA in Singapore. Our Company has done this by partnering with non-governmental organisations, organising social activities for its residents and by applying a holistic approach to worker wellbeing in its everyday dormitory management.

Table 5 Ranking of leading workers' accommodation service providers/dormitory operators in terms of their revenue receipts and capacity in Singapore, 2016 historic

Ranking	Leading workers' accommodation service providers/dormitory operators, in terms of their revenue receipts and capacity in Singapore	Industry revenue receipts market share (%)	Capacity market share (%)	To indicate if the company is listed or private
1	Our Company	11.0%	13.5%	Listed
2	Player 2	10.9%	10.6%	Private
3	Player 3	10.0%	9.7%	Private
4	Player 4	9.6%	9.3%	Private
5	Player 5	8.8%	9.0%	Private

Source: Euromonitor estimates from desk research and trade interviews with leading workers' accommodation service providers/dormitory operators and the relevant trade associations in Singapore.

Purpose built students' accommodation services market in Singapore

Market overview

Trends for the purpose built students' accommodation services market

The private students' accommodation services market in Singapore is relatively fragmented and not as developed as the United Kingdom or USA. This is due to the fact that in Singapore, the two largest public universities, the National University of Singapore (NUS) and Nanyang Technological University (NTU), have developed significant residential capacity specifically catering to university students since they were established. Furthermore, the sale and purchase of land is controlled by the Singapore government which results in land supply issues for accommodation providers wanting to construct new sites. Relatively higher rental rates mean that first year domestic students are more likely to stay with their parents or family members while they study, instead of seeking accommodation. Therefore, purpose built private students' accommodation providers are largely focused on postgraduate and international students in Singapore. In Singapore, private purpose built students' accommodations ("PBSA") sites also compete with the private residential real estate market. Tertiary students can also opt to reside in a Housing Development Board ("HDB") flat or private condominium. Nonetheless, HDB and condominium owners/landlords are not allowed to offer their residences for short term leases (i.e. less than six months).

Average monthly charges fluctuating over the historic period

Average monthly charges for students' accommodation services in Singapore vary depending on the room configuration. Studio rooms (one person) are the most expensive, however, other options exist as well such as twin-share, quad-share and even six-person share. The more students sharing the

INDUSTRY OVERVIEW

room the lower the average monthly rate (i.e. studios garner the highest tariff). Most accommodation providers will offer students several options. Over the historic period average monthly charges for students' accommodation services have grown from SGD697 per bed in 2012 to SGD739 per bed in 2016. Nonetheless, average monthly charges declined between 2014 and 2015, before rising again in 2016. Singapore's private PBSA services market is generally characterised by low-price offerings, however, the entrance of more premium players such as Homestead Halls has boosted rental rates during 2016.

No visible new supply in 2017 curbs forecast capacity growth

Industry revenue receipts accrued by students' accommodation service providers in Singapore are expected to reach SGD34.6 million in 2017, rising by 1.9% when compared with 2016. In terms of the forecast period, industry revenue receipts accrued by students' accommodation service providers in Singapore are expected to grow by a 1.6% CAGR between 2017 and 2021 to reach SGD36.9 million in 2021. Average rental rates are expected to rise at a slightly faster rate than capacity over the forecast period. Capacity (number of beds) growth is expected to be marginal over the forecast period considering construction will be linked to the release of land for student accommodation usage by the SLA. During 2017, major players had not yet announced new supply of PBSA in Singapore.

Table 6 Industry revenue receipts accrued by students' accommodation service providers in Singapore, 2012-2016 historic

(SGD, mn)	2012	2013	2014	2015	2016	CAGR 2012-2016
	25.64	27.33	29.23	30.44	33.99	7.3%

Table 7 Industry revenue receipts accrued by students' accommodation service providers in Singapore, 2017-2021 forecast

(SGD, mn)	2017F	2018F	2019F	2020F	2021F	CAGR 2017F-2021F
	34.62	35.16	35.63	36.51	36.88	1.6%

Source for table 6 to 7:

Euromonitor estimates from desk research and trade interviews with leading students' accommodation service providers/dormitory operators and the relevant trade associations in Singapore.

Drivers, trends and constraints

High ranking education institutions in Singapore attract international students

Singapore's local universities, the National University of Singapore and Nanyang Technological University, continue to achieve high rankings globally, making them a draw card for not only Singaporean students, but international students as well. This has had a positive impact on private PBSA services in Singapore, with international students seeking accommodation.

Low land supply for student accommodation a key barrier to entry

The availability of appropriate, scalable, strategically located land and the viability of student accommodation development against other land uses (especially residential) acts as a key barrier to entry for the industry. The low supply of land dedicated to student housing in Singapore is due to strong investments by the larger education institutions in on-campus housing. Nanyang Technological University's halls are able to accommodate up to 3,000 students; capacity which is larger than the leading private PBSA services provider in Singapore during 2016.

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Competitive landscape

Private PBSA services a concentrated market in Singapore

The private PBSA industry in Singapore is relatively concentrated, with the top five players accounting for approximately 70% of the market in terms of revenue and capacity. Most players operate between one to five sites, however, the number of beds per site is unlikely to be above 600.

The cost of construction represents a significant barrier to entry for the private PBSA sector in Singapore, however, the sector does face competition from private landlords converting their properties into student hostels. The future growth of the private PBSA industry in Singapore is also linked to the SLA releasing land for student accommodation usage over the forecast period. However, during 2017 major accommodation providers had not yet announced any future expansion plans within the sector.

Our Company expands its expertise into student accommodation in Singapore

Our Company expanded its presence into student accommodation in Singapore in October 2015 with the launch of dwell Selegie. The 332 beds purpose built student accommodation property is located in Singapore's city centre, close to several education institutions. Building on its expertise in the workers' dormitory space, our Company launched its dwell brand within the somewhat fragmented students' accommodation space in Singapore as a means of diversifying its portfolio. Our Company commands a premium in terms of average rental rates for student accommodation in Singapore.

Table 8 Ranking of leading students' accommodation service providers/dormitory operators in terms of their revenue receipts and capacity in Singapore, 2016 historic

Ranking	Leading students' accommodation service providers/dormitory operators, in terms of their revenue receipts and capacity in Singapore	Industry revenue receipts market share (%)	Capacity market share (%)	To indicate if the company is listed or private
1	Player 6	41.6%	44.5%	Private
2	Player 7	14.1%	13.6%	Private
3	Our Company	9.3%	8.2%	Listed
4	Player 8	4.5%	7.4%	Private
5	Player 9	3.0%	2.4%	Private

Source: Euromonitor estimates from desk research and trade interviews with leading students' accommodation service providers/dormitory operators and the relevant trade associations in Singapore.

MALAYSIA

GDP increased by 7.4% during 2016 to reach MYR1,242.2 billion. 2016 GDP growth was slightly higher than the positive 6.3% CAGR witnessed over the historic period (2012-2016). Even though GDP growth was positive in 2016 and over the historic period, the Malaysian economy has also been impacted by slowing Chinese demand for the country's exports (such as electronic and electrical goods) and political uncertainty.

Table 9 GDP in Malaysia, 2012-2016 historic

	2012	2013	2014	2015	2016	CAGR 2012-2016
GDP (MYR bn)	971.30	1,018.60	1,106.60	1,157.10	1,242.20	6.3%

Source: the Department of Statistics Malaysia

INDUSTRY OVERVIEW

Workers' accommodation services market in Malaysia, Johor and Penang

Market overview

PBWA is a nascent industry in Malaysia

PBWA is a nascent industry in Malaysia. During 2016 there were only a handful of players present within Malaysia and these players were concentrated in the southern state of Johor. At present, most PBWA sites are located within the Johor region, located within Iskandar Malaysia. Iskandar Malaysia has previously been known as Iskandar Development Region and the South Johor Economic Region, a main development corridor and special economic zone in Malaysia that was established in 2006. Iskandar Malaysia includes the ports of Tanjung Pelepas, Pasir Gudang, and Tanjung Langsat, making it an ideal trading or manufacturing hub. Numerous foreign workers are employed within Johor and corporations are increasingly placing their workers in PBWA sites within the region.

Average monthly charges increase as capacity grows

Since 2012, the average cost to house a worker in a dormitory in Johor has risen from an average of MYR90 per bed to MYR111 per bed in 2016. Average monthly charges for workers' accommodation services have risen by a 5.4% CAGR between 2012 and 2016. While capacity (number of beds) has been increasing within Johor in Malaysia, the concept of PBWA is still a relatively new concept in Malaysia overall. Average rental rates have therefore increased as more and more companies in Malaysia seek out the PBWA option for their foreign workers. During 2016 there were no established workers' dormitories in Penang.

Penang represents growth opportunities for workers' accommodation services in Malaysia

Industry revenue receipts accrued by workers' accommodation service providers in Malaysia are expected to reach MYR55.8 million in 2017, rising by 29.5% when compared with 2016. In terms of the forecast period, industry revenue receipts accrued by workers' accommodation service providers in Malaysia are expected to grow by a 17.4% CAGR between 2017 and 2021 to reach MYR106.1 million in 2021. Average rental rates are expected to decline in Johor as capacity grows over the forecast period. Nonetheless, average rental rates in Penang are expected to grow over the forecast period in response to the first purpose built workers' dormitories being opened in 2018 by our Company. It is expected that workers' accommodation services providers will be able to levy higher average rental rates in Penang, when compared with Johor. This is due to higher land costs within Penang and the lack of any existing PBWA at present. Furthermore, local state government authorities are expected to release more land parcels in Penang specifically for dormitory construction and operation over the forecast period. This is expected to provide a boost to the workers' accommodation industry in Penang with revenue reaching MYR25.9 million in 2021.

Table 10 Workers' accommodation services in Malaysia, 2012-2016 historic

(MYR, mn)	2012	2013	2014	2015	2016	CAGR 2012-2016
Industry revenue receipts accrued by workers' accommodation service providers in						
• Malaysia	6.19	14.56	23.33	34.57	43.06	62.4%
• Johor	3.76	11.97	20.60	31.55	37.09	77.2%
• Penang	0.00	0.00	0.00	0.00	0.00	N/A

Note: Industry revenue receipts accrued by workers' accommodation service providers in Malaysia are the aggregate of Johor, Penang and Sarawak between 2012 and 2016.

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Table 11 Workers' accommodation services in Malaysia, 2017-2021, forecast

(MYR, mn)	2017F	2018F	2019F	2020F	2021F	CAGR 2017F-2021F
Industry revenue receipts accrued by workers' accommodation service providers in						
• Malaysia	55.76	73.01	86.57	105.06	106.05	17.4%
• Johor	49.85	51.14	61.76	72.59	73.83	10.3%
• Penang	0.00	16.00	18.16	26.12	25.88	N/A

Note: Industry revenue receipts accrued by workers' accommodation service providers in Malaysia are the aggregate of Johor, Penang and Sarawak between 2017 and 2021.

Table 12 Average charges for workers' accommodation services in Malaysia, 2012-2016 historic

(MYR)	2012	2013	2014	2015	2016	CAGR 2012-2016
Average charges (monthly) for workers' accommodation service in						
• Johor	90.00	96.09	101.03	111.83	111.28	5.4%
• Penang	N/A	N/A	N/A	N/A	N/A	N/A

Source for table 10 to 12:

Euromonitor estimates from desk research and trade interviews with leading workers' accommodation service providers/dormitory operators and the relevant trade associations in Malaysia and Johor.

Note: Average charges for workers' accommodation services in Johor are per bed per month. Average charges for workers' accommodation services in Penang are not available over the historic period because no established workers' dormitory players were identified as operating within Penang during the research.

Drivers, trends and constraints

Release of land in Penang a major driver for workers' accommodation in Malaysia

Local state government authorities are expected to release more land parcels in Penang specifically for dormitory construction and operation over the forecast period. Two new dormitories (Westlite Juru and Westlite Bukit Minyak) are currently being planned/constructed in Penang by our Company. The construction of Westlite Bukit Minyak started in 2016. Local state authorities have also discussed the possibility of releasing land in the areas of Permatang Tinggi and Batu Maung, however, no approvals were given in 2017 yet.

Key barriers to entry in workers' accommodation in Malaysia

Considering that many workers' accommodation service providers actually construct their own dormitories, the cost of construction is considered a major barrier to entry for new players. Those new players without the relevant capital means may enter the market as a management-only company, provided they can enter into a partnership with construction companies or developers.

Competitive landscape

PBWA is a consolidated market in Malaysia

The PBWA industry in Malaysia is concentrated, with the top five players accounting for more than approximately 90% of the market in terms of revenue and capacity. Most players operate between a small number sites considering the sector is in its infancy. The cost of construction represents a significant barrier to entry for the PBWA sector in Malaysia. Nonetheless, some companies operate on a management-only basis. The future growth of the workers' dormitory industry is also linked to the availability of land in Malaysia and the option for employers to house foreign workers in other accommodation types, such as temporary accommodation and in shop lots.

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Our Company capitalises on early entry in Malaysia

Our Company entered the PBWA industry in Malaysia early on and therefore helped to shape the industry through its presence. As such, our Company has managed to build capacity since 2012 to become a major player in terms of the number of beds in 2016. Our Company has also managed to acquire land in Penang, expanding its presence into other areas of Malaysia (outside of Johor). Our Company is expected to increase its capacity to 38,000 beds in 2018 following the completion of Westlite Juru and Westlite Bukit Minyak. Having been present within the industry for a number of years, our Company capitalises on its well-established Westlite branding. Westlite is gradually creating a benchmark for the operation of PBWA in Malaysia by partnering with non-governmental organisations, organising social activities for its residents and applying a holistic approach to worker wellbeing in its everyday dormitory management.

Table 13 Ranking of leading workers' accommodation service providers/dormitory operators in terms of their revenue receipts and capacity in Malaysia, 2016 historic

Ranking	Leading workers' accommodation service providers/dormitory operators, in terms of their revenue receipts and capacity in Malaysia	Industry revenue receipts market share (%)	Capacity market share (%)	To indicate if the company is listed or private
1	Our Company	50.0%	54.1%	Listed
2	Player 15	13.9%	12.7%	Private
3	Player 10	9.3%	8.5%	Private
4	Player 11	7.4%	6.8%	Private
5	Player 12	7.0%	6.4%	Private

Source: Euromonitor estimates from desk research and trade interviews with leading workers' accommodation service providers/dormitory operators and the relevant trade associations in Malaysia.

Notes: Industry revenue receipts accrued by workers' accommodation service providers and capacity for workers' accommodation service providers in Malaysia are the aggregate of Johor, Penang and Sarawak in 2016.

THE UNITED KINGDOM

GDP grew by 1.8% in the United Kingdom during 2016 to reach GBP1.87 trillion. 2016 GDP growth was slightly lower than the 2.3% CAGR observed between 2012 and 2016. Lower growth in 2016 was due to the European Union referendum (“**Brexit vote**”) which took place in June 2016, referring to the United Kingdom’s decision to leave the European Union. Nonetheless, even though 2016 GDP growth was lower than the historic period CAGR, the United Kingdom economy performed more strongly than originally anticipated in the wake of the Brexit vote.

Table 14 GDP in the United Kingdom, 2012-2016 historic

	2012	2013	2014	2015	2016	CAGR 2012-2016
GDP (GBP mn)	1,706,942.00	1,739,563.00	1,792,976.00	1,832,318.00	1,865,893.00	2.3%

Source: the Office for National Statistics of the United Kingdom

Purpose built accommodation services market in the United Kingdom

Market overview

Full-time student numbers increase driving students' accommodation services

The student accommodation sector continues to grow, driven by the growth in full-time student numbers. The number of full-time student enrolments grew by 0.6% in 2016 to reach 2.28 million. Nonetheless, the number of full-time student enrolments has declined over the historic period by a 2.2% CAGR. This was due to the United Kingdom government’s tuition fee increase which took place over 2011/12.

INDUSTRY OVERVIEW

The growth in full-time student enrolments has had a positive impact on the PBSA market in the United Kingdom. The market continues to attract significant investment, both from the United Kingdom and from foreign investors (including those based in Singapore). 2015 was a record year whereby the volume of investment in the United Kingdom exceeded the volume of investment in the USA student housing market for the first time.

Even though the majority of students in the United Kingdom live in shared houses or flats (houses in multiple occupations), the lack of investment by universities has led students to consider other accommodation options, including private student hostels.

Average monthly charges experience positive growth over the historic period

Manchester, London and Edinburgh represent the top student cities in the United Kingdom, owing to the presence of well-established and reputable universities within these cities. Average monthly charges per bed in Liverpool city have demonstrated the highest growth over the historic period growing by a 7.8% CAGR between 2012 and 2016. Nonetheless, when looking at Manchester, Liverpool, Newcastle and Bristol, it was Bristol that garnered the lowest growth over the historic period (growing by a 3.6% CAGR). However, Bristol also recorded the highest average monthly rent per bed at £640.00 in 2016.

Growth in average rental rates over the forecast period expected to boost revenue receipts

Industry revenue receipts accrued by students' accommodation service providers in the United Kingdom are expected to reach GBP1,296.8 million in 2017, rising by 5.7% when compared with 2016. In terms of the forecast period, industry revenue receipts accrued by students' accommodation service providers in the United Kingdom are expected to grow by a 5.6% CAGR between 2017 and 2021 to reach GBP1,615.6 million in 2021. Average rental rates are expected to rise at a slightly faster rate than capacity over the forecast period. The growth in capacity (number of beds) will be due to the opening of new PBSA sites over the forecast period, including sites operated by UNITE and Empiric Student Property. However, revenue growth will mostly be driven by the increase in average rental rates as PBSA operators seek to premiumise their offerings (i.e. converting common areas into study spaces).

Table 15 Industry revenue receipts accrued by students' accommodation service providers in the United Kingdom, 2012-2016 historic

(GBP, mn)	2012	2013	2014	2015	2016	CAGR 2012-2016
	832.57	881.89	984.38	1,080.76	1,226.74	10.2%

Table 16 Industry revenue receipts accrued by students' accommodation service providers in the United Kingdom, 2017-2021 forecast

(GBP, mn)	2017F	2018F	2019F	2020F	2021F	CAGR 2017F-2021F
	1,296.79	1,372.53	1,478.13	1,547.04	1,615.58	5.6%

Source for table 15 to 16:

Euromonitor estimates from desk research and trade interviews with leading students' accommodation service providers/dormitory operators and the relevant trade associations in the United Kingdom.

Drivers, trends and constraints

Consolidation drives competition in student housing in the United Kingdom

The PBSA market was characterised by consolidation during 2016/17. The iQ and Prodigy student housing brands merged to form the Vero Group while Liberty Living acquired the Union State

INDUSTRY OVERVIEW

portfolio of student accommodation assets in early 2017. Consolidation is expected to continue within the student housing market in the United Kingdom over the forecast period and it can be considered as a driver for the industry as competition intensifies in the form of premiumisation. Increasingly, accommodation providers are expected to offer students added value services through more study spaces and organised activities. The focus for providers will be on creating student communities, an approach that is usually taken by on-campus university provided accommodation.

Cost of land and construction a major barrier to entry

The cost of land and construction is considered a major barrier to entry for new players wanting to enter the students' accommodation services market in the United Kingdom. Scarcity of available land drives up land prices which acts as a barrier to providers wanting to develop new sites in key cities, such as London. Over the forecast period, new entrants may consider acquiring existing sites and refurbishing them rather than constructing new sites altogether. This trend also aligns with the move towards greater consolidation within the industry over the forecast period.

Competitive landscape

Foreign investment likely to encourage consolidation

The PBSA industry in the United Kingdom is relatively fragmented, with the top five players accounting for approximately 50% of the market in terms of revenue and capacity. Most players operate multiple sites, however, the number of beds per site can vary greatly.

The cost of construction represents a significant barrier to entry for the PBSA sector in the United Kingdom. Nonetheless, more and more players may opt to acquire existing accommodation assets and refurbish these properties to improve yield levels. The future growth of the PBSA industry is also linked to the availability of land in the United Kingdom, however, new players may likely look to establish sites in more suburban areas to avoid such scarcity of land issues. Foreign investment is also likely to encourage consolidation within the industry as student housing is perceived by investors as a relatively safer asset class with steady rental growth.

Our Company expands rapidly in the student accommodation space in the United Kingdom

Our Company expanded its presence into PBSA in the United Kingdom in 2014 with the acquisition of four sites (Manchester Student Village, Manchester Student Village South, The Grafton and Cathedral Campus). In 2016 the company had grown to 2,420 beds in the PBSA space in the United Kingdom, with eight sites across Manchester, Newcastle, Liverpool and Bristol. Furthermore, all sites carried the dwell student accommodation branding. Building on its expertise in the workers' dormitory space, our Company launched its dwell brand within the relatively fragmented students' accommodation space in the United Kingdom as a means of promoting the recognition of its brand, operational and management capabilities and further grow its portfolio.

Table 17 Ranking of leading students' accommodation service providers/dormitory operators in terms of their revenue receipts and capacity in the United Kingdom, 2016 historic

Ranking	Leading students' accommodation service providers/dormitory operators, in terms of their revenue receipts and capacity in the United Kingdom	Industry revenue receipts market share (%)	Capacity market share (%)	To indicate if the company is listed or private
1	Player 16	13.0%	22.8%	Listed
2	Player 17	12.6%	10.9%	Private
3	Player 18	10.3%	8.9%	Private
4	Player 19	9.7%	8.4%	Private
5	Player 20	9.7%	8.4%	Private

INDUSTRY OVERVIEW

Source: Euromonitor estimates from desk research and trade interviews with leading students' accommodation service providers/dormitory operators and the relevant trade associations in the United Kingdom.

The macro-economic environment in Australia

GDP in Australia grew by 2.3% in 2016 to reach A\$1,654.9 billion. 2016 GDP growth was slightly lower than the positive 2.6% CAGR witnessed over the historic period (2012-2016). The Australian economy continues to face headwinds from the end of the mining investment boom, which explains lower economic growth in 2016 when compared with the historic period. The mining industry has previously been a key driver of economic growth in Australia. However, the collapse in commodity prices (particularly coal, iron ore, zinc, nickel, copper and bauxite), precipitated by slowing demand in China, have inhibited Australia's mining industry. The effects have been keenly felt in certain states, particularly Western Australia and Queensland. Nonetheless, despite the continued decline in mining investment, the Australian economy continued to avoid a recession during 2016.

Table 18 GDP in Australia, 2012-2016 historic

	2012	2013	2014	2015	2016	CAGR 2012-2016
GDP (A\$ mn)	1,491,741.00	1,527,529.00	1,589,940.00	1,617,016.00	1,654,864.00	2.6%

Source: the Australian Bureau of Statistics

PBSA services market in Australia

Market overview

Private PBSA services competes with the residential market

There are a range of options available to students in Australia seeking accommodation, including both on-campus accommodation and off-campus accommodation. Many students look to flat-sharing as a means of securing accommodation during the semester due to the cost savings offered by such an option. Consequently, private PBSA services compete with the residential market in Australia. However, high residential rental rates in major cities such as Sydney and Melbourne have boosted demand for private PBSA.

Average monthly charges experience positive growth over the historic period due to premiumisation

Sydney, Melbourne and Canberra represent the top student cities in Australia, owing to the presence of well-established universities within these cities. Average monthly charges per bed in Melbourne have grown over the historic period, rising by a 1.9% CAGR between 2012 and 2016 to reach A\$1,212 per month. Average rates depend on room configurations, however, studio spaces were popular during 2016. Premiumisation within the student accommodation space in Australia drove rental growth during 2016 and is expected to do so over the forecast period.

Foreign investment in student accommodation expected to boost revenue over the forecast period

Industry revenue receipts accrued by students' accommodation service providers in Australia are expected to reach A\$481.5 million in 2017, rising by 9.5% when compared with 2016 and driven by capacity growth. In terms of the forecast period, industry revenue receipts accrued by students' accommodation service providers in Australia are expected to grow by a 13.7% CAGR between 2017 and 2021 to reach A\$805.6 million in 2021. Capacity (number of beds) is expected to rise at a faster rate than average rental rates over the forecast period. Capacity is expected to grow at 11.1% CAGR between 2017 and 2021 while average rental rates are expected to grow at 2.5% CAGR. Despite the existing supply of student accommodation in Australia which is concentrated in Sydney and

INDUSTRY OVERVIEW

Melbourne, an overall continuing growth in overseas student enrolment (especially in these two major cities) is leading to an increase in demand for quality student accommodation in these major cities. For instance trade sources indicated that PBSA in Melbourne is characterised by an expansion by existing players and new commercial entrants which is resulting in a growth in capacity to better accommodate the student population over the forecast period. Secondary sources are also expecting additional PBSA capacity to be added in the cities of Sydney, Adelaide and Brisbane. As PBSA operators aim to improve on the quality of their residences by creating on-site student communities and facilities, average rental rates are expected to rise, resulting in revenue growth. Australia is likely to remain an affordable location for quality higher education and international student enrolment will continue to rise year-on-year. This will result in further foreign investments in the Australian student accommodation industry that will potentially boost revenue growth over the forecast period. Melbourne is expected to outpace national industry growth with industry revenue receipts accrued by students' accommodation service providers in Melbourne growing by a 17.3% CAGR between 2017 and 2021 to reach A\$271.9 million. Melbourne is expected to account for 33.8% of total Australian student accommodation industry revenue receipts in 2021, up from 31.2% in 2016.

Opportunities for student accommodation in Australia

The PBSA sector in Australia was robust during 2016 and growing interest from institutional and sovereign wealth funds is expected to create opportunities within the industry over the forecast period. For example, United Kingdom-based Scape Living Student Accommodation has recently received investment from Bouwinvest, the Dutch institutional real estate investment manager, to develop a presence in Australia. Scape Living Student Accommodation Australia is already in the process of acquiring land and constructing properties in Melbourne, Brisbane and Sydney.

Foreign investment expected to drive premiumisation

Foreign investment into the Australian student accommodation industry is expected to take place over the forecast period. Such a trend would follow in the footsteps of the student accommodation industry in the United Kingdom and the USA during 2016/2017. Foreign investors in the form of global student accommodation providers are likely to encourage premiumisation within the industry by placing a greater focus on interior design in individual rooms and common areas, higher quality furnishings in studio rooms, as well as the provision of teaching spaces, rentable co-worker and incubator spaces for new businesses. The focus will be on creating student communities, with added value offerings not typically offered by purpose built student accommodation providers in Australia.

Table 19 Students' accommodation services in Australia, 2012-2016 historic

(A\$, mn)	2012	2013	2014	2015	2016	CAGR 2012-2016
Industry revenue receipts accrued by students' accommodation service providers in						
• Australia	387.29	396.87	414.05	426.73	439.87	3.2%
• Melbourne	108.74	111.43	125.87	127.77	137.30	6.0%

Table 20 Students' accommodation services in Australia, 2017-2021 forecast

(A\$, mn)	2017F	2018F	2019F	2020F	2021F	CAGR 2017F-2021F
Industry revenue receipts accrued by students' accommodation service providers in						
• Australia	481.54	599.47	696.86	785.82	805.60	13.7%
• Melbourne	143.68	190.92	225.40	265.26	271.90	17.3%

Source for table 19 to 20:

Euromonitor estimates from desk research and trade interviews with leading students' accommodation service providers/dormitory operators and the relevant trade associations in Australia.

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Drivers, trends and constraints

High ranking education institutions in Australia attract international students

Australia's local universities, Australia National University, Sydney University, University of New South Wales, Monash University and Melbourne University, continue to achieve high rankings globally, which in turn attracts not only Australian students, but international students as well. This has had a positive impact on private PBSA services in Australia, with international students seeking accommodation. The number of international students has increased over the historic period, rising by a 3.9% CAGR between 2012 and 2015 to reach 363,298 students. Similarly, the number of international students grew by 4.5% between 2014 and 2015, outpacing domestic students at 2.1% during the same period. The falling Australian dollar over the latter half of the historic period was perceived favourably by international students considering studying in Australia. Living costs, including accommodation, food, and tuition fees are relatively high in Australia, therefore, the Australian dollar depreciation has helped to boost demand for PBSA within the country.

Acquiring land is a major barrier to entry in Australia

The cost of land and construction is considered a major barrier to entry for new players wanting to enter the PBSA market in Australia, particularly in major metropolitan cities. Scarcity of available land drives up land prices which acts as a barrier to providers wanting to develop new sites in key cities, such as Sydney and Melbourne. Furthermore, student accommodation developers compete with residential property developers when bidding for land. Over the forecast period, new entrants may consider other operating models for student accommodation, including being management-only providers who partner with universities or private developers to provide marketing and operation management services at new or existing facilities.

Competitive landscape

PBSA is heavily concentrated in Australia

The PBSA industry in Australia is relatively concentrated, with the top five players accounting for approximately more than 90% of the market in terms of revenue and capacity. Most players operate numerous sites, however, the number of beds per site can vary greatly.

The cost of construction represents a significant barrier to entry for the PBSA sector in Australia. Nonetheless, more and more players may opt to acquire existing accommodation assets and refurbish these properties to improve yield levels. The future growth of the PBSA industry is also linked to the availability of land in Australia, however, new players may likely look to establish sites in more suburban areas (particularly in Melbourne) to avoid such scarcity of land issues. Foreign investment is also likely to encourage premiumisation within the industry over the forecast period.

Our Company ventures into the student accommodation market with an Australian acquisition

Our Company expanded its presence into the PBSA industry in Australia in February 2014 with the acquisition of RMIT Village. RMIT Village possesses 456 beds and is located in Melbourne. This was our Company's first foray into the student accommodation space, an acquisition that was followed by activity in the United Kingdom and Singapore. During 2016 RMIT Village had not converted to the company's dwell branding.

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Table 21 Ranking of leading students' accommodation service providers/dormitory operators in terms of their revenue receipts and capacity in Australia, 2016 historic

Ranking	Leading students' accommodation service providers/dormitory operators, in terms of their revenue receipts and capacity in Australia	Industry revenue receipts market share (%)	Capacity market share (%)	To indicate if the company is listed or private
1	Player 21	38.4%	37.3%	Private
2	Player 22	27.9%	33.8%	Private
3	Player 23	19.6%	14.6%	Private
4	Player 24	6.6%	8.5%	Private
5	Player 25	5.7%	4.3%	Private

Source: Euromonitor estimates from desk research and trade interviews with leading students' accommodation service providers/dormitory operators and the relevant trade associations in Australia.

THE UNITED STATES OF AMERICA

The US economy grew by 3% in 2016 (current prices), a slowdown compared with the previous year and historic period. Slower growth was due in part to stagnant exports and decreased investment from the private sector. The main driver of the US economy is the service sector including business, finance and education, while manufacturing and agriculture have grown at a slower rate or decreased over the historic period. Consumer spending is expected to buoy the economy moving forward but threats of protectionist economic policies may hamper growth.

Table 1 GDP in USA, 2012-2016 Historic

	2012	2013	2014	2015	2016	CAGR2012-2016
GDP (USD bn)	16,155.30	16,663.20	17,393.10	18,036.70	18,569.10	3.5%
GDP growth (%)	4.1%	3.1%	4.4%	3.7%	3.0%	N/A
GDP per capita (USD)	51,432	52,649	54,548	56,083	57,271	2.7%
Per capita gross national income (USD)	52,835	53,946	56,135	57,511	58,807	2.7%

Source: Euromonitor International from national statistics/Eurostat/Organization for Economic Co-operation and Development/United Nations/International Monetary Fund (IMF), International Financial Statistics (IFS)

Steady population growth in The US

The US population is growing and aging. The population grew by 0.8% in 2016 to 325.2 million people. 2016 population growth was in line with the 0.8% compound annual growth rate (CAGR) during the historic period (2012-2016). The US population is aging, as 70-79 year olds are expected to become the fastest growing demographic from 2015-2030. Further pressuring the average age of the US, the birth rate also is expected to drop to 11.7 births per 1,000 people in 2030, down from 12.4 per 1,000 people in the year 2000, according to Euromonitor estimates compiled from the United Nations and national sources.

Migration to the US is offsetting the aging domestic population and decline in domestic births. Net migration is expected to increase and keep the population growing through 2030. Net migration is expected to account for 50.9% of population growth during this time period. The migration trend is similar to previous demographic changes in the US. The country is multicultural, with most of the current foreign-born population coming from Latin America and nearly 30% coming from Asia. However, foreign-born groups are unevenly dispersed throughout the country. For example, the states of California, New York and Texas account for over 45% of the foreign-born population even as they share less than 27% of the total population.

Table 2 Population in USA, 2012-2016 Historic

	2012	2013	2014	2015	2016	CAGR2012-2016
Total population	314,112,100	316,497,500	318,857,100	321,606,900	324,606,900	0.83%

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Source: Euromonitor International from National Statistics/United Nations

Table 3 Collegiate-age population in USA, 2012-2016 Historic

	2012	2013	2014	2015	2016	CAGR2012-2016
Total population ages 18-24	26,952,200	27,112,600	27,014,000	26,872,000	26,655,700	-0.28%

Source: Euromonitor International from National Statistics/United Nations

Collegiate-age employment rates exhibit strong growth over the historic period

The employment rate of the collegiate-age population has exhibited growth over the historic period, rising to 64.7% in 2016 from 60.9% in 2012. The employment rate increased in part because the total population for this age group declined during the review period and because 830,000 more collegiate-age people were employed in 2016 compared to 2012. The trend towards employment applies to both students and non-students as the percentage of fulltime undergraduate students employed increased to 50% in 2015 from 41% in 2010. Further, 12% of fulltime undergraduate students worked 35 hours per week or more in 2015, according to the US Department of Education.

Table 4 Employment level of college-age population, 2012-2016 Historic

	2012	2013	2014	2015	2016
Employment rate of people age 18-24	60.9%	61.1%	62.5%	63.8%	64.7%

Source: United States Department of Labor, Current Population Survey* & Euromonitor International from national statistics/United Nations

Notes: *Rate excludes military & non-civilian employment

Slight decline in number of students enrolled fulltime

The total number of fulltime students enrolled in the US decreased 0.8% in 2015, dropping to 12,841,007. The decrease in enrollment was slightly higher than typical for the review period, as total fulltime enrollment had a CAGR of -0.19% from 2011-2015. Total fulltime enrollment includes all students at higher education institutions, including online schools, vocational schools, or specialised trade schools such as beauty schools. Changes in enrollment varied by institution type. Institutions offering at least some four-year programs experienced a CAGR of 0.89% from 2011-2015 compared to a -3.44% CAGR for institutions with no four-year programs. The four-year institution figure includes all fulltime students at four-year institutions, even if they are not pursuing a four-year undergraduate degree.

Table 5 Total enrollment for full-time students in higher education, 2011-2015 Historic (000's)

	2011	2012	2013	2014	2015	CAGR2011-2015
Total enrollment for full-time students	12,940	12,789	12,771	12,944	12,841	-0.19%
Precollege (community college or vocational) students*	3,385	3,234	3,153	3,037	2,942	-3.44%
Four-year university students**	9,555	9,555	9,618	9,907	9,899	0.89%

Source: US Department of Education National Center for Education Statistics IPEDS

Notes: *Includes Tribal Colleges **Includes Graduate Students and Associate Degree students at Four-Year Schools

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Increase in foreign students at US universities

The number of students from foreign countries increased over the review period, both as an absolute number and percentage of the student population. There were more than 275,000 more foreign students in the US in 2016 than in 2012, rising to a total of 1.04 million foreign students. The review period also saw the percentage of foreign students increase as more foreign students came to the US while the total number of students in the US declined. Foreign students accounted for 5.4% of total enrollment in 2016. The increase of foreign students is in part due to the global reputation of US schools, but also because foreign students tend to pay higher tuition rates than domestic students. The extra revenue from foreign students has helped some schools fill revenue gaps from decreased government funding and other income streams.

Table 6 Total domestic — vs. foreign-student enrollment in USA higher education, 2012-2016 Historic

	2012	2013	2014	2015	2016	CAGR2012-2016
Domestic students	19,860,505	20,433,356	20,329,948	19,325,074	19,220,161	-0.8%
Foreign students	764,495	819,644	886,052	974,926	1,043,839	8.1%

Source: Institute of International Education

Notes: Enrollment for academic year ending in listed year, includes part time students

PURPOSE-BUILT STUDENTS' ACCOMMODATION SERVICES MARKET IN USA

Market Overview

Trends for the student accommodation-services market

The private, purpose-built student-accommodation market in the US is a relatively new niche in the US real estate sector. The market is highly fragmented, with the largest purpose-built student housing provider accounting for less than 9% of the total stock of private beds, according to securities filings from publicly traded companies and Euromonitor estimates based on federal and private student housing data. During the mid-to-late 20th century most, US students lived in school-owned housing, general multi-use housing or specialized purpose-built housing such as for fraternities and sororities. The early 1980's saw the private, purpose-built student housing market begin, and the sector has accelerated in the decades since. Specifically, the 2000's saw increased student enrollment at a time when many school-owned facilities were reaching the end of their functional life. In recent years, many public universities have also faced budget strains, and find that private student housing can provide necessary supply. Changes in enrollment and school-owned supply are coupling with new student preferences to drive the market. Many current students seek out better-appointed accommodations than traditional offerings.

University-owned housing versus private housing

There are approximately 2.4 million purpose-built student housing beds in the US owned by both universities and private companies — enough beds for 12% of the nation's 20.7 million students, according to secondary sources validated by trade interviews. US Education Department data on student housing shows that approximately 1.3 million students live in university-owned purpose-built housing. Based on financial disclosures from publicly traded student housing companies and other sources, Euromonitor estimates there are approximately 1.1 million private, purpose-built student housing beds in the US.

Table 5 Private vs. University Owned Student Housing in the US

Full Time Students at four-year schools (million)	Percent of students living in university-owned housing (%)	University-Owned student-housing beds (million)	Privately Owned Student-Housing beds (million)
9.89	13.20	1.30	1.10

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Source: Secondary sources, trade interviews, National Center for Education Statistics and securities filings.

Focus on large, reputable public institutions

A significant share of private, purpose-built student housing is in communities that contain well-regarded, large public universities, and this is where many large operators and investors focus. Building near well-regarded universities ensures that demand is relatively stable relative to fluctuations in the economy or enrollment trends. Prestigious schools often reject or waitlist a significant portion of their applicant pool each year. A prestigious school can use this excess applicant demand as a buffer to regulate enrollment numbers amidst changing macro factors or education trends. The ability to consistently meet enrollment goals means it is easy to estimate future student populations. Many investors and operators also seek out schools that have well-known science, technology, engineering and math programs, as these are seen as key drivers of future enrollment.

Finally, the focus on large universities or communities that host significant student populations makes the private supply less vulnerable to substantial swings within an individual housing market. A change in enrollment at a small college can lead to a larger percentage change in the renter population than an equivalent change in enrollment at a large university. This means that occupancy-rate variance for properties near larger universities should be less than the variance at smaller schools.

Significant supply added in recent years

Over 250,000 private, student-housing beds were added across 175 markets from 2012-2016, according to apartment research firm Axiometrics. The market has attracted a significant amount of capital, and each of the past six years have set a record for highest transaction volume. However, many of the largest national operators have seen substantial portfolio growth through acquisition, suggesting that high transactions volume may not always lead to new supply.

The distribution of new stock varies across markets. In a sample of over 300 universities with privately-owned student housing, more than 30% of new supply since 2011 was delivered to only 20 schools, according to Axiometrics. Additionally, some investors in individual markets estimate that 50% of private beds within their market have been built since 2010. Meanwhile, some urban schools report little to no private purpose-built supply near campus, and rely on university-owned housing and multi-use housing to meet demand.

Rent variations dependent on quality, market and distance from campus

The monthly rent paid per bed can vary greatly within the purpose-built market. A typical rent per bed is \$650 per month, according to trade interviews and secondary research. However, rent per bed across the nation can reach as low as US \$400 per bed at some schools, while average rent per bed in large urban centers such as New York, Chicago, Boston and San Francisco can exceed US \$1,500. Housing that provides the latest amenities or luxuries such as on-site pools often command a premium along with more specialized units like “cottage properties” that resemble a house more than an apartment. Additionally, many students prefer living within walking distance of campus, properties which tend to charge higher rent. Operators must also take into consideration more factors such as parking, transit and shopping when constructing complexes that are removed from campus. Finally, the price per bed can vary based on the number of bedrooms in a unit, with single person units typically commanding a premium.

Monthly rent growth over the historic period

Average monthly rent per bed in major student-housing markets grew about 2% annually from 2012 to 2016, according to Axiometrics and securities filings from investment trusts and housing firms. This growth is uneven across markets, as the average rent near some schools has grown more

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than 2% each year. In some other schools, average rent per bed decreased during this period. Some schools saw average rent increases of more than 5% while other schools saw average rent decreases of more than 5% from 2015 to 2016. Additionally, new stock within individual markets can have a significant impact on average rent within the market. Newer and larger developments often have the most recent and premium features, and given their size the developments can account for a substantial portion of the available stock. These developments substantiate the weight of premium housing within the distribution of beds and as a result the increase in average rent may not correlate with trends for the median or modal rents within a market. Further, the increase in rent paid per bed rented may not be reflective of the total rent paid per total beds available. Trade interviews reveal that occupancy rates for older properties are falling in some markets and even some properties built in the past 5-10 years are offering “one month free” deals and other promotions. These developments and trends demonstrate the demand for new premium offerings within the student housing market and can bolster overall average rent prices within a market.

Value chain of students’ accommodation services market in the US

Most students who live in private student housing do not move into private housing until after they complete their first year of undergraduate studies. Many colleges and universities require their first-year undergraduate students to live in school-owned residences for at least part of their first year of study. After completing any institutional requirements, students usually can choose to continue living in school-owned housing or pursue private options. Most students chose to move into private housing at this point, but the prevalence of this can vary by institution type and size along with the size and location of the school’s host city.

Student housing operators must take on challenges that differ from traditional housing providers in the US. Some purpose-built student housing operators accommodate students with 9-month leases. A 9-month lease also allows an operator to lease the unit to another occupant during the summer. Further, even for complexes that collect 12 monthly rent payments in a year, the lease is often only 50 weeks. The shortened lease allows operators to renovate properties as needed before new residents move in. Additionally, the leasing cycle is based on the academic year, which leads to high turnover each year and on a regular schedule. This adds pressure to assess and renovate a significant share of an operator’s stock in a short amount of time.

The academic cycle also requires operators to prelease units well in advance of the start of the academic year. This requires operators to identify renters during the preceding academic year, and many management companies have tenants sign leases in the fall for occupancy that will not begin until the following summer. One metric to track the health of a given market is measuring what percent of beds have been preleased by a certain time of year. Most management companies try to have leased at least 95% of their beds by June, and higher prelease rates or earlier occupancy commitments are signs of a strong market or portfolio within a market.

Regulations impacting students accommodation services in the US

The regulatory environment for student housing in the US varies across individual municipalities. Most of the regulations that directly affect student housing are at the local level. Local regulations primarily entail zoning rules that allow certain types of properties in different areas. The individual cities have significant latitude over the process and purpose of zoning, and many have designated boards or departments for zoning. The most typical impact these rules have on student housing relate to what type of housing is permitted in given areas or restrictions on population density. These rules intend to protect residents and business from intrusive behaviour given the population of an area or ensure that properties have adequate access to infrastructure for its given purpose. The availability of parking, access to campus and distance from single-family housing are examples of factors that a zoning board may consider when permitting student housing. In general local governments and influencers such as schools have a vested interest to ensure demand for student housing is met, and will craft plans to achieve these goals.

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Facilities offered by student accommodation services providers in the US

Purpose-built student housing typically offers more amenities than comparable apartment or multi-use housing and traditional university housing. While private housing often excludes the full range of necessities offered by university housing such as meal plans, private housing frequently includes luxury amenities compared to dorms. Private student housing often includes access to workout facilities on site, pools and parking. Further, private student housing often includes renters' incidental costs such as heating, electric and Wi-Fi, which comparable multi-use housing typically do not include in rent payments. Whether these incidental costs are included can vary by market and how the local utilities operate or what the demand is for various utilities such as air conditioning in the Southern US and heating in the Northern US. Some properties may also include utilities in their rent to make a dated or less premium unit more attractive to students.

Capacity growth drives revenue receipts over the historic period

The addition of new supply has driven revenue growth over the review period. More than 250,000 new private, purpose-built beds were added in major student housing markets from 2011 to 2016, according to Axiometrics. New housing stock is not limited to replacing existing beds and the new supply has both driven rent premiums for some new offerings and added to the total number of beds leased each year. The review period also saw the expansion and diversification of student-housing markets as private, student-housing complexes were added to more than 40 universities which previously had no private, purpose-built student housing.

Projected supply growth but at a lower rate moving forward

Many school communities expect new purpose-built housing developments in the future. Levels of saturation vary by market and growth may slow in some well-developed communities while others expect current development trends to continue. Many developers and operators project that future growth will include previously neglected markets such as smaller or less prestigious schools. Factors such as the size of a school and quality of its programs are still likely to influence development decisions as these factors drive the enrollment and population trends that make student housing an appealing investment.

Table 3 Students' Accommodation Services in the US, 2012-2016

	2012	2013	2014	2015	2016	CAGR2012-2016
Industry revenue receipts accrued by student accommodation service providers (USD million)	5,938	6,421	7,007	7,506	7,843	7.2%

Source: Secondary sources, trade interviews, securities filings, National Center for Education Statistics.

Table 4 Students' Accommodation Services in the US, 2017F-2021F

	2017F	2018F	2019F	2020F	2021F	CAGR 2017F-2021F
Industry revenue receipts accrued by student accommodation service providers (USD million)	8,320	8,826	9,309	9,760	10,174	5.2%

Source: Secondary sources, trade interviews, securities filings, National Center for Education Statistics.

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Drivers, Trends and Constraints

Students prefer the newest and the best

Students who seek private purpose-built student housing often want the newest and best amenities. Some larger schools have multiple on-campus options or a large supply of older purpose-built stock or student competitive housing. The students who seek out private, purpose-built student housing within these well-supplied markets are often selecting this option because of features not offered by cheaper alternatives. This creates a competitive market for the segment of the student population that is willing to pay a premium for purpose-built housing. Newer complexes may include amenities such as cafes, pools, gyms and even movie theatres, in addition to simpler technology upgrades such as smart thermostats. If a property that is only five years old does not offer the full range of amenities provided by newer developments, renters expect a price difference big enough to justify the disparity in features. This race to provide the newest and best feature set requires property owners to continuously reinvest in properties in addition to covering the normal maintenance costs associated with student housing.

Recurring demand seen as lower risk

The drivers behind student housing are viewed as less variable than drivers behind other real estate markets. Many students move away from home for college and need accommodations while earning their degree. This creates a specific segment of the population near a university with regular turnover and housing need. Further, the size of this segment is usually predictable as most schools set enrollment targets as part of their goals for institutional success. This creates a stable and predictable stream of students seeking housing year to year. The demand for higher education is also countercyclical to the general economy as people often seek to advance their education in lieu of seeking other employment opportunities. This makes student housing less susceptible to economic downturns but also limits the demand surge during periods of economic growth.

Projected enrollment growth

The number of US residents enrolled at higher education institutions is expected to surpass 21 million students in 2021, an increase of 9.5% above the 19.2 domestic million students enrolled in 2016, according to the National Center for Education Statistics. This enrollment figure does not include growth in enrollment from foreign residents, which totaled more than 1 million students in 2016. The foreign demand for a US education is likely to continue but it is uncertain how immigration policy may impact enrollment trends. Further, the institutional demand for foreign enrollment is likely to continue as foreign students generally pay higher tuition rates than domestic students and help cover revenue gaps.

Preference for smaller units

Many older private, student-housing complexes are weighted towards 3 beds per unit while new developments are skewing towards 1 to 2 beds per unit. The typical private, student-housing complex in the US consists of many units with several bedrooms per unit. An individual unit includes a kitchen, common space and one or more bedrooms and bathrooms. Many older student complexes are falling out of favor or undergoing renovations to accommodate units with only 1 to 2 beds. Part of the reason for this shift is because students are investing more time in their studies and less time in their social lives when compared to older generations, according to trade interviews. This shift in social attitudes has led some students to prefer simpler living quarters. Students are also willing to pay a premium for units that have one bathroom per bedroom, which contributes to the rising price per bed and focus on smaller units.

More students live on campus at smaller schools

Smaller schools have fewer private purpose-built student housing options. A higher percentage of the student population lives on campus at smaller schools, which are often in rural areas. Because the surrounding town often offers fewer attractions, there is less desire to live away from the campus

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community and events. Further, smaller towns and colleges make the local housing market more vulnerable to shocks in the local economy or enrollment trends. Some planners and developers in mid-sized “university cities” have been able to convert under-utilized student housing into multi-use residences for families and non-students. These “university cities” tend to be larger and have more diverse economies than many college towns. Property owners in smaller college towns may take on more risk as they do not have the option to convert housing as a hedge against changing dynamics.

Competition from school-owned residences

Private student housing developments have benefited from insufficient or inadequate university-owned residences, but university-owned options may become a stronger competitor. Many schools are remodeling school-owned residence halls with some of the amenities offered by private student housing. A significant portion of school-owned residences were built in the 1960’s and are nearing the end of their functional life. There are multiple drivers influencing what type of residences schools are building to replace outdated stock or add to existing supply.

University-owned student-living quarters are frequently showcased during school tours, which are a major component of recruitment efforts. Traditional school-owned residences often required roommates to share a room containing multiple beds and an entire floor sharing communal bathrooms. Schools have realized that showcasing more lavish rooms with added privacy and individual bedrooms or bathrooms can help attract students. While these upgrades are meant to attract potential students, they may have an added consequence of encouraging students to live in school-owned residences for a longer time and delay or eliminate the move into private student housing.

Finally, a small portion of schools own private, housing-management companies that are separate from the institution’s academic departments. These management companies are affiliated with a school, and many parents and students prefer a school affiliated entity because it is viewed as a trustworthy landlord. Additionally, some renters like the idea of a one-stop shop from a university referral instead of having to navigate the private market.

Growth in distance education

In 2015 the number of students enrolled in higher education and studying exclusively via distance programs surpassed 3 million, according to the National Center for Education Statistics. Distance education includes online programs, and accounted for over 15% of total higher education enrollment in 2015. Over 2.2 million students were enrolled fulltime and exclusively in distance-learning programs, and more students in fulltime programs received a mixture of on-site and distance-education programs. Some types of higher education have been resistant to the trend of online education such as graduate legal studies, which require on-site training. Other disciplines have been more open to online programs in industries like computer programming in lieu of four-year degrees in computer science. While private, for-profit institutions have offered online programs in the past and schools have provided courses via mail, the recent growth in online education has seen many four year public and private schools start offering online programs as a complement to their traditional on-campus education. The growth of distance learning is a threat to purpose-built student housing, as participants can live throughout the country, and proximity to a physical campus or classmates is not a concern.

Decreasing University Budgets

Many universities have experienced budget constraints over the past several years. Public universities in particular have suffered in states that have also experienced budget problems, especially if the university does not have a significant endowment or substantial revenue from other sources. The budget constraints have led many universities to welcome private, student housing to relieve pressure on institutions to provide school-owned residences. However, developers should be

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conscious of a school's financial health even if a school's inability to invest in student housing creates a supply opportunity. If an institution's financial health imperils the school's goals and reputation, then it could have a negative impact on the school's ability to attract students and ensure a regular supply of student renters.

Growing student loan debt

Student-loan debt is becoming a national concern in the US. Total student loan debt exceeded US \$1.34 trillion in July 2017, over 170% greater than total student loan debt in 2006, according to the Federal Reserve Bank of New York. Increased enrollment, increased cost of attendance and slower repayment have driven this increase. In addition to the rising debt owed to federal student loan programs and private loan providers there is also a risk that government grants and scholarships may be at risk given political attitudes and constrained government budgets around the country. Further, 11.2% of all student loan borrowers are in delinquency or default and it is unknown whether private providers will continue to offer educational loans.

The increased cost of higher education and the related debt could negatively impact the student-housing market. Increasing costs may not deter attendance at the nation's prestigious universities because these are seen as a good value, but the cost of an education may impact spending habits while earning a degree. Cheap housing options may always attract a segment of students that are cost conscious, but it is uncertain whether students will continue paying a premium for housing. Additionally, some students may question the value of degrees from less prestigious schools, which could negatively impact enrollment trends. Some would-be students may also find a strong labor market more attractive than taking on substantial debt for an education from a less-prestigious school. Finally, the growth of distance education and other learning options may encourage students to seek out less expensive education that they can complete without relocating and while working part or fulltime.

Competitive Landscape

Private PBSA services a fragmented market in the US

The student housing market in the US is fragmented but more national operations are emerging and consolidating. Only 14 firms on the list of the 25 largest student-housing providers in 2010 remained on the list of the top 25 in 2016, according to Student Housing Business. The average number of beds owned by the 25 largest owners also increased from 11,056 in 2010 to 19,307 in 2016. Most of the top 10, fastest-growing firms have relied on acquisitions as a primary growth strategy. Some of the largest operators have multiple portfolios of properties within multiple communities while others may only own individual properties within individual markets but whose properties are near multiple campuses.

While the large national owners are able to take advantage of their scale and resources, there are still significant advantages for local operators. Local operators have advantageous knowledge of the individual market. A key factor for filling beds is "call in" volume, a measure of how many people are enquiring about a property. Local operators with multiple properties are able to translate high "call in" volumes for any property, even without vacancy, into a discussion or lease for a comparable property within their local portfolio. Many operators or owners who only have single properties within a local market may struggle to replicate this referral strategy or take advantage of a larger in-market network.

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Centurion Corporation Limited's Strengths

Centurion expands its expertise into student accommodation in US

Centurion is seeking to expand into the US purpose-built, student-housing market by acquiring a partial stake in six pre-existing properties in Wisconsin, Florida, Texas, Alabama and Connecticut. Each of the properties is near a premier public university with at least 28,000 students enrolled. With experience owning and operating purpose-built worker housing and purpose-built student housing in multiple countries, this is an extension of expertise the company has gained in Asia, Australia and Europe. Centurion also plans to partner with pre-existing operators in the US to help manage the properties within the individual markets.

REGULATORY OVERVIEW

This section sets forth a summary of the material laws and regulations applicable to our business of our principal places of operations in Singapore, Malaysia, Australia, the United Kingdom and the United States of America.

LAWS AND REGULATIONS OF SINGAPORE

The following is a summary of the material laws and regulations of Singapore that may be relevant to our Group's operations in Singapore as at the Latest Practicable Date.

ACCOMMODATION BUSINESS

Foreign Employee Dormitories Act

The Foreign Employee Dormitories Act 2015 (No. 3 of 2015) (“**FEDA**”) provides for the regulation of foreign employee dormitories operators. Under the FEDA, a person must not operate any boarding premises as a foreign employee dormitory except under the authority of a valid licence for those premises. The licence to operate any boarding premises as a foreign employee dormitory may include conditions requiring the licensed operator, *inter alia*, to meet standards for facilities and services provided to the residents and standards concerning physical and mental welfare, social activities and standards to prevent overcrowding. The licence may also include conditions requiring the operator to provide or further provide a performance bond, guarantee or other form of security on such terms and conditions.

A licenced operator operating boarding premises as a foreign employee dormitory must not, without the prior approval of the Commissioner, wholly and permanently cease operating the boarding premises in its licence or for any reason surrender the licensed operator's licence. In granting any approval, the Commissioner may impose conditions as he or she thinks fit, including but not limited to directing the licensed operator to provide assistance to foreign employees who are residents of the boarding premises specified in the licence to find alternative accommodation in Singapore.

Immigration Act

Under the Immigration Act (Chapter 133) of Singapore (“**Immigration Act**”), any person who harbours a person (a) whom the defendant knows has acted in contravention of the provisions of the Immigration Act or the regulations; or (b) with reckless disregard as to whether he has acted in contravention of the provisions of the Immigration Act or the regulations, shall be guilty of an offence.

Planning Act

Under the Planning Act (Chapter 232) of Singapore (“**Planning Act**”), no person shall without planning permission carry out any development of any land. An application for planning permission shall be made to the competent authority in the prescribed form and manner. Subject to any rules, the

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competent authority may (a) grant written permission, either unconditionally or subject to such conditions as he considers fit; or (b) refuse written permission. Generally, every planning permission shall lapse if the development or works authorised by it are not completed or effected within two (2) years of the date of the grant of the planning permission. The competent authority may, in his discretion, extend any planning permission or conservation permission on such terms and for such further period as he thinks fit.

Fire Safety Act

The Fire Safety Act (Chapter 109A) of Singapore (“**FSA**”) requires application to the Commissioner for approval of plans of the fire safety works before any fire safety works are carried out. Upon completion of any fire safety works, a fire safety certificate will be applied for, and the Commissioner may issue the fire safety certificate subject to such conditions as he thinks fit. Furthermore, the Commissioner has a right to enter any premises at all reasonable hours for the purpose of ascertaining whether there is or has been, on or in connection with the premises, any contravention of any of the provisions of the FSA.

Environmental Public Health Act

The Environmental Public Health Act (Chapter 95) of Singapore (“**EPHA**”) regulates sanitary conditions of buildings. Where the Director General is of the opinion that any building or part thereof or anything attached to a building used or occupied as a dwelling house is, *inter alia*, unfit for human habitation, the Director General may, by notice in writing, require the owner to carry into effect all of any of the following: (a) the removal, alteration or demolition of the whole or a part of the partitions or other erections or obstructions complained of; and (b) the execution of such operations or structural alterations as are necessary to render the premises fit for human habitation and to guard against danger of disease.

OPTICAL DISC BUSINESS

Manufacture of Optical Disc Act

The Manufacture of Optical Disc Act (Chapter 170C) of Singapore (“**MODA**”) provides for the regulation and control of the manufacture of optical discs.

Under the MODA, no person shall engage in the manufacture for sale or other commercial purpose any optical disc in any place except under the authority and in accordance with the terms and conditions of a licence. The licence may be suspended or cancelled if the licensee has contravened any term or condition of the licence or any provision of the MODA. The MODA also requires licensee to mark each optical disc manufactured by him with the manufacturer’s code assigned to him under the licence and in accordance with prescribed standards.

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Copyright Act

Copyrights in Singapore are governed by the Copyright Act (Chapter 63) (“**Copyright Act**”) of Singapore. In Singapore, an author automatically enjoys copyright protection as soon as he creates and expresses his original work in a tangible form, such as in a recording or writing. There is no system of registration of copyrights in Singapore and there are no formal steps required to be taken in order for a copyright to exist. The general position is that the person who created the work in question is the owner of the copyright and, in the case of a work created in the course of employment, the copyright belongs to the employer. Subject to the provisions of the Copyright Act, the owner of a copyright may bring an action for an infringement of the copyright under section 119 of the Copyright Act, and the type of relief the court may grant includes injunctions, damages, account of profits and/or statutory damages. Subject to certain conditions, the court may also make an order for delivery up of and/or disposal of the infringing copies for an action under section 119 of the Copyright Act.

Films Act

The Films Act (Chapter 107) of Singapore (“**Films Act**”) is an act relating to the possession, importation, making, distribution and exhibition of films.

Under the Films Act, no person (a) shall carry on any business, of importing, making, distributing or exhibiting films unless he is in possession of a valid licence; or (b) being the owner or occupier of any place shall allow the place to be used by, or let the place or otherwise make the place available to, any person who is not the holder of a valid licence for the purpose of carrying on the business of importing, making, distributing or exhibiting films.

GENERAL

Workplace Safety and Health Act

The Workplace Safety and Health Act (Chapter 354A) (“**WSHA**”) is an act relating to the safety, health and welfare of persons at work in workplaces. The WSHA provides that every employer has the duty to take, so far as is reasonably practicable, such measures as are necessary to ensure the safety and health of his employees at work. These measures includes providing and maintaining a work environment which is safe, without risk to health, and adequate as regards facilities and arrangements for employees welfare at work. More specific duties imposed by the relevant regulatory body, MOM, on employers are laid out in the Workplace Safety and Health (General Provisions) Regulations of Singapore.

Work Injury Compensation Act

Work injury compensation is governed by the Work Injury Compensation Act (Chapter 354) of Singapore (“**WICA**”). The WICA applies to employees in respect of injury and disease suffered by them in the course of their employment allows employees to make claims for work related injuries

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and diseases without having to file a civil suit under common law. Employers are required to insure and maintain insurance under one (1) or more approved policies with an insurer against all liabilities which he may incur under the WICA in respect of any employee employed by him. Nonetheless, an employer shall be liable to pay any liability that he may incur under the WICA in excess of the insurance limits prescribed. Failure to maintain such insurance is an offence.

Central Provident Fund Act

The Central Provident Fund Act (Chapter 36) of Singapore (“**CPF Act**”) governs the monthly contributions made by every employer and employee into the Central Provident Fund (the “**CPF**”). CPF is a mandatory social security savings scheme funded by contributions from employers and employees for working Singapore citizens and Singapore permanent residents primarily to fund their retirement, healthcare and housing needs. CPF contributions are due at the end of the month and employers have a grace period of 14 days to pay. From 1 January 2016, employer’s contribution rates for private sector employees varies between 9% and 17% of the employee’s wage depending on the employee’s age. Every employer of an employee shall pay to the CPF monthly in respect of each employee contributions at the stipulated rates.

SINGAPORE TAXATION

The discussion below is not intended to be and does not constitute legal or tax advice. It is based on the applicable tax laws and practice in Singapore as of the Latest Practicable Date and is subject to legislative changes in such laws, or in the interpretation thereof. Changes may have retrospective effect. No assurance can be given that courts or authorities responsible for the administration of such laws will agree with our interpretation or that changes in such laws and practice will not have retrospective effect.

The discussion below does not purport to be a comprehensive nor exhaustive description of all of the tax consequences relating to the acquisition, ownership and disposal of the Shares by any person. You, as a prospective subscriber of our Shares, should consult your tax advisors concerning the tax consequences, including specifically, the consequences under applicable law and tax authority practice of any investment in our Shares, including those arising under the laws of any other tax jurisdiction, which may be applicable to your own particular circumstances. Neither our Group, our Directors nor any other persons involved in this Listing accepts responsibility for any tax effects or liabilities resulting from the subscription, purchase, holding or disposal of our Shares.

Corporate and individual tax

A company is a tax resident in Singapore when the control and management of the company is exercised in Singapore. Corporate taxpayers (whether Singapore tax resident or non-Singapore tax resident) are generally subject to Singapore income tax on income accruing in or derived from

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Singapore, and on foreign source income received or deemed received in Singapore (unless specified conditions for exemption are satisfied). Foreign sourced income in the form of dividends, branch profits and service fee income received or deemed received in Singapore by a Singapore tax resident corporate taxpayer may however be exempt from Singapore tax if specified conditions are met.

The prevailing corporate income tax rate is 17.0% with partial tax exemption for normal chargeable income of up to S\$300,000 as follows:

- (a) 75.0% exemption of up to the first S\$10,000; and
- (b) 50.0% exemption of up to the next S\$290,000.

Non-Singapore tax resident individuals are generally subject to tax at 20.0% (22.0% from Year of Assessment 2017), at concessionary tax rates or the income may be exempt if specified conditions are satisfied. For example, Singapore employment income derived by non-Singapore resident individuals is taxed at a flat rate of 15.0% or at the progressive resident tax rates, whichever yields a higher amount of tax.

Dividend distributions

One tier corporate taxation system and withholding tax

Singapore adopts the One-Tier Corporate Taxation System (“**One-Tier System**”). Under the One-Tier System, the tax collected from corporate profits is a final tax and the after-tax profits of the company resident in Singapore can be distributed to the shareholders as tax-exempt (one-tier) dividends. As our Company is a Singapore tax resident company, the dividends distributed by our Company will be tax exempt (one-tier) dividends. Such dividends are tax-exempt in the hands of the shareholders, regardless of whether the shareholder is a company or an individual and whether or not the shareholder is a Singapore tax resident.

Singapore does not currently impose withholding tax on dividends paid to resident or non-resident shareholders.

Gains on disposals of ordinary shares

Singapore does not impose tax on capital gains. There are no specific laws or regulations which deal with the characterisation of whether a gain is revenue or capital in nature. The characterisation would usually depend on the facts and circumstances surrounding the purchase and sale of a particular asset and by reference to established case law principles. In general, gains or profits derived from the disposal of our Shares acquired for long-term investment purposes should be considered as capital gains and not subject to Singapore tax.

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On the other hand, gains may be construed to be of an income nature and subject to Singapore income tax if they arise from or are otherwise connected with activities which the Comptroller regards as the carrying on of a trade or business of dealing in shares in Singapore.

For any disposal of our ordinary Shares from 1 June 2012 to 31 May 2022 (both dates inclusive) by a company, upfront “non-taxation” certainty may however be granted on any gains derived by the divesting company if immediately prior to the date of share disposal, the divesting company has held at least 20% of our Shares for a continuous period of at least 24 months.

For share disposals that do not satisfy the above conditions, the tax treatment on any gains/losses that may arise from the disposal of shares (i.e. whether the gains/losses are capital or revenue in nature) would continue to be determined based on a consideration of the specific facts and circumstances of the case and by reference to established case law principles. As the precise tax status of a Shareholder varies from another, Shareholders are advised to consult their own professional advisers on the Singapore tax consequences that may be applicable to their individual circumstances.

In addition, corporate shareholders who apply, or who are required to apply, the Singapore Financial Reporting Standard 39 Financial Instruments — Recognition and Measurement (“**SFRS 39**”) for the purposes of Singapore income tax may be required to recognise revenue gains or losses (i.e. excluding capital gains or losses) in accordance with the provisions of SFRS 39 (as modified by the applicable provisions of Singapore income tax law) even though no sale or disposal of our Shares have been made.

Goods and services tax (“GST”)

The sale of our Shares by a GST-registered investor belonging in Singapore through a SGX-ST member or to another person belonging in Singapore is an exempt supply not subject to GST.

Any GST (for example, GST on brokerage) incurred by the GST-registered investor in connection with the making of this exempt supply will generally become an additional cost to the investor unless the investor satisfies certain conditions prescribed under the GST legislation or by the Comptroller of GST.

Where our Shares are sold by a GST-registered investor to a person belonging outside Singapore (and who is outside Singapore at the time of supply), the sale is a taxable supply subject to GST at zero rate. Consequently, any GST (for example, GST on brokerage) incurred by him in the making of this zero-rated supply for the purpose of his business will, subject to the provisions of the GST legislation, be recoverable as an input tax credit in his GST returns.

Investors should seek their own tax advice on the recoverability of GST incurred on expenses in connection with the purchase and sale of our Shares.

REGULATORY OVERVIEW

Services such as brokerage and handling services rendered by a GST-registered person to an investor belonging in Singapore in connection with the investor's purchase or sale of our Shares will be subject to GST at the prevailing rate at 7.0%. Similar services rendered contractually to an investor belonging outside Singapore are subject to GST at zero-rate provided that the investor is not physically present in Singapore at the time the services are performed and the services do not directly benefit a person who belongs in Singapore.

Stamp duty

No stamp duty is payable on the subscription and issuance of our Shares. Stamp duty is also not applicable to electronic transfers of our Shares through the CDP.

There could be stamp duty implications if any sale and purchase agreement for or instrument of transfer for our Shares is executed. Potential investors should seek professional advice based on the specific circumstances of their situation. Where existing Shares evidenced in certificated form are acquired in Singapore, stamp duty is payable on the instrument of transfer of the Shares at the rate of 0.2% of the amount of the consideration or the market value of the Shares, whichever is the higher. The purchaser is liable for the stamp duty charge, unless otherwise agreed by the parties to the transaction.

No stamp duty is payable if no instrument of transfer is executed (such as in the case of scripless shares, the transfer of which does not require an instrument of transfer to be executed) or if the instrument of transfer is executed outside of Singapore. However, stamp duty may be payable if the instrument of transfer which is executed outside Singapore is subsequently brought into Singapore.

Land tax and property tax

There is no land tax in Singapore.

In Singapore, property tax is assessed on an annual basis by applying the applicable property tax rates on the annual value of the property. The annual value of buildings is determined based on the estimated gross annual rent of the property if it were to be rented out, excluding furniture, furnishings and maintenance fees. Depending on the type of property, different property tax rates will be adopted. Owner-occupied and non-owner occupied residential properties are generally subject to property tax on a progressive scale. The present top marginal rate of tax for owner-occupied and non-owner occupied is 16.0% and 20.0% respectively. All other properties will be taxed at 10% of the annual value.

Estate duty

Singapore estate duty was abolished with effect from 15 February 2008.

REGULATORY OVERVIEW

LAWS AND REGULATIONS OF MALAYSIA

The following is a summary of the laws and regulations that have a material impact to our Group's business operations in Malaysia as at the Latest Practicable Date. As it is in the form of a summary, it does not contain all legal and regulatory provisions that may be applicable to our Group's business in Malaysia.

Licensing Requirements

Business licences under local laws

The Local Government Act 1976 empowers every local authority to, among others, grant licence or permit for any trade, occupation or premises. The validity of the licence, unless sooner suspended or cancelled, shall be valid for a period not exceeding three years. Failure to obtain or hold this licence constitutes an offence, which, on conviction, is punishable by a fine not exceeding RM2,000 or by imprisonment of a term not exceeding 1 year, or both. Non-compliance may also result in a further fine not exceeding RM200 for each day of non-compliance.

Certification requirements

Certification of completion and compliance under the Street, Drainage and Building Act 1974

The Street, Drainage and Building Act 1974 ("**SDBA 1974**") regulates street, drainage and building matters in local authority areas in Peninsular Malaysia.

By the powers vested by SDBA 1974, Uniform Building By-Laws 1984 have been enacted to regulate the construction of buildings and the time, manner and procedure for the issuance of the certificate of completion and compliance ("**CCC**") for buildings.

The SDBA 1974 further provides that any person who occupies or permits to be occupied any building or any part thereof without a CCC shall be liable on conviction to a fine not exceeding RM250,000 or to imprisonment for a term not exceeding ten years or to both.

Certification under the Fire Services Act 1988

The Fire Services Act 1988 ("**FSA 1988**") essentially contains provisions in law required for an effective and efficient functioning of the Fire Services Department, for the protection of persons and property from fire risks and for purposes connected therewith. The FSA 1988 requires every designated premises as prescribed in the Fire Services (Designated Premises) Order 1998 (which include hostels and dormitories with four storeys and over where each floor area exceeds 250 square

REGULATORY OVERVIEW

metres or with 6 storeys or over) to obtain a fire certificate from the relevant authority. The fire certificate certifies that the premises have complied with the life safety, fire prevention, fire protection and firefighting requirements under the FSA 1988.

Failure to maintain a fire certificate constitutes an offence, which, on conviction, is punishable with a fine not exceeding RM5,000 or an imprisonment for a term of not exceeding three years or both. Where an offence is committed by a body corporate with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary, or other similar officer of the body corporate, or any person purporting to act in any such capacity, he as well as the body corporate shall be guilty of that offence. Such offence may be compounded in accordance with Fire Services (Compounding of Offences) Regulations 1991.

Land ownership

National Land Code 1965

The National Land Code 1965 (“NLC”) introduces a uniform land system within the states in Peninsular Malaysia. The title or interest of any person or body for the time being registered as proprietor of any land, or whose name any lease, charge or easement is for the time being registered shall be indefeasible, save in circumstances where there is fraud, misrepresentation, forgery or unlawful acquisition.

The NLC also provides that an alienated land will be categorised into one of the three categories of land use, namely “agriculture”, “building” and “industry”; and the relevant state authority may impose conditions attached to the land. Where the use of the land is in breach of the conditions imposed, the land shall either become liable for forfeiture to the relevant state authority, or the Land Administrator may require the proprietor to comply with the condition imposed on the land, or the Land Administrator may require the proprietor to show cause why a fine should not be imposed in respect of such breach. Where the Land Administrator requires the proprietor to show cause why a fine should not be imposed, and the proprietor fails to show cause to the satisfaction of the Land Administrator, he may make an order for payment of a fine not less than RM500 and in the case of a continuing breach, a further fine of not less than RM100 for each day during which the breach continues. Where a fine is paid upon such an order, no action for compliance of the condition will be required, and no action of forfeiture will be taken in respect of the breach.

REGULATORY OVERVIEW

LAWS AND REGULATIONS OF AUSTRALIA

In Australia there is a federal legal system. This means that the Group's operations in Australia are subject to laws passed by the Federal government, the Commonwealth of Australia, and the governments of the States and Territories in which the Group carries on business (currently Victoria, Western Australia and, in time to come, South Australia). Legislation affecting the operation of the Group is passed at both levels of government.

In addition to dealing with Federal and State governments, the Group must deal with a third level of government, namely local government. This level of government (usually referred to as the "Council" of the relevant area) deals with "local" issues, including planning and building approvals.

Certain of the principal areas of regulatory overview affecting the operations of the Group in Australia are mentioned below.

Tax

The principal forms of tax levied by the Federal Government are income tax and goods and services tax (GST).

Income tax

A company incorporated in Australia (such as the Australian subsidiaries of the Group) will be a resident of Australia for tax purposes. The general rule for such companies is that they are taxed on their foreign and domestically earned income and capital gains. Companies are taxed at a single specified flat rate on the company's taxable income: ordinary income and capital gains (net of capital losses) less allowable deductions.

Capital assets (CGT assets) are subject to capital gains tax where a taxable event (a CGT event) occurs and a capital gain or loss is recognised. Capital gains or losses are generally not recognised for CGT assets acquired before 20 September 1985. Various exemptions apply and there are certain categories of CGT rollovers (tax deferral rules).

An imputation system applies to the taxation of companies resident in Australia and their shareholders. Under this system, the payment of Australian income tax gives rise to credits in the company's "franking" account. These credits can be attached to dividends paid by the company. Australian resident shareholders in receipt of these franked dividends can generally claim the credits against their own income tax liabilities. Non-resident shareholders are generally not entitled to any imputation credit in respect of franked dividends, but a dividend paid to a non-resident shareholder is exempt from dividend withholding tax to the extent that the dividend is franked.

REGULATORY OVERVIEW

Australian withholding tax can be imposed on the unfranked part of dividends, interest and royalties paid by residents of Australia to non-residents. The withholding rates are generally 30%, 10% and 30% respectively. However, where Australia has a Double Taxation Agreement with the country in which the non-resident resides, any lower rate specified in that Agreement usually applies.

Goods and services tax (“GST”)

The GST applies to supplies of anything if it is provided in the course or furtherance of an enterprise, unless the supply is GST free or input taxed. In general, the supplier is required to remit GST to the Australian Tax Office in an amount equal to 10% of the value of the goods or services supplied. An “input tax credit” is normally available to a business that makes a creditable acquisition for the GST component of the purchase price where both the recipient and supplier are registered for GST and a “tax invoice” has been provided to the recipient.

Other

The Federal Government also imposes a broad range of taxes and duties, including customs duty. Australian States and Territories also have separate tax regimes.

Land Tax

One such tax imposed by Australian States is land tax. This is a tax imposed on an annual basis in respect of the unimproved value (often referred to as “site value”) of land within the State (subject to various exemptions). The applicable land tax regime varies from State to State. However, by way of example, the maximum rate of land tax in South Australia (where dwell Adelaide is located) is 3.7% of site value (for site value in excess of A\$1,176,000) and in Victoria (where RMIT Village is located) the maximum rate is 2.25% of site value (for site value in excess of A\$3,000,000) plus a 1.5% “absentee owner” surcharge.

Ownership of land

Most land in Australia operates under a system of land registration known as the Torrens system. Although laws governing land and dealings in land are solely state based, the Torrens system of registering title to land operates in each state, albeit with differences from state to state. Under this system, interests in land are registered in a central registry which provides a government guaranteed indefeasible title (subject to limited exceptions, such as where title is obtained by fraud). Upon registration, a legal interest is created in the land subject only to pre-existing registered interests.

REGULATORY OVERVIEW

Environmental protection

Federal, state and local governments jointly administer environmental protection laws in Australia. Whilst the federal law covers the assessment and approval process in respect of national environmental concerns, state and territory environmental laws apply to specific business activities and are administered by both state and local governments in the form of licences and permits.

Residential tenancy

The short term letting of premises for residential purposes (such as is used for student accommodation) is governed by state legislation. In Victoria, where the Group operates RMIT Village, the relevant statute is the *Residential Tenancies Act, 1997 (RTA)*. The RTA requires that any written lease must accurately reflect the wording of a prescribed form of residential tenancy agreement. The landlord may require the tenant to pay a bond, as security for damage to the relevant premises or non-payment of rent. Any such bond must be lodged with the Residential Tenancies Bond Authority. Disputes relating to residential tenancies may be dealt with in the Victorian Civil and Administrative Tribunal.

LAWS AND REGULATIONS OF THE UNITED KINGDOM

The following is a summary of the material laws and regulations of the United Kingdom that may be relevant to our Group's operations in the United Kingdom as at the Latest Practicable Date.

Real estate

Land ownership regime: Under English law there are three types of land ownership; freehold, leasehold and commonhold. Pursuant to section 1(1) of the Law of Property Act 1925, the only estates in land which are capable of subsisting or being conveyed at law are an estate in fee simple absolute in possession (freehold) and a term of years absolute (leasehold). Freehold ownership is effectively absolute ownership of the land, forever (although may be subject to rights and covenants benefitting other land or leases). Leasehold provides the holder of the estate with rights of possession and use of the land for a period of time.

Land in England and Wales is either unregistered or, increasingly, registered at Her Majesty's Land Registry. The registration of land is governed by the Land Registration Act 2002 and the accompanying Land Registration Rules 2003. Lettings to individual tenants of student accommodation would usually be in the form of an Assured Shorthold Tenancy ("AST") for a period of 1-2 years which are not capable of registration.

The Tenancy Deposit Scheme regime was introduced by Chapter 4 of the Housing Act 2004 ("HA 2004"), and applies to all ASTs in England and Wales when a deposit is paid by the tenant.

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Houses in multiple occupation licensing: Houses in Multiple Occupation (“**HMOs**”) are governed by and defined in the HA 2004 and includes a building or a flat which: (i) is rented to five or more people who form more than one household; (ii) is at least three storeys high; and (iii) has basic amenities such as a bathroom, kitchen or toilet are shared between tenants.

Pursuant to Part 2, HA 2004 landlords of HMOs must hold an HMO licence (which is personal and may be granted for a period of up to five (5) years) in order to let the building or flat, issued by the local housing authority (“**LHA**”), subject to certain exceptions, including where buildings are occupied by students and operated by specified educational establishments. Failing to obtain a HMO licence where one is required, or breaching the terms of the licence, is a criminal offence.

Planning

The development and use of property for student accommodation in the United Kingdom is subject to the Town and Country Planning Act 1990. Subject to certain exceptions, this provides that planning permission is required for the carrying out of any ‘development’ of land which includes building operations and any material change of use.

Planning permissions are typically granted subject to conditions which regulate the use of a development and often subject to entry into planning agreements which impose planning obligations (such as financial contributions towards local infrastructure) on developers. These can require on-going compliance throughout the lifetime of a development.

Additionally, some local authorities have adopted the Community Infrastructure Levy (pursuant to the Community Infrastructure Levy Regulations 2000) which is a local development tax calculated when planning permission first permits development and levied on the net internal area of a new development.

Health and Safety

General duties in relation to health and safety are set out in the Health and Safety at Work etc Act 1974 and The Management of Health and Safety at Work Regulations 1999. Various health and safety matters, such as fire safety, gas safety, electrical safety, management of asbestos, lift equipment and legionella have specific legislation or guidance which needs to be complied with as a breach of health and safety laws is a criminal offence.

Environmental

There are some key aspects of environmental legislation which affect properties and any breach of these environmental legislations is a criminal offence.

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Energy efficiency requirements: There are a number of measures for increasing energy efficiency in buildings in the UK including: energy performance certificates under The Energy Performance of Buildings (England and Wales) Regulations 2012; minimum energy efficiency standards, where Landlords will be required by certain dates to ensure their properties meet specified energy efficiency standards (introduced by The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015); and the Energy Savings Opportunity Scheme under The Energy Savings Opportunity Scheme Regulations 2014 which requires companies to carry out mandatory energy efficiency audits.

Waste: Obligations in relation to the handling, treatment and disposal of waste from a business and properties are set out in the Environmental Protection Act 1990 and supporting legislation.

Environmental Permitting: The Environmental Permitting (“EP”) Regime under the Environmental Permitting (England and Wales) Regulations 2016 requires certain activities to hold an environmental permit. The EP Regime provides operators with a “one-stop shop” for environmental permits. It covers a wide range of activities that release emissions to land, air and water or that involve waste.

Taxation

The United Kingdom imposes a range of taxes on companies which are resident, or carry on certain activities (for example, landlords and property developers), in the United Kingdom, with special regimes for those operating in sectors such as banking, insurance or oil & gas exploration. In the case of a company such as Centurion Student Services (UK) Ltd, which generates income from letting accommodation to students, this might include:

Corporation tax, on the company’s taxable profits (currently levied at 19%).

Withholding tax (currently levied at 20%) on interest and certain other payments (for example, royalties, but not dividends unless paid by a REIT) made by the company, subject to certain exemptions. A withholding regime also applies to payments to sub-contractors in the construction industry.

The remuneration and other benefits provided to directors and employees is subject to a wage withholding tax called Pay As You Earn, and to national insurance contributions (including a 13.8% employer contribution, which cannot be deducted from payments to the officer/employee in question).

Value added tax (“VAT”), on turnover and certain imports (currently, at the rate of 20%, although there are lower rates and exemptions), by VAT registered businesses (broadly, those with turnover of more than £85,000 per annum or which voluntarily register).

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Stamp duty land tax (or, in Scotland, land and buildings transaction tax), on certain transactions in UK land; for example, acquisitions or leases of such land.

An annual charge — the Annual Tax on Enveloped Dwellings — an annual tax is levied on companies that own UK residential property valued at more than £500,000 of up to £220,350 per year.

Data protection and employment law

The Data Protection Act 1998 (“DPA”) and the Privacy and Electronic Communications (EC Directive) Regulations 2003 (“PECR”): The DPA imposes a number of obligations on companies, including that companies must: have legal grounds to process personal data; provide certain information to data subjects; keep personal data secure; and place controls on any processors they engage. It also imposes restrictions on exporting personal data outside of the EEA and requires a notification of processing to be filed with UK’s Information Commissioners’ Office (failure to notify is a criminal offence). PECR imposes additional obligations in relation to electronic marketing. Sanctions for breaches of the DPA include fines of up to £500,000. The DPA will be superseded by the more stringent General Data Protection Regulation on 25 May 2018.

Working Time Regulations 1998 (“WTR”): The WTR sets minimum entitlements for employees and workers in relation to daily and weekly rest breaks and annual leave entitlements and imposes limits on weekly working time.

National Minimum Wage Act 1998 (“NMW”): Minimum rates of pay for employees and workers are governed by the NMW and regulations made under the NMW. Breaches of the NMW can result in enforcement actions or criminal prosecutions, or civil claims by employees and workers in the civil courts and employment tribunals for compensation.

Pensions Act 2008 (“PA”): New auto-enrolment requirements have been introduced which will mean that employers will have an obligation to automatically enrol eligible employees into a workplace pension scheme that meets certain qualifying criteria and to make mandatory minimum contributions relating to those employees. Breaches of the PA by an employer can result in the UK Pensions Regulator issuing a compliance notices, imposing fines, and pursuing criminal prosecutions.

LAWS AND REGULATIONS OF THE UNITED STATES OF AMERICA

Our Group’s student housing operations in the United States are subject to laws passed by the Federal Government, the State governments in which our Group’s properties are located as well as local, intrastate governments. The local governments may include county governments as well as city and town governing bodies. The following is a summary of the laws and regulations that have a material impact on our Group’s student housing business operations in the United States.

REGULATORY OVERVIEW

Fair Housing Act

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and disability.

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.

State laws are substantially similar to the FHA. However, they typically also prohibit housing-related discrimination based on age, gender identity or expression, lawful source of income, marital status, or sexual orientation.

Americans with Disabilities Act

All of our Group's properties in the United States must comply with Title III of the Americans with Disabilities Act of 1990 (the "ADA") to the extent that such properties are "public accommodations" as defined by the ADA. Student housing properties are considered public accommodations for purposes of the ADA. The ADA may require removal of structural barriers to access by persons with disabilities in certain public areas of these properties.

Environmental Matters

Under various Federal and state environmental laws, including the Federal Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), a current or previous owner or operator of real property may be liable for contamination resulting from the release or threatened release of hazardous or toxic substances or petroleum at that property, and an entity that arranges for the disposal or treatment of a hazardous or toxic substance or petroleum at another property may be held jointly and severally liable for the cost to investigate and clean up such property or other affected property. Such parties are known as potentially responsible parties ("PRPs"). Such environmental laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of the contaminants, and the costs of any required investigation or clean-up of these substances can be substantial. PRPs are liable to the government as well as to other PRPs who may have claims for contribution. The liability is generally not limited under such laws and could exceed the property's value and the aggregate assets of the liable party. The presence of contamination or the failure to remediate contamination at our Group's properties may expose the subsidiary owner or operator of the property to third-party liability for personal injury or property damage, or adversely affect our Group's ability to sell, lease or develop the real property or to borrow using the real property as collateral.

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Environmental laws also impose ongoing compliance requirements on owners and operators of real property. Environmental laws potentially affecting our Group's properties address a wide variety of matters, including, but not limited to, asbestos-containing building materials ("ACBM"), storage tanks, storm water and wastewater discharges, lead-based paint, wetlands, and hazardous wastes. Failure to comply with these laws could result in fines and penalties or expose the subsidiary owner of the property to third-party liability. Some of our Group's properties may have conditions that are subject to these requirements and the subsidiary owner and operator of the property, and in certain circumstances, the owners of such entities, could be liable for such fines or penalties or be liable to third parties.

When excessive moisture accumulates in buildings or on building materials, mold growth may occur, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Concern about indoor exposure to mold has been increasing as exposure to mold may cause a variety of adverse health effects and symptoms, including allergic or other reactions. Some of our Group's properties may contain microbial matter such as mold and mildew. The presence of significant mold at any of our properties could require the subsidiary owner or operator of such property to undertake a costly remediation program to contain or remove the mold from the affected property. The presence of significant mold could expose the subsidiary owner or operator of such property to liability from student-tenants, employees and others if property damage or health concerns arise. In addition, if any property in our Group's portfolio is not properly connected to a water or sewer system, or if the integrity of such systems is breached, microbial matter or other contamination can develop. If this were to occur, the subsidiary owner or operator of the property could incur significant remedial costs and may also be subject to private damage claims and awards, which could be material.

State and Local Regulations

Each State within the United States enacts laws regulating building codes, zoning laws and other particular requirements of multitenant housing, such as student housing, properties. Failure to comply with these codes and regulations could result in fines, remediation expenses or civil liabilities. While these vary from State to State and within local jurisdictions within each State (e.g., county, city or town), the following is a summary of the types of local and state codes and regulations our Group's properties are likely to be required to comply with.

Maximum Occupancy Rules. Typically, the maximum number of people allowed to live in an apartment is determined on the basis of livable areas of habitable rooms (other than kitchens). For example, one or two-family dwelling shall have a livable area of at least 80 sq.ft.

REGULATORY OVERVIEW

Prohibited Uses. These rules restrict certain activities within certain portions of the properties. For example:

- A. No kitchens, public space or non-habitable place can be used for sleeping purposes.
- B. All communal kitchens must have a floor area of at least 80 sq.ft.
- C. It is prohibited to use any cellar space as habitable space.

Fire Safety Requirements. Each jurisdiction has codes and rules designed to minimize the likelihood and effects of a fire at the property. These may include, for example:

- A. Prohibiting accumulation or storage of any highly flammable or explosive matter, such as paints, volatile oils, rags or similar materials at the property
- B. Prohibiting the accumulation or storage of materials on fire escapes or stairs, in stairways or passageways at doors or windows.
- C. Requiring smoke detectors and fire suppression systems.
- D. Building codes regarding the use of flammable building materials and preventing potentially dangerous conditions.

HISTORY AND CORPORATE STRUCTURE

OUR HISTORY

The history of our workers accommodation business can be traced back to August 2011 when our Group completed the Reverse Takeover of our accommodation business by acquiring (i) the entire issued share capital in Westlite Toh Guan (the owner-operator of Westlite Toh Guan Accommodation) from Centurion Properties (being one of our Controlling Shareholders) and Mr. Teo; and (ii) 45% shareholding in Lian Beng-Centurion, which owns a piece of freehold land, from Centurion Properties. Before the Reverse Takeover, Mr. Han and Mr. Loh were the Controlling Shareholders of our Company with direct and deemed interests (through Thinkpac Limited) of approximately 32.1% of the issued and paid up share capital of our Company. Following the Reverse Takeover but before the compliance placement, the Controlling Shareholders' interest increased from approximately 32.1% to approximately 73.5% of the enlarged share capital of the Company, and our Group has since been controlled by the Controlling Shareholders through Centurion Properties. Please refer to the paragraph headed "Reverse Takeover" in this section for details of the Reverse Takeover.

Prior to completion of the Reverse Takeover, our Company was known as SM Summit Holdings Limited. We started our business of manufacturing and sale of duplication of audio cassette tapes and other audio related products in March 1984. Our Company was first listed on Sesdaq on 26 January 1995 and subsequently transferred to the main board of SGX-ST in October 1998. Since 1991, we have evolved into an integrated manufacturer of replication of CDs and DVDs for annual reports, software, music or video content, and grew our presence with production facilities in Singapore, Malaysia, Indonesia, Australia and the PRC. In view of the decrease in demand for physical optical disc media as a result of the advent of the Internet, mobile and cloud storage devices, SM Summit was looking for opportunities to change its principal business for sustainability and generate consistent return and profit and accordingly diversified into the accommodation business since August 2011 to capture growth opportunities in this niche market. We divested our interest in our manufacturing operations in Malaysia in September 2005 and ceased our manufacturing operations in the PRC in December 2011. In April 2014, our Australian subsidiary, Summit Technology Australia Pty Ltd, ceased manufacturing operations of optical disc and in late 2015, our Indonesian subsidiary, PT Digital Media Technology, ceased operations.

Following the completion of the Reverse Takeover, we changed our name to Centurion Corporation Limited since 1 August 2011 and started managing our workers accommodation under the "Westlite" brand.

We expanded our workers accommodation business into Johor, Malaysia for the first time when our Group acquired the first piece of land, being Westlite Johor Technology Park Accommodation, in November 2011. Within six years since the Reverse Takeover, and as at the Latest Practicable Date, our Group has developed a strong portfolio of five and six operational workers accommodation assets with approximately 34,700 and 23,700 beds in Singapore and Malaysia, respectively. Since the Reverse Takeover in 2011, our Group added four workers accommodation assets into our Singapore

HISTORY AND CORPORATE STRUCTURE

portfolio including Westlite Mandai Accommodation, Westlite Tuas Accommodation, Westlite Woodlands Accommodation and ASPRI-Westlite Papan Accommodation, which is Singapore's first dedicated and integrated accommodation featuring a 3,000 sq.m. ASPRI training centre for the process construction and maintenance industry. We have also successfully enhanced Westlite Toh Guan accommodation by developing a new 18-storey block adding approximately 2,500 beds. In Malaysia, since our first acquisition in November 2011, we have been aggressive in acquiring lands and buildings which are located in close proximity to industrial zones by acquiring Westlite Tebrau Accommodation in February 2012, Westlite Desa Cemerlang Accommodation in April 2012, Westlite Tampoi Accommodation in May 2012, Westlite Pasir Gudang Accommodation in October 2012, Westlite Senai Accommodation in December 2012, another two blocks of workers accommodation in Pasir Gudang and a freehold land, Westlite Nusajaya Land, in June 2014. In August 2014, we expanded our workers accommodation assets portfolio to Penang, Malaysia, by acquiring the Westlite Bukit Minyak Land in Penang. Penang is a key industrial hub with the presence of many large multinational corporations. Based on the Euromonitor Report, we ranked first in PBWA service providers in Singapore and Malaysia in 2016 in terms of revenue receipts with a market share of approximately 11.0% and 50.0%, respectively.

In February 2014, our Group further expanded into the student accommodation business by acquiring the RMIT Village in Melbourne, Australia, which offers 456 beds to students primarily studying at universities in North Melbourne. We further scaled up our student accommodation portfolio with the acquisition of three student accommodation assets in Manchester and one in Liverpool, with a total of 1,906 beds, in the United Kingdom in September 2014. In May 2015, we were awarded a tender to operate our first student accommodation, dwell Selegie, in Short Street, Singapore, which had approximately 330 beds as at the Latest Practicable Date. In July 2016, we expanded our student accommodation business in the United Kingdom by acquiring four more assets in Bristol, Newcastle and Manchester, resulting in our Group providing in total, approximately 2,420 beds for students in eight properties across four cities in the United Kingdom as at the Latest Practicable Date. In February 2017, we officially launched a new brand "dwell" for our student accommodation business in the United Kingdom and Singapore, which anchors on our Group's core value of "Managing with a heart" and mission to build cohesive communities across our student accommodation assets. In May 2017, we commenced an asset enhancement programme for the development of a new wing at RMIT Village. Upon completion, the new wing, an 11-storey building comprising studios, four-bedroom and five-bedroom en-suite apartments, will add up to approximately 160 beds and bring a total number of beds in RMIT Village to approximately 620 beds. In June 2017, we completed the acquisition of a development site at Rundle Street on the eastern side of Adelaide city centre, in Adelaide, Australia, to be developed as a new 280-bed student accommodation, which is within walking distance to the University of Adelaide and the University of South Australia and in close proximity to the main Rundle Mall shopping strip.

HISTORY AND CORPORATE STRUCTURE

In July and August 2017, following our intended plan to expand our student accommodation into the USA, we entered into six conditional agreements for the proposed acquisitions of six existing PBSA assets across five states in the USA, including Auburn, Alabama; Tallahassee, Florida; Madison, Wisconsin and College Station, Texas; and New Haven, Connecticut, with an aggregate capacity of approximately 2,140 beds. Completion of the proposed acquisition, if proceeded with, is expected to take place in the fourth quarter of 2017. Please refer to section headed “Business — Our business — A. Our accommodation business — 2. Student accommodation business — (d) Possible acquisition of student accommodation business in the USA” for further details.

Over the past years, we have garnered numerous awards in recognition of our achievements in our workers and student accommodation business. These awards include the 28th Annual (2015) Singapore 1000 Award — Profit Growth Excellence (Services) awarded by DP Information Group in 2015, the SIAS Investors’ Choice Awards — Most Transparent Company Awards in 2014 and 2015, Technology Runner Up awarded by Securities Investors Association (Singapore) in 2014, the Singapore Corporate Award — Best Chief Executive Officer in 2016, the Singapore Corporate Awards — Best Chief Financial Officer and the Best Investor Relations Silver Award in 2017.

BUSINESS DEVELOPMENT MILESTONES

The following events are the key business milestones of our Group since establishment:

Year	Event
March 1984	Our Company was incorporated and commenced business in Singapore to provide audio cassette tape duplication service.
May 1991	We acquired Summit CD Manufacture and then evolved into an integrated manufacturer of replication of CDs and DVDs for annual reports software, music or video content.
January 1995	We were listed on Sesdaq of SGX-ST.
October 1998	We transferred our listing to the main board of SGX-ST.
1999–2010	We further expanded our production facilities in Singapore, Malaysia, Indonesia, Australia and the PRC for the manufacturing and selling of optical disc and related data storage products.
August 2011	We completed the Reverse Takeover and commenced workers accommodation business with approximately 5,300 beds as our initial portfolio.
August 2011	We were renamed as “Centurion Corporation Limited” following the Reverse Takeover.

HISTORY AND CORPORATE STRUCTURE

Year	Event
October 2011	We resumed trading on the main board of SGX-ST under the name of Centurion Corporation Limited.
November 2011	Acquired our first workers accommodation asset in Malaysia, being the Westlite Johor Technology Park Accommodation.
2012	<p>Acquired the following assets for the development of our Group's workers accommodation business:</p> <ul style="list-style-type: none">• Westlite Tebrau Accommodation in Johor, Malaysia and Westlite Tuas Accommodation in Singapore in February;• Westlite Desa Cemerlang Accommodation in Johor, Malaysia in April;• a land in Tampoi Industrial Park in Johor, Malaysia in May;• four plots of land totaling 4,434 sq.m. at the city centre of Port Hedland in Western Australia in September for the development of workers/short stay accommodation;• Westlite Pasir Gudang Accommodation in Johor, Malaysia in October; and• a freehold land in Senai, Kulai Jaya, Malaysia which is located near the industrial parks in Senai in December.
2013	<p>Further expanded our workers accommodation business by:</p> <ul style="list-style-type: none">• acquiring two blocks of workers accommodation in Pasir Gudang in Johor, Malaysia and a freehold land in Senai, Kulai Jaya, Malaysia in March;• winning a tender of a piece of land at Woodlands, Singapore with a capacity of 4,100 beds to house foreign workers in the marine, process and manufacturing industries;• commencing the operation of Westlite Senai Accommodation in September; and• acquiring a plot of land in Bekasi, Jakarta, Indonesia in December.
January 2014	<ul style="list-style-type: none">• The Westlite Johor Technology Park Accommodation in Senai, Johor, Malaysia was opened, offering 5,800 beds for workers.• Westlite Toh Guan Accommodation was enhanced and developed into a new 18-storey block, adding approximately 2,500 beds.
February 2014	Extended our Group's business into student accommodation business by acquiring RMIT Village in Melbourne, Australia.
April 2014	Westlite Mandai Accommodation operated by Westlite Mandai, being one of the largest freehold PBWA in Singapore, was opened and it offers 6,300 beds to foreign workers.
June 2014	Acquired the Westlite Nusajaya Land, in Johor, Malaysia for workers accommodation business development.

HISTORY AND CORPORATE STRUCTURE

Year	Event
August 2014	Entered into a sale and purchase agreement for the acquisition of the Westlite Bukit Minyak Land, near Bukit Minyak, Penang, Malaysia for the development of the workers accommodation business.
September 2014	Extended our footprint in student accommodation business in the United Kingdom by acquiring of four student accommodation assets in Manchester and Liverpool.
November 2014	Won an open tender for the Westlite Juru Land in Juru, Penang, Malaysia.
December 2014	Worked with Lian Beng Group for the joint development of a 7,900-bed ASPRI-Westlite workers dormitory in Jalan Papan, Singapore, which is Singapore's first dedicated and integrated PBWA featuring a 3,000 sq.m. ASPRI training centre for the process construction and maintenance industry.
January 2015	Westlite Tampoi Accommodation in Johor, Malaysia commenced operations with 5,300 beds for foreign workers working nearby.
May 2015	Awarded the first tender to operate a 10-storey student hostel located at Short Street, Singapore, housing over 300 students with commercial spaces for businesses such as food and beverages outlets.
July 2015	Our Group's fourth workers accommodation in Singapore, Westlite Woodlands Accommodation, with 4,100 beds was completed.
September 2015	dwel Selegie, being our Group's first student hostel in Singapore, began operations.
January 2016	Westlite Senai II Accommodation in Malaysia was completed. The new development comprises four blocks of interconnected five-storey dormitories with capacity of 5,900 beds, which is located in close vicinity to Westlite Senai Accommodation at the flagship zone of Iskandar Malaysia region.
May 2016	Construction of ASPRI-Westlite Papan Accommodation was completed, adding 7,900 beds to our Group's total capacity for our workers accommodation business.
July 2016	Further expanded our student accommodation business in the United Kingdom by acquiring four more assets in Bristol, Newcastle and Manchester, and our Group provides approximately 2,420 beds in eight properties across four cities in the United Kingdom as a result.
January 2017	Westlite Desa Cemerlang Accommodation ceased operations as part of its asset rationalisation exercise.

HISTORY AND CORPORATE STRUCTURE

Year	Event
February 2017	Officially launched a new brand “dwell” for our student accommodation business in the United Kingdom and Singapore, which anchors on our Group’s core value of “Managing with a heart” and mission to build cohesive communities across our student accommodation assets.
May 2017	Commenced an asset enhancement programme for the development of a new wing at RMIT Village. Upon completion, the new wing, an 11-story building comprising studios, four-bedroom and five-bedroom en-suite apartments, will add up to approximately 160 beds and bring a total number of beds in RMIT Village to approximately 620 beds.
June 2017	Acquired a development site at Rundle Street on the eastern side of Adelaide city centre, Adelaide, Australia to be developed as a new 280-bed student accommodation, which is within walking distance to the University of Adelaide and the University of South Australia and in close proximity to the main Rundle Mall Shopping Strip.
July 2017	Entered into five conditional agreements for the proposed acquisitions of five existing PBSA assets, which we intend to have an interest of up to 30%, across four states in the USA, including Auburn, Alabama; Tallahassee, Florida; Madison, Wisconsin and College Station, Texas, with an aggregate capacity of approximately 1,936 beds, being our intended plan to expand our student accommodation business into the USA upon completion in September 2017.
August 2017	Entered into an agreement for the proposed acquisition of one existing PBSA asset, which we intend to have an interest of up to 30%, in New Haven, Connecticut, with an aggregate capacity of approximately 204 beds, which acquisition is expected to be completed in September 2017.

CORPORATE DEVELOPMENT

Our Company

Our Company was incorporated in Singapore on 31 March 1984. We were first listed on Sesdaq of SGX-ST on 26 January 1995 and subsequently transferred to the main board of SGX-ST on 28 October 1998. On 27 March 2007, the former controlling shareholder and founder of our Company, Mr. Lee Kerk Chong, entered into a sale and purchase agreement with Thinkpac Limited, a company which was then held as to 50% each by our Controlling Shareholders, Mr. Loh and Mr. Han. Pursuant to the said agreement, Thinkpac Limited purchased 90,000,000 Shares (representing approximately 24.8% of the then issued and paid-up share capital of our Company) for a total consideration of S\$13,500,000 from Mr. Lee Kerk Chong. Completion of the said agreement took place on the same day. As a result, Thinkpac Limited together with parties acting in concert with it or deemed to be acting in concert with it owned or controlled 116,247,000 Shares, representing approximately 32.1% of our Company’s then issued and paid-up share capital. For more background information about Mr.

HISTORY AND CORPORATE STRUCTURE

Lee Kerk Chong, the former controlling shareholder and founder of our Company, please refer to the section headed “Directors and senior management” in this prospectus. On 1 August 2011, our Company allotted and issued 847,738,412 Shares to Centurion Properties and 101,964,328 Shares to Mr. Teo, at an issue price of S\$0.10 per Share pursuant to the Reverse Takeover. After such allotment and issue, the resultant issued and paid-up share capital of our Company increased to S\$135,163,263.18 comprising 1,312,122,240 Shares.

On 10 August 2011, our Company undertook a share consolidation of every two (2) existing shares into one (1) consolidated share. After such share consolidation, the resultant issued and paid-up share capital of our Company remained as S\$135,163,263.18 while the number of Shares decreased to 656,060,841 Shares.

On 17 October 2011, our Company undertook a compliance placement of 100,000,000 Shares at a placement price of S\$0.21 per Share for the purposes of, inter alia, meeting the shareholding spread and distribution requirements of the Singapore Listing Manual. After such placement, the resultant issued and paid-up share capital of our Company was increased to S\$156,163,263.18 comprising 756,060,841 Shares.

On 28 October 2013, our Company issued 75,605,231 bonus Warrants listed on the SGX-ST on 31 October 2013 on the basis of one Warrant for every ten existing ordinary Shares held by the entitled Shareholders. Each Warrant carries the right to subscribe for one ordinary Share at an exercise price of S\$0.50 for each Share. Each Warrant may be exercised at any time during the period of four years commencing on and including the date of issue of the Warrants and expiring on the date immediately preceding the fourth anniversary of the date of issue of the Warrants, i.e. 27 October 2017.

Pursuant to the exercise of Warrants issued by our Company on 28 October 2013, our Company allotted and issued Shares as follows:

No.	Date	Number of Warrants exercised	Exercise price (S\$)	Number of Shares issued	No. of issued Shares and paid-up Share capital before the exercise of Warrants	No. of issued Shares and paid-up Share capital after the exercise of Warrants
1.	13 February 2014	468	0.50	468	756,060,841	756,061,309
2.	25 March 2014	117	0.50	117	756,061,309	756,061,426
3.	7 April 2014	288	0.50	288	756,061,426	756,061,714
4.	17 April 2014	1,125	0.50	1,125	756,061,714	756,062,839
5.	23 April 2014	1,437	0.50	1,437	756,062,839	756,064,276
6.	6 May 2014	807,337	0.50	807,337	756,064,276	756,871,613
7.	3 September 2014	625	0.50	625	756,871,613	756,872,238
8.	13 January 2015	100	0.50	100	756,872,238	756,872,338
9.	28 January 2015	1,000	0.50	1,000	756,872,338	756,873,338

HISTORY AND CORPORATE STRUCTURE

No.	Date	Number of Warrants exercised	Exercise price (S\$)	Number of Shares issued	No. of issued Shares and paid-up Share capital before the exercise of Warrants	No. of issued Shares and paid-up Share capital after the exercise of Warrants
10.	2 August 2017	1,000	0.50	1,000	756,873,338	756,874,338
11.	10 August 2017	67,312	0.50	67,312	756,874,338	756,941,650
12.	16 August 2017	286,375	0.50	286,375	756,941,650	757,228,025
13.	21 August 2017	536,675	0.50	536,675	757,228,025	757,764,700
14.	24 August 2017	4,736,850	0.50	4,736,850	757,764,700	762,501,550
15.	29 August 2017	365,843	0.50	365,843	762,501,550	762,867,393
16.	4 September 2017	4,920,200	0.50	4,920,200	762,867,393	767,787,593
17.	5 September 2017	46,911,420	0.50	46,911,420	767,787,593	814,699,013
18.	6 September 2017	457,312	0.50	457,312	814,699,013	815,156,325
19.	18 September 2017	400	0.50	400	815,156,325	815,156,725
20.	21 September 2017	500	0.5	500	815,156,725	815,157,225
21.	4 October 2017	132,422	0.5	132,422	815,157,225	815,289,647
22.	9 October 2017	102,979	0.5	102,979	815,289,647	815,392,626
23.	12 October 2017	177,924	0.5	177,924	815,392,626	815,570,550
24.	17 October 2017	189,558	0.5	189,558	815,570,550	815,760,108
25.	23 October 2017	811,189	0.5	811,189	815,760,108	816,571,297
26.	24 October 2017	6,608,214	0.5	6,608,214	816,571,297	823,179,511
27.	26 October 2017	167,140	0.5	167,140	823,179,511	823,346,651
28.	27 October 2017	881,573	0.5	881,573	823,346,651	824,228,224

Our Company has issued a total of 68,167,383 new Shares pursuant to the exercise of Warrants and net proceeds of approximately S\$34,083,692 received in connection therewith had not been utilised as at the Latest Practicable Date. All Warrants expired on 27 October 2017.

As at the Latest Practicable Date, the principal activities of our Company include investment holding and provision of management services.

We summarise below the corporate development of our major operating subsidiaries:

Name of operating subsidiary	Date and place of incorporation/ establishment	Details
Singapore		
Summit CD Manufacture	7 May 1981, Singapore	Our Group acquired an interest in Summit CD Manufacture on 3 May 1991 when 600,000 shares at an issue price of S\$1 per share were allotted and issued to our Company. On the same day, 200,000 shares at an issue price of S\$1 per share were also allotted and issued to Yong Sing Trading Co. Pte Ltd (“ Yong Sing ”). After such allotment and issue, the resultant issued and paid-up share capital of Summit CD Manufacture was increased to S\$800,002 comprising 800,002 shares with the following shareholding interests:

HISTORY AND CORPORATE STRUCTURE

Name of operating subsidiary	Date and place of incorporation/ establishment	Details															
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Shareholder</th> <th style="text-align: right;">Shares</th> <th style="text-align: right;">Shareholdings</th> </tr> </thead> <tbody> <tr> <td>Lee Kerk Chong</td> <td style="text-align: right;">1</td> <td style="text-align: right;">Negligible</td> </tr> <tr> <td>Lai Kim Joo (also known as Lee Kim Joo) ("Lai Kim Joo")</td> <td style="text-align: right;">1</td> <td style="text-align: right;">Negligible</td> </tr> <tr> <td>Our Company</td> <td style="text-align: right;">600,000</td> <td style="text-align: right;">75.0%</td> </tr> <tr> <td>Yong Sing</td> <td style="text-align: right;">200,000</td> <td style="text-align: right;">25.0%</td> </tr> </tbody> </table>	Shareholder	Shares	Shareholdings	Lee Kerk Chong	1	Negligible	Lai Kim Joo (also known as Lee Kim Joo) ("Lai Kim Joo")	1	Negligible	Our Company	600,000	75.0%	Yong Sing	200,000	25.0%
Shareholder	Shares	Shareholdings															
Lee Kerk Chong	1	Negligible															
Lai Kim Joo (also known as Lee Kim Joo) ("Lai Kim Joo")	1	Negligible															
Our Company	600,000	75.0%															
Yong Sing	200,000	25.0%															
		<p>Pursuant to various share transfers and increases in the issued and paid up share capital, Summit CD Manufacture was wholly owned as to 100% by our Company since December 1994.</p> <p>During the Track Record Period, there was no change in the issued and paid up share capital of Summit CD Manufacture. As at the Latest Practicable Date, Summit CD Manufacture was a direct wholly owned subsidiary of our Company, and was principally engaged in manufacture and replication of CDs, data storage products and related components.</p>															
Westlite Toh Guan	23 July 2007, Singapore	<p>Our Group acquired an interest in Westlite Toh Guan on 1 August 2011 when 880,000 shares from Centurion Properties and 120,000 shares from Mr. Teo (comprising the entire issued and paid-up share capital of Westlite Toh Guan) were transferred to CDPL, in consideration of which 747,738,412 shares and 101,964,328 shares of the capital of the company were allotted and issued to Centurion Properties and Mr. Teo, respectively credited as fully paid. After such transfer, the resultant issued and paid-up share capital of Westlite Toh Guan remained as S\$1,000,000 comprising 1,000,000 shares with CDPL being entitled to the entire shareholding interests.</p> <p>As at the Latest Practicable Date, Westlite Toh Guan was principally engaged in property investments and provision of dormitory accommodation services.</p>															
Westlite Tuas	15 February 2005, Singapore	<p>Our Group acquired an interest in Westlite Tuas on 1 September 2005 when 5,000 shares from Choy Cheng Weng and 5,000 shares from Kang Choon Boon, an Independent Third Party, were transferred to Dormitory Investments Private Limited ("Dormitory Investments") (now known as Westlite Dormitory Investments Pte. Ltd.) at the consideration of S\$5,000 for each transfer. After such transfer, the resultant issued and paid-up share capital of Westlite Tuas remained as S\$10,000 comprising 10,000 shares with Dormitory Investments being entitled to the entire shareholding interests.</p>															

HISTORY AND CORPORATE STRUCTURE

Name of operating subsidiary	Date and place of incorporation/ establishment	Details
		<p>On 15 February 2008, Westlite Tuas allotted and issued 990,000 shares at an issue price of S\$1 per share to Dormitory Investments. After such allotment and issue, the resultant issued and paid-up share capital of Westlite Tuas was increased to S\$1,000,000 comprising 1,000,000 shares with Dormitory Investments being entitled to the entire shareholding interests.</p> <p>As at the Latest Practicable Date, Westlite Tuas was principally engaged in property investments and provisions of dormitory accommodation services.</p>
Westlite Woodlands	28 March 2005, Singapore	<p>Our Group acquired an interest in Westlite Woodlands on 31 December 2005 when 110,000 shares were transferred from Dormitory Services Support Pte Ltd to Dormitory Investments (now known as Westlite Dormitory Investments Pte. Ltd.) for a consideration of S\$110,000. After such transfer, the resultant issued and paid-up share capital of Westlite Woodlands remained as S\$110,000 comprising 110,000 shares with Dormitory Investments being entitled to the entire shareholding interests.</p> <p>On 10 June 2013, 110,000 shares were transferred from Westlite Dormitory Investments Pte. Ltd. (formerly known as Dormitory Investments) to CDHPL for a consideration of S\$130,285. After such transfer, the resultant issued and paid-up share capital of Westlite Woodlands remained as S\$110,000 comprising 110,000 shares with CDHPL being entitled to the entire shareholding interests.</p> <p>On 10 May 2016, Westlite Woodlands allotted and issued 890,000 shares at an issue price of S\$1 per share to CDHPL in consideration of the capitalisation of an amount due to CDHPL. After such allotment and issue, the resultant issued and paid-up share capital of Westlite Woodlands was increased to S\$1,000,000 comprising 1,000,000 shares with CDHPL being entitled to the entire shareholding interests.</p> <p>As at the Latest Practicable Date, Westlite Woodlands was principally engaged in property investments and provision of dormitory accommodation services.</p>
Centurion-Lian Beng Papan	9 October 2013, Singapore	<p>Centurion-Lian Beng Papan was incorporated by Centurion Dormitory Venture Pte. Ltd. (“CDVPL”) on 9 October 2013, subscribing 1 share at an issue price of S\$1 per share. At the time of its incorporation, Centurion-Lian Beng Papan had an issued and paid-up share capital of \$1.00 comprising of 1 share.</p>

HISTORY AND CORPORATE STRUCTURE

Name of operating subsidiary	Date and place of incorporation/ establishment	Details									
		<p>On 16 December 2014, Centurion-Lian Beng Papan allotted and issued 1,019,999 shares to CDVPL and 980,000 shares to Goldprime Dormitory Pte. Ltd. (“Goldprime”) at an issue price of S\$1 per share. Goldprime and CDVPL entered into a joint venture agreement dated 23 October 2015 pursuant to which Centurion-Lian Beng Papan was owned by Goldprime and CDVPL as to 49% and 51% respectively. Goldprime is a wholly-owned subsidiary of Lian Beng Group Ltd while CDVPL is a wholly-owned subsidiary of our Company. After such allotment and issue, the resultant issued and paid-up share capital of Centurion-Lian Beng Papan was increased to S\$2,000,000 comprising 2,000,000 shares with the following shareholding interests:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Shareholder</th> <th style="text-align: right;">Shares</th> <th style="text-align: right;">Shareholdings</th> </tr> </thead> <tbody> <tr> <td>CDVPL</td> <td style="text-align: right;">1,020,000</td> <td style="text-align: right;">51.0%</td> </tr> <tr> <td>Goldprime</td> <td style="text-align: right;">980,000</td> <td style="text-align: right;">49.0%</td> </tr> </tbody> </table>	Shareholder	Shares	Shareholdings	CDVPL	1,020,000	51.0%	Goldprime	980,000	49.0%
Shareholder	Shares	Shareholdings									
CDVPL	1,020,000	51.0%									
Goldprime	980,000	49.0%									
CSL Student Living (Selegie) Pte. Ltd. (“ CSL Student Living ”)	9 October 2013, Singapore	<p>CSL Student Living was incorporated by Centurion Dormitory Venture Pte. Ltd. (“CDVPL”) on 9 October 2013 by subscribing 1 share at an issue price of S\$1 per share. At the time of its incorporation, CSL Student Living had an issued and paid-up share capital of \$1.00 comprising of 1 share.</p> <p>On 3 June 2015, 1 share was transferred from CDVPL to CDHPL for a consideration of S\$1. After such transfer, the resultant issued and paid-up share capital of CSL Student Living remained as S\$1.00 comprising 1 share with CDHPL being entitled to the entire shareholding interests.</p> <p>On 3 June 2015, CSL Student Living also allotted and issued 499,999 shares at an issue price of S\$1 per share to CDHPL. After such allotment and issue, the resultant issued and paid-up share capital of CSL Student Living was increased to S\$500,000 comprising 500,000 shares with CDHPL being entitled to the entire shareholding interests.</p> <p>As at the Latest Practicable Date, CSL Student Living was principally engaged in provision of student accommodation and services.</p>									

HISTORY AND CORPORATE STRUCTURE

Name of operating subsidiary	Date and place of incorporation/ establishment	Details
Westlite Mandai	15 September 2011, Singapore	<p>Westlite Mandai was incorporated by Lian Beng-Centurion on 15 September 2011, subscribing for 100 shares at an issue price of S\$1 per share. At the time of its incorporation, Westlite Mandai had an issued and paid-up share capital of S\$100 comprising 100 shares.</p> <p>On 5 January 2012, Westlite Mandai allotted and issued 999,900 shares at an issue price of S\$1 per share to Lian Beng-Centurion. After such allotment and issue, the resultant issued and paid-up share capital of Westlite Mandai was increased to S\$1,000,000 comprising 1,000,000 shares with Lian Beng-Centurion being entitled to the entire shareholding interests.</p> <p>As at the Latest Practicable Date, Westlite Mandai was principally engaged in provision of dormitory accommodation services.</p>
Malaysia		
Westlite Dormitory (Tampoi) Sdn Bhd (“ WD Tampoi ”)	30 June 2011, Malaysia	<p>On 30 June 2011, WD Tampoi was incorporated in Malaysia as a private limited company under the name of “Approach Impact Sdn Bhd” and changed into its present name with effect from 29 August 2012.</p> <p>Upon its incorporation, WD Tampoi allotted and issued two shares at RM1 per share, out of which the subscribers, namely Lina and Norhayati were allotted and issued with one fully paid share each.</p> <p>Pursuant to various share transfers and increases in the issued and paid up share capital, WD Tampoi became a wholly owned subsidiary of CDSB since June 2012. During the Track Record Period, there was no change in the issued and paid up share capital of WD Tampoi.</p> <p>As at the Latest Practicable Date, WD Tampoi was a wholly-owned subsidiary of CDSB, which holds 100,000 shares in WD Tampoi, and was principally engaged in the business of property investments and provision of dormitory accommodation and related services.</p>

HISTORY AND CORPORATE STRUCTURE

Name of operating subsidiary	Date and place of incorporation/ establishment	Details
Westlite Dormitory (Pasir Gudang) Sdn Bhd (“WDPG”)	25 March 2011, Malaysia	<p>On 25 March 2011, WDPG was incorporated in Malaysia as a private limited company under the name of “Duke Dormitory Management Sdn Bhd” and changed into its present name with effect from 8 February 2013.</p> <p>Upon its incorporation, WDPG allotted and issued two shares, out of which the subscribers, namely Chan Kim Fook and Lian Kah Geok were allotted and issued with one fully paid share each.</p> <p>Pursuant to various share transfers and increases in the issued and paid up share capital, WDPG became a wholly owned as to 100% of CDSB since November 2012. During the Track Record Period, there was no change in the issued and paid up share capital of WDPG.</p> <p>As at the Latest Practicable Date, WDPG was a wholly-owned subsidiary of CDSB, which held 100,000 shares in WDPG, and was principally engaged in the business of property investments and provision of dormitory accommodation and services.</p>
Westlite Dormitory (Senai) Sdn Bhd (“WDS”)	19 May 2011, Malaysia	<p>On 19 May 2011, WDS was incorporated in Malaysia as a private limited company under the name of “Brave Privilege Sdn Bhd” and changed into its present name with effect from 22 February 2013.</p> <p>Upon its incorporation, WDS allotted and issued two shares at RM1 per share, out of which the subscribers, namely Norhayati and Lina were allotted and issued with one fully paid share each.</p> <p>Pursuant to various share transfers and increases in the issued and paid up share capital, WDS became wholly owned as to 100% of CDSB since December 2012. During the Track Record Period, there was no change in the issued and paid up share capital of WDS.</p> <p>As at the Latest Practicable Date, WDS was a wholly-owned subsidiary of CDSB, which held 100,000 shares in WDS, and was principally engaged in the business of property investments and provision of dormitory accommodation and services.</p>

HISTORY AND CORPORATE STRUCTURE

Name of operating subsidiary	Date and place of incorporation/ establishment	Details
Westlite Dormitory (SN II) Sdn Bhd (“WDSN II”)	18 April 2011, Malaysia	<p data-bbox="671 300 1410 427">On 18 April 2011, WDSN II was incorporated in Malaysia as a private limited company under the name of “Twice Moderate Sdn Bhd” and changed into its present name with effect from 4 September 2013.</p> <p data-bbox="671 459 1410 587">Upon its incorporation, WDSN II allotted and issued two shares at RM1 per share, out of which the subscribers, namely Norhayati and Lina were allotted and issued with one fully paid share each.</p> <p data-bbox="671 619 1410 768">Pursuant to various share transfers and increases in the issued and paid up share capital, WDSN II became wholly owned as to 100% of CDSB since March 2013. During the Track Record Period, there was no change in the issued and paid up share capital of WDSN II.</p> <p data-bbox="671 800 1410 863">On 30 June 2014, 99,990 shares were further allotted and issued to CDSB at RM1 per share.</p> <p data-bbox="671 895 1410 981">As at the Latest Practicable Date, WDSN II was a wholly-owned subsidiary of CDSB, which held 100,000 shares in WDSN II.</p> <p data-bbox="671 1012 1410 1098">As at the Latest Practicable Date, WDSN II was principally engaged in the business of property investments and provision of dormitory accommodation and related services.</p>

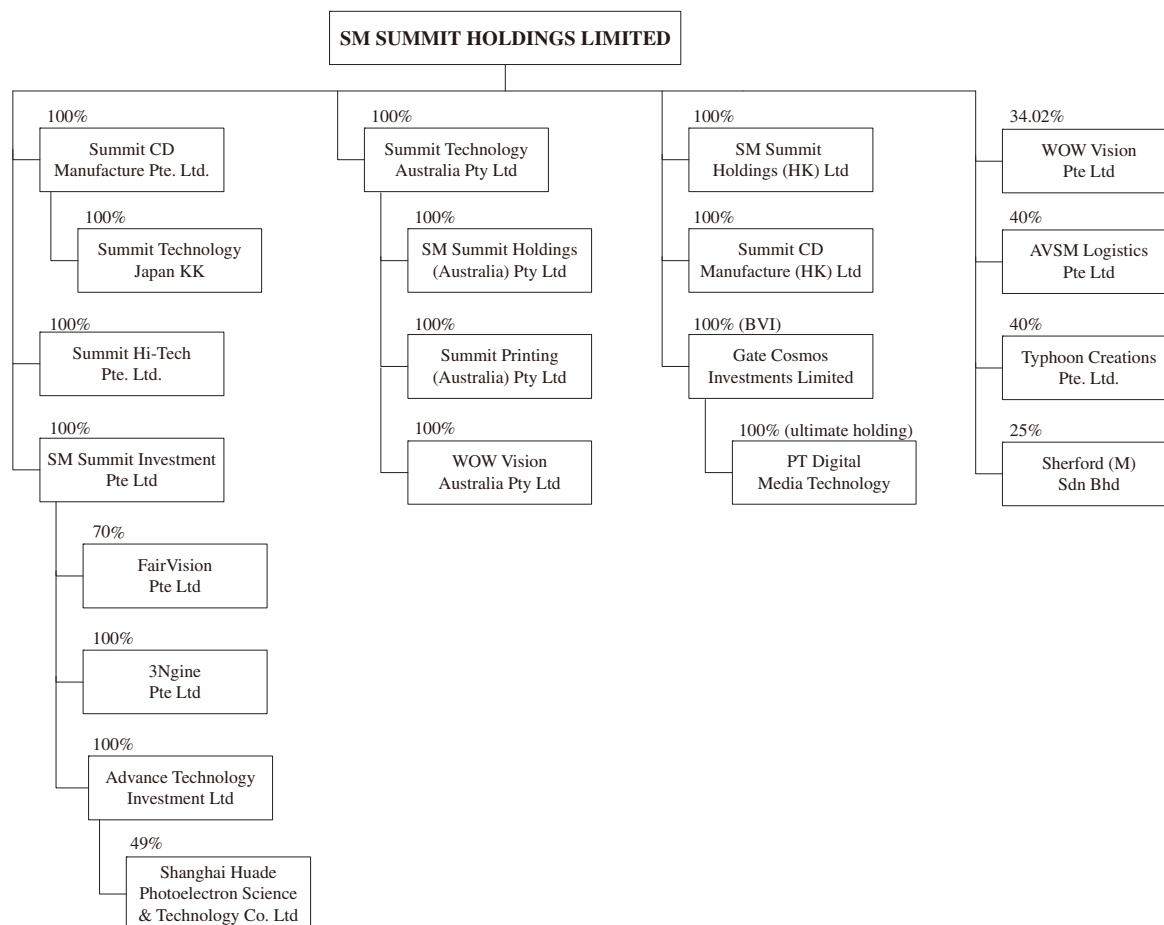
HISTORY AND CORPORATE STRUCTURE

Name of subsidiary	Date and place of incorporation/ establishment	Details
Australia		
Centurion Student Services Pty Ltd (“ Centurion Student Services ”, formerly known as “SM Summit Holdings (Australia) Pty Limited”)	12 March 1999, New South Wales	<p>At the time of its incorporation, two shares were allotted to Summit Technology Australia Pty Ltd. On 28 November 2013, these shares were transferred to Centurion Overseas Investments Pte Ltd at A\$1.00 per share.</p> <p>On 10 December 2013, SM Summit Holdings (Australia) Pty Limited changed its name to its current name.</p> <p>On 29 February 2016, Centurion Student Services increased its issued share capital to A\$100,000 by allotting and issuing additional 99,998 shares to Centurion Overseas Investments Pte Ltd at A\$1.00 per share.</p> <p>As at the Latest Practicable Date, Centurion Student Services was principally engaged in managing student accommodation.</p>
United Kingdom		
Centurion Student Services (UK) Ltd (“ Centurion Student Services (UK) ”)	1 July 2014, England and Wales	<p>On incorporation, Centurion Student Services (UK) issued one fully paid-up ordinary share with a nominal value of £1.00 to Centurion Overseas Investments Pte. Ltd. at par. On 28 October 2014, Centurion Student Services (UK) allotted and issued a further 99,999 fully paid-up ordinary shares with a nominal value of £1.00 each to Centurion Overseas Investments Pte. Ltd. at par.</p> <p>As at the Latest Practicable Date, Centurion Student Services (UK) was principally engaged in the provision of property investments and provision of student accommodation.</p>

HISTORY AND CORPORATE STRUCTURE

REVERSE TAKEOVER

The corporate structure of our accommodation business immediately prior to the completion of the Reverse Takeover was as follows:



In August 2011, the Reverse Takeover took place whereby our Group acquired (i) the entire issued and paid-up share capital of Westlite Toh Guan together with shareholders' loan from Centurion Properties and Mr. Teo for a consideration of S\$84,970,274; and (ii) the 45% interest in Lian Beng-Centurion together with shareholders' loan from Centurion Properties for a consideration of not less than S\$10 million. The total consideration of both acquisitions were satisfied by the allotment and issuance of 847,738,412 Shares and 101,964,328 Shares at an issue price of S\$0.10 per Share to Centurion Properties and Mr. Teo, respectively credited as fully paid.

The purchase consideration for the acquisition of Westlite Toh Guan was arrived at on a willing-buyer willing-seller basis, and was derived from an independent valuation of Westlite Toh Guan and the premises on a re-development basis. The purchase consideration for the acquisition of Lian Beng-Centurion was determined based on the total amount of equity financing and shareholders' loan contributed by Centurion Properties up to and including the completion date of the Reverse Takeover.

HISTORY AND CORPORATE STRUCTURE

According to the circular dated 30 June 2011 issued by our Company in relation to the Reverse Takeover, the Main Board was of the view that it was in the best interest of our Company to undertake the acquisition of the accommodation business because (i) our Company believed that the acquisition would present an opportunity for our Company to diversify our former business of manufacturing compact discs, data storage and related products/services and create a new revenue stream for our Group. While our Company recorded net profits of approximately S\$0.63 million for the year ended 31 December 2010, it recorded losses for the years ended 31 December 2008 and 2009. The business environment in manufacturing compact discs and digital versatile discs remained difficult as the demand for optical disc products remained weak and the cost of raw material was high; (ii) the acquisition of Westlite Toh Guan would allow our Company to acquire a profitable business with healthy operating cashflows which should improve our prospects with a view to exploring further opportunities in this sector in the future; (iii) the acquisition of Lian Beng-Centurion, which was offered to our Company effectively at cost, also provided our Company with an attractive opportunity for further expansion of the dormitory business; and (iv) the acquisition of Westlite Toh Guan and Lian Beng-Centurion was likely to increase the market capitalisation of our Company significantly and these factors would help raise the profile of our Company and generate more investor interest in our Company.

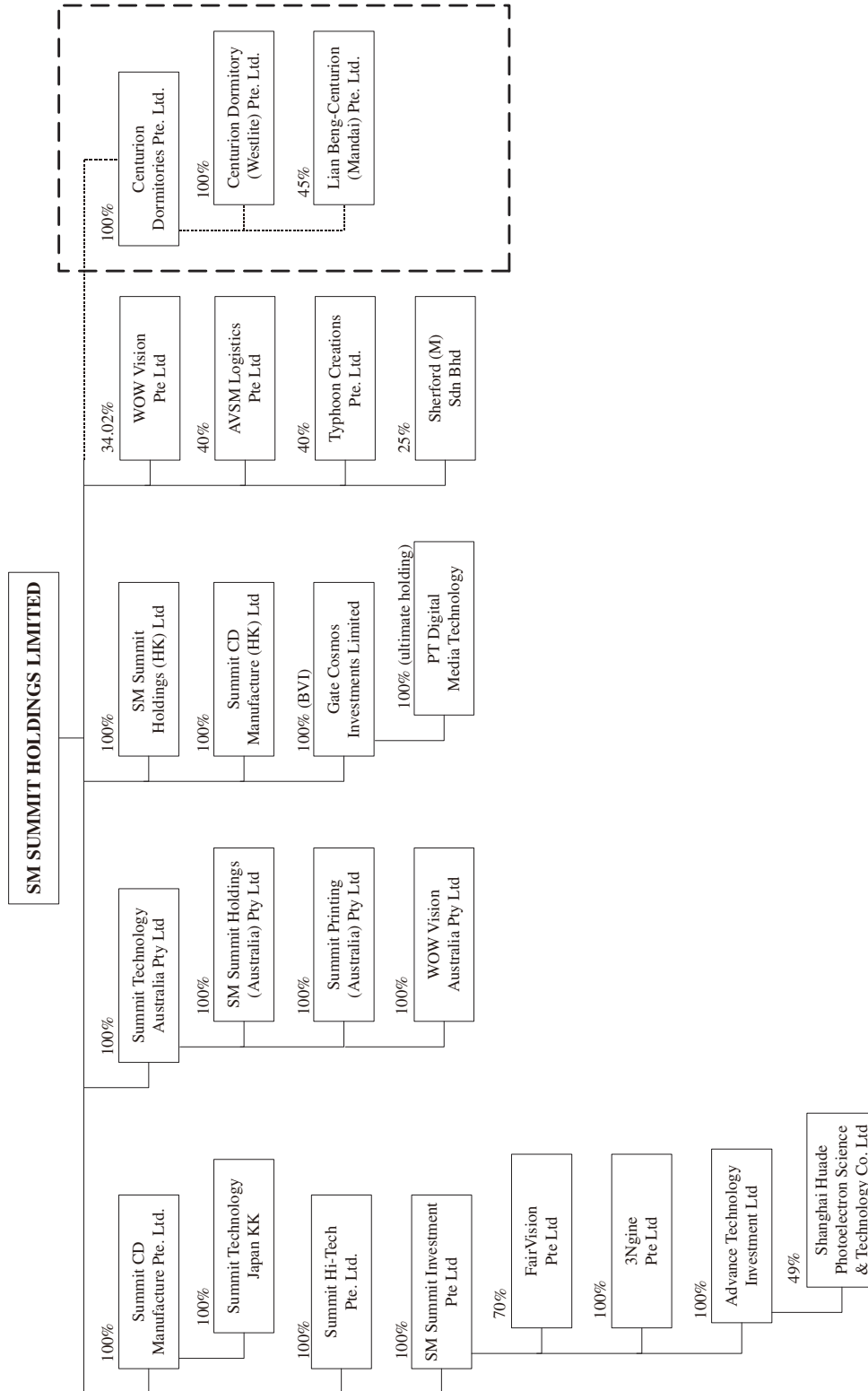
The issue price of S\$0.10 per Share represents a discount of approximately 39.4% from the last transacted price of our Shares of S\$0.165 on the SGX-ST on 5 April 2011, being the last traded price on the market day preceding the date of the sale and purchase agreement relating to the Reverse Takeover, after adjustment for a share consolidation exercise of the Shares prior to the completion of the Reverse Takeover.

Before the Reverse Takeover, Mr. Han and Mr. Loh were the Controlling Shareholders of our Company with direct and deemed interests (through Thinkpac Limited) of approximately 32.1% of the issued and paid up share capital of our Company. Following completion of the Reverse Takeover but before the compliance placement, the Controlling Shareholders' interest increased from approximately 32.1% to approximately 73.5% of the enlarged share capital of the Company. Further, on 1 August 2011, Mr. Wong Kok Hoe was appointed as a non-executive Director and chairman of our Board, Mr. Bin Hee Din Tony was appointed as a Director until he stepped down on 8 May 2015. Mr. Teo was appointed as the chief operating officer for the dormitory business.

Following the Reverse Takeover, our accommodation business contributed to the majority of our revenue and profits. Therefore, the name of our Company was changed from "SM Summit Holdings Limited" to "Centurion Corporation Limited" with effect from 1 August 2011 to better reflect our core activities.

HISTORY AND CORPORATE STRUCTURE

The corporate structure of our Group immediately following completion of the Reverse Takeover was as follows:



HISTORY AND CORPORATE STRUCTURE

ACQUISITION OF SUBSIDIARIES AFTER THE REVERSE TAKEOVER

Since the completion of the Reverse Takeover, our Company has established and/or acquired a number of major operating subsidiaries, including but not limited to, Centurion-Lian Beng Papan, CSL Student Living, WLC Facilities Services Pte. Ltd., Westlite Mandai, WDM, WLC Management Services Sdn Bhd, Centurion Overseas Ventures and Centurion Student Services (UK). For further details, please refer to the section headed “History and corporate structure — Reverse Takeover”.

DISCONTINUED OPERATIONS

Disposal of Australian business

Summit Printing (Australia) Pty Ltd is an indirect wholly-owned subsidiary of our Company, incorporated in New South Wales, Australia on 28 May 1999. It was principally engaged in the printing business. Pursuant to an agreement dated 10 October 2011, Summit Printing (Australia) Pty Ltd sold its fixed assets and stock for a consideration of A\$763,000. Completion of the sale took place on 10 October 2011. For a period of approximately two years following the completion, Summit Printing (Australia) Pty Ltd placed orders with the purchaser of those assets for printing products and services. After the expiration of that period, Summit Printing (Australia) Pty Ltd ceased any involvement in the printing industry.

Summit Technology Australia Pty Ltd, is a direct wholly-owned subsidiary of our Company, incorporated in New South Wales, Australia on 17 May 1995. Pursuant to an agreement dated 17 April 2014 entered into by Summit Technology Australia Pty Ltd, as vendor for the disposal of, among others, stock (comprising business stock, raw materials, semi completed products, components, packaging materials and other consumables) and fixed assets comprising plant, equipment and other manufacturing assets of Summit Technology Australia Pty Ltd at the consideration of A\$1,050,000, the completion of which took place on 17 April 2014. Our Directors confirm that such disposal has been properly and legally completed and settled. Upon completion of such disposal, Summit Technology Australia Pty Ltd. ceased manufacturing operations of optical disc.

Cessation of Indonesian subsidiary

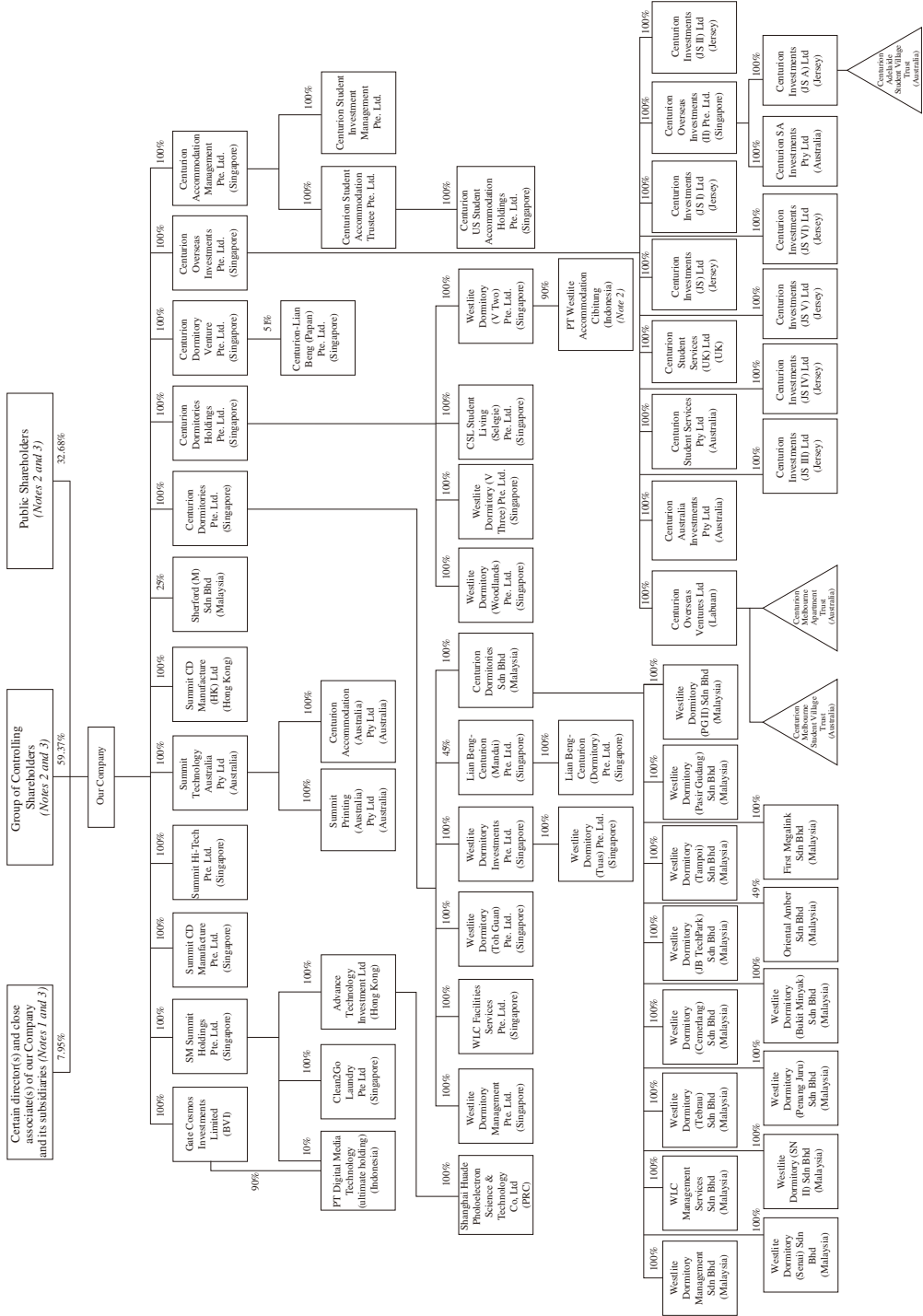
PT Digital Media Technology is a company incorporated in Indonesia on 2 July 2002 and was an indirect wholly-owned subsidiary of our Company. It was principally engaged in the manufacture and replication of compact discs, data storage products and related components.

Due to decrease in demand for our optical disc production, on 26 November 2015, our Board unanimously resolved to cease optical disc business in Indonesia.

HISTORY AND CORPORATE STRUCTURE

SHAREHOLDING AND GROUP STRUCTURE

Set out below is the shareholding and corporate structure of our Group as at the Latest Practicable Date:



HISTORY AND CORPORATE STRUCTURE

Notes:

1. These Shares were held as to 247,500 Shares and 63,723,330 Shares, representing 0.03% and 7.92% of our Shares, by the spouse of Mr. Gn Hiang Meng and Mr. Teo, respectively. According to the Listing Rules, the Shares interested in by the spouse of Mr. Gn Hiang Meng, being our independent non-executive Director, would not be counted towards the public float. Further, the Shares held by Mr. Teo, being our senior management and the director of our subsidiary(ies), would not be counted towards the public float according to the Listing Rules.
2. According to the Listing Rules, the Shares held by the core connected persons will not be counted towards the public float. As such, the 435,756,126 Shares, 10,000,000 Shares, 19,216,750 Shares, 200,000 Shares, 4,664,700 Shares and 7,947,500 Shares, representing 54.15%, 1.24%, 2.39%, 0.03%, 0.56%, 0.99% of our Shares, held by Centurion Properties, Thinkpac Limited (being the close associate of Centurion Properties), Mr. Loh, Ms. Wong Wan Pei (the spouse of Mr. Loh), Mr. Han and Ms. Kang Lee Cheng Susanna (the spouse of Mr. Han), respectively, would not be counted towards the public float.
3. Based on 804,778,624 Shares in issue as at the Latest Practicable Date (on the basis that the treasury shares have been cancelled).
4. The remaining 10% is held by Gate Cosmos Investments Limited, our subsidiary.
5. The percentages in this table may not sum due to rounding.

HISTORY AND CORPORATE STRUCTURE

Notes:

1. These Shares were held as to 247,500 Shares and 63,723,330 Shares, representing 0.03% and 7.58% of our Shares, by the spouse of Mr. Gn Hiang Meng and Mr. Teo, respectively. According to the Listing Rules, the Shares interested in by the spouse of Mr. Gn Hiang Meng, being our independent non-executive Director, would not be counted towards the public float. Further, the Shares held by Mr. Teo, being our senior management and the director of our subsidiary(ies), would not be counted towards the public float according to the Listing Rules.
2. According to the Listing Rules, the Shares held by the core connected persons will not be counted towards the public float. As such, the 435,756,126 Shares, 10,000,000 Shares, 19,216,750 Shares, 200,000 Shares, 4,664,700 Shares and 7,947,500 Shares, representing 51.83%, 1.19%, 2.29%, 0.02%, 0.56%, 0.95% of our Shares, held by Centurion Properties, Thinkpac Limited (being the close associate of Centurion Properties), Mr. Loh, Ms. Wong Wan Pei (the spouse of Mr. Loh), Mr. Han and Ms. Kang Lee Cheng Susanna (the spouse of Mr. Han), respectively, would not be counted towards the public float.
3. Based on 840,778,624 Shares in issue on Listing (on the basis that the treasury shares have been cancelled). For further details of the no. of Shares held, please refer to notes 1 to 3 to the shareholding and corporate structure of our Group as at the Latest Practicable Date on page 151.
4. The remaining 10% is held by Gate Cosmos Investments Limited, our subsidiary.
5. The percentages in this table may not sum due to rounding.

BUSINESS

OVERVIEW

We are one of Singapore's largest workers and student accommodation owner-operators. We develop, own and/or manage quality PBWA assets in Singapore and Malaysia since August 2011, as well as PBSA assets in the United Kingdom, Australia and Singapore since February 2014. Based on the Euromonitor Report, we ranked first among the PBWA service providers in Singapore and Malaysia in 2016 in terms of revenue receipts with a market share of approximately 11.0% and 50.0%, respectively.

Our Company was incorporated in Singapore and is listed on the main board of SGX-ST. We are seeking a dual primary listing on the Main Board of the Stock Exchange. As at the Latest Practicable Date, we had a strong portfolio of 21 operational accommodation assets totalling approximately 61,600 beds, as follows:

- (a) five and six PBWA assets with approximately 34,700 beds and 23,700 beds in Singapore (including 8,600 beds from Westlite Tuas Accommodation which lease will expire on 30 January 2018 and 6,300 beds from Westlite Mandai Accommodation owned by our associated company which we are the operator) and Malaysia, respectively, under our Group's "Westlite" brand; and
- (b) eight PBSA assets with approximately 2,420 beds in the United Kingdom (five in Manchester, one in Liverpool, one in Bristol and one in Newcastle), one PBSA asset with approximately 456 beds in Australia (Melbourne) and one PBSA asset with approximately 332 beds in Singapore. The accommodation in the United Kingdom and Singapore are operated under our Group's "dwell" brand.

In July and August 2017, we entered into six conditional agreements for the proposed acquisitions of six existing PBSA assets across five states in the USA, with an aggregate capacity of approximately 2,140 beds. The proposed acquisitions are expected to be completed in the fourth quarter of 2017. If the proposed acquisitions proceed with completion, we will have a total of approximately 5,348 beds under management across 16 operating student accommodation assets in four jurisdictions, including the United Kingdom, Australia, Singapore and the USA.

As at the Latest Practicable Date, we had a land bank consisting of six pieces of land as follows:

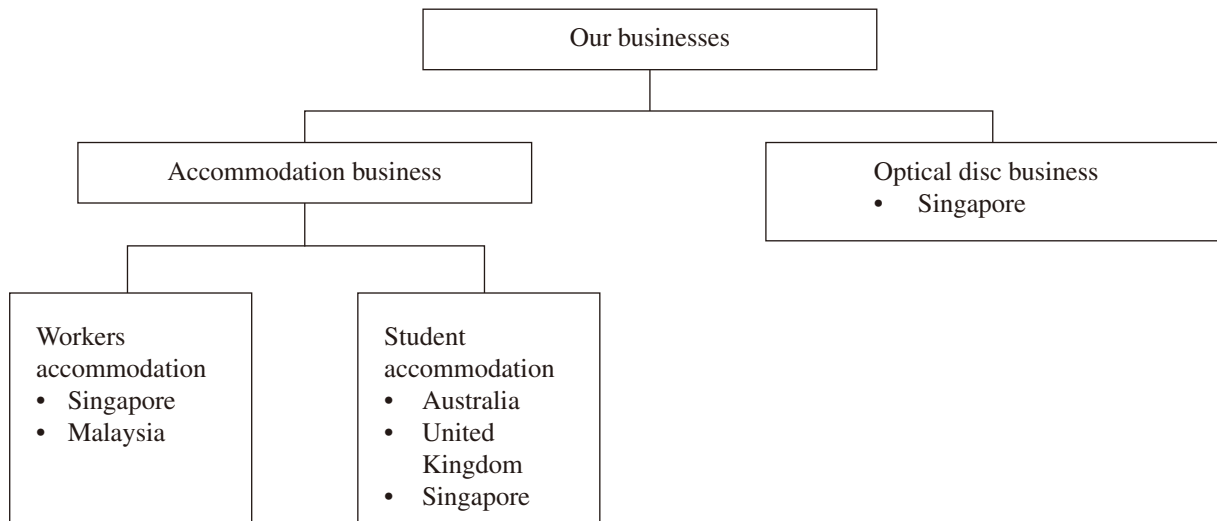
- (a) two pieces of land under construction, being (i) the Westlite Bukit Minyak Land, which is to be developed into a PBWA with 6,600 beds and construction is expected to be completed by June 2018; and (ii) a development site at Rundle Street on the eastern side of Adelaide, Australia, which is to be developed into a PBSA with 280 beds and construction is expected to be completed by the fourth quarter of 2018 to cater for student intake for the 2019 academic year;

BUSINESS

- (b) three pieces of vacant land with no immediate development schedule, being the Westlite Nusajaya Land measuring approximately 30,174 sq.m., for future development of our Group's workers accommodation, a 7,220 sq.m. land in Bekasi, Jakarta, Indonesia and four plots of land totaling 4,434 sq.m. in Port Hedland at Western Australia workers/short stay accommodation; and
- (c) beneficial right over a piece of vacant land, being the Westlite Juru Land measuring approximately 26,709 sq.m., which was still pending completion of acquisition with no immediate development schedule as at the Latest Practicable Date.

In addition, we also manufacture and sell optical disc and related storage products through our wholly-owned subsidiary in Singapore, Summit CD Manufacture, but we gradually downsize our operations due to the continued weak market for physical optical disc media. Our optical disc products consist of CDs and DVDs where contents such as annual reports, software, music or video contents are replicated for our customers. As at the Latest Practicable Date, we had a small-scale production plant in Singapore, with a total site area of approximately 600 sq.m., which houses three production lines equipped with printing, packaging and inventory storage facilities.

During the Track Record Period, there had not been any change in the business focus of our Group. The following diagram illustrates our principal business segments as at the Latest Practicable Date:



Our portfolio of workers accommodation assets are generally located in areas easily accessible by various transportation modes and cater to companies from various industries, including the construction, marine, engineering, services, oil and gas and manufacturing industries in Singapore and Malaysia. The lease period for a majority of our Group's workers accommodation signed with its customers are for a period of one year.

BUSINESS

Our student accommodation assets are generally located in close proximity to key university campuses with easy access to city centres. They cater to both domestic and international students studying in the universities. The typical lease period for most of the students are for an academic year. Accordingly, our workers (excluding Westlite Mandai Accommodation which is owned by our associated company) and student accommodation are resilient accommodation assets which have been consistently enjoying a healthy weighted average occupancy rate of above 75% and 91% respectively during the Track Record Period.

During the Track Record Period, we derived our revenue primarily from (i) rental and service income from our workers and student accommodations and commercial spaces; and (ii) other, being the sale of goods from our optical disc business. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our total revenue was approximately S\$84.4 million, S\$104.5 million, S\$120.3 million and S\$71.3 million, respectively, of which rental and service income from our workers and student accommodation business represented approximately 90.5%, 95.2%, 98.2% and 98.7% of our total revenue, respectively.

Our revenue by business segment and geographical region during the Track Record Period are as follows:

	For the year ended 31 December						For the six months ended 30 June			
	2014		2015		2016		2016		2017	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
	<i>(Unaudited)</i>									
Rental and service income										
Workers accommodation										
Singapore	56,160	66.5	64,478	61.7	78,877	65.6	36,521	63.7	48,050	67.4
Malaysia	5,749	6.8	7,620	7.3	6,947	5.8	3,223	5.6	3,762	5.3
	61,909	73.3	72,098	69.0	85,824	71.4	39,744	69.3	51,812	72.7
Student accommodation										
United Kingdom	6,443	7.6	19,321	18.5	20,598	17.1	10,823	18.9	12,529	17.6
Australia	8,108	9.6	7,731	7.4	8,502	7.1	4,145	7.2	4,215	5.9
Singapore	—	0.0	322	0.3	3,176	2.6	1,266	2.2	1,792	2.5
	14,551	17.2	27,374	26.2	32,276	26.8	16,234	28.3	18,536	26.0
Other										
Optical disc business										
Singapore	5,090	6.0	3,318	3.2	2,045	1.7	1,250	2.2	921	1.3
Others	2,893	3.5	1,748	1.6	143	0.1	143	0.2	—	—
	7,983	9.5	5,066	4.8	2,188	1.8	1,393	2.4	921	1.3
Total	84,443	100.0	104,538	100.0	120,288	100.0	57,371	100.0	71,269	100.0

BUSINESS

The gross profit and gross profit margin of our business by business segment and geographical region during the Track Record Period are as follows:

	For the year ended 31 December						For the six months ended 30 June							
	2014		2015		2016		2016		2017		2017			
	Revenue	Gross profit margin	Revenue	Gross profit/ (loss)	Gross profit margin	Revenue	Gross profit/ (loss)	Gross profit margin	Revenue	Gross profit/ (loss)	Gross profit margin	Gross profit margin		
SS'000	Approximate %	SS'000	SS'000	Approximate %	SS'000	SS'000	Approximate %	SS'000	SS'000	Approximate %	Approximate %			
Rental and service income														
<i>Workers accommodation</i>														
Singapore	56,160	71.2	64,478	45,814	71.1	78,877	55,562	70.4	36,521	26,067	71.4	48,050	35,814	74.5
Malaysia	5,749	59.4	7,620	4,857	63.7	6,947	4,420	63.6	3,223	1,961	60.8	3,762	2,266	60.2
<i>Sub-total</i>	61,909	70.1	72,098	50,671	70.3	85,824	59,982	69.9	39,744	28,028	70.5	51,812	38,080	73.5
<i>Student accommodation</i>														
United Kingdom	6,443	69.8	19,321	12,834	66.4	20,598	12,448	60.4	10,823	7,391	68.3	12,529	8,730	69.7
Australia	8,108	66.0	7,731	5,302	68.6	8,502	5,759	67.7	4,145	2,890	69.7	4,215	2,522	59.8
Singapore	—	—	322	(1,538)	—	3,176	(355)	—	1,266	(448)	—	1,792	(29)	—
<i>Sub-total</i>	14,551	67.7	27,374	16,598	60.6	32,276	17,852	55.3	16,234	9,833	60.6	18,536	11,223	60.5
Other														
<i>Optical disc business</i>														
Singapore	5,090	48.9	3,318	1,555	46.9	2,045	758	37.1	1,250	513	41.0	921	304	33.0
Others	2,893	1.9	1,748	(4)	—	143	(189)	—	143	(111)	—	—	—	—
<i>Sub-total</i>	7,983	31.9	5,066	1,551	30.6	2,188	569	26.0	1,393	402	28.9	921	304	33.0
Total	84,443	66.1	104,538	68,820	65.8	120,288	78,403	65.2	57,371	38,263	66.7	71,269	49,607	69.6

BUSINESS

We pride ourselves on our holistic approach in managing our accommodation assets, focusing on the well-being of our residents by providing a conducive environment for community living. We expect to continue on this path to expand our business and grow our revenue, and at the same time maintaining cost controls, to increase shareholders' returns and gain a stronger foothold in the accommodation industry. We will continue to explore and assess various opportunities, including the expansion of our workers and student accommodation business into the PRC in the future.

COMPETITIVE STRENGTHS

We believe that the following key competitive strengths have contributed and will continue to contribute to our ability to compete in the workers accommodation market and student accommodation market and the optical disc market:

We are a market leader in the workers accommodation industry in Singapore and Malaysia

Since establishing ourselves as a leading provider of workers accommodation in Singapore and Malaysia, we have successfully expanded our Group's business by diversifying into the student accommodation business in the United Kingdom, Australia and Singapore. We intend to further expand our student accommodation business in the USA in the fourth quarter of 2017. Through it all, we have remained steadfast in our core business strategies, continued to build on our strengths to grow our capability and expand our footprint in the global stage. We believe our ability to execute our strategies and navigate through challenging environments have resulted in our Group's financial strength and ability to build on our capital base to deliver sustainable returns to our Shareholders.

For the three years ended 31 December 2016 and the six months ended 30 June 2017, our revenue from our workers and student accommodation business accounted for approximately 90.5%, 95.2%, 98.2% and 98.7% of our total revenue, respectively. Based on the Euromonitor Report, we ranked first among the PBWA service providers in Singapore and Malaysia in 2016 in terms of revenue receipts with a market share of approximately 11.0% and 50.0%, respectively.

We have sizeable portfolio of quality accommodation assets and an established brand

We pride ourselves in providing our residents with quality accommodation that is clean, safe and conducive to their daily living needs. We continually upgrade and improve the amenities in our workers and student accommodation assets, which include reading rooms, multi-purpose training rooms, gymnasiums, game rooms, outdoor exercise areas and other recreational facilities. Our workers accommodation residents have access to canteens, supermarkets, medical clinics, barber shops, laundromats, remittance and automatic teller machines, which are generally found on the premises.

We operate our workers accommodation under the "Westlite" brand since August 2011, which is well established and regarded in the workers accommodation industry. We provide our residents with quality workers accommodation as well as a homely and conducive living environment. We do

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not merely lease out our workers accommodation as lodging, we also regularly organise various programmes to improve the well-being of our residents. We arrange for free health screenings by voluntary organisations for residents of our workers accommodation from time to time, and there are also reading rooms supplied with various reading materials to enable them to keep up with the current affairs. Internet services and free Wi-Fi are made available for residents in the accommodations for residents to communicate with their family and friends at their home countries. We also organise celebrations for cultural festivals of various nationalities variety shows and funfairs in our accommodations. From time to time, we also screen movies and sporting programmes which are well received by residents.

We regularly partner with various non-profit organisations to hold events such as health forums and health screenings. We differentiate ourselves through our holistic management approach in providing onsite management services to our residents and clients. We have a team of onsite officers to respond effectively and efficiently to any emergencies which may occur in our premises. Furthermore, we are also able to provide our clients with a list of residents who have reported for work and a list of residents who are on medical leave daily.

For our student accommodation business, we work closely with the students, universities and communities that we operate in to build a reputable brand name and a scalable platform. Apart from offering quality student accommodation, we enhance the students' stay by providing a range of amenities, facilities and activities at our student accommodation. Selected accommodations have features such as swimming pools, barbeque facilities and cafes. Activities such as themed parties are also organised at certain accommodations to promote a vibrant student community. The student accommodation in the United Kingdom and Singapore are managed under our own established brand named "dwell", which was officially launched in February 2017.

We have a diversified portfolio in different geographical locations and asset types, which are generally located in prime areas

We have a diversified portfolio of workers accommodation assets and student accommodation assets in Singapore, the United Kingdom, Australia and Malaysia. In Singapore, we are the largest workers accommodation provider in 2016 with approximately 34,700 beds (including 6,300 beds from Westlite Mandai Accommodation owned by an associated company) managed under our "Westlite" brand. Our accommodation assets are well located in the western (Toh Guan, Tuas and Jalan Papan) and northern (Mandai and Woodlands) parts of Singapore with approximately 24,300 beds and 10,400 beds respectively. We are also the largest PBWA provider in Malaysia in 2016 in terms of revenue receipts and capacity based on the Euromonitor Report. Our six operational workers accommodation assets in Malaysia are located in close proximity to our customers in Johor, Malaysia, and these assets are also well spread across the state of Johor, Malaysia. Our workers accommodations are generally located in areas easily accessible by various transportation modes, such as expressways and major roads, making transport to and from the accommodation to the

BUSINESS

resident's workplace convenient. This reduces travel costs and transit time for our customers whose workers are housed at our workers accommodations. Our workers accommodation in Singapore have consistently enjoyed healthy weighted average occupancy rates of approximately 89.8%, 85.9%, 83.9% and 93.9% while the weighted average occupancy rates in Malaysia were approximately 85.2%, 82.9%, 65.8% and 76.7%, respectively, for the three years ended 31 December 2016 and the six months ended 30 June 2017.

Our student accommodations are generally located near their respective surrounding universities with easy access to city centres. Most of them are ideal for students who want to walk from their accommodation to the university campuses. In the United Kingdom, renowned universities and institutions are located within a short distance of our student accommodation assets in Manchester, Liverpool, Bristol and Newcastle. In Australia, RMIT Village is located on the northern edge of Melbourne's central business district, in a well-established education precinct on Flemington Road, in close proximity to universities in North Melbourne. This reduces travel costs and transit time for students who live at our student accommodation assets. Supported by the low supply of PBSA amid high demand from both domestic and international students, the occupancy rate of our student accommodation assets in the United Kingdom and Australia have remained close to full during the Track Record Period.

We have established strong relations with our broad workers accommodation customer base and our diversified workers accommodation portfolio caters to multiple industries

Many of our existing customers have been housing their foreign workers in our workers accommodation for several years. We believe our residents are generally happy to stay at our workers accommodation, which have comprehensive facilities and amenities as well as the way our accommodation are managed. We also believe that we have good relationships with our customers, and constantly strive to maintain and improve these relationships. As at 30 June 2017, we had approximately 940 customers in Singapore and Malaysia in the workers accommodation business.

In Singapore, our workers accommodation caters to foreign workers from diverse industries. Westlite Tuas Accommodation caters mainly to workers from the construction industry, while Westlite Woodlands Accommodation and ASPRI-Westlite Papan Accommodation cater mainly to workers from the manufacturing, marine, oil & gas industries. Our two other workers accommodation assets in Singapore, namely, Westlite Toh Guan Accommodation and Westlite Mandai Accommodation, may house workers from all industries. As we serve companies from diverse industries such as the marine, engineering, manufacturing, services, oil and gas, and construction industries, we are less affected by economic fluctuations or government policies affecting any one industry. In Malaysia, our workers accommodation caters to foreign workers mainly from the manufacturing industry. The following table is a breakdown of the industries which our workers accommodation residents work in Singapore and Malaysia as at 30 June 2017:

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	Industry	Percentage (%)
1.	Construction	48.1
2.	Marine	11.1
3.	Engineering	4.0
4.	Oil & Gas	23.0
5.	Services	4.8
6.	Manufacturing	6.7
7.	Others	2.3
	Total	100.0

This diversification of customer base, catering to foreign workers from multiple industries insulates us, to a certain extent, from being overly reliant on any particular industry.

We have an experienced, stable and prudent management team with a strong focus in the accommodation business

We are led by a team of professional and experienced senior management who on average, have been with our Group for over 15 years and who have strong management expertise and knowledge of the industry. Mr. Kong Chee Min, chief executive officer of our Company, has been with our Group since 1996. Our chief operating officer, Mr. Teo Peng Kwang, possesses over 20 years of development and management experience in the property and workers accommodation. Our executive director for optical disc business, Mr. Lee Kerk Chong, possesses over 30 years of experience in the media storage industry. Other senior management have multi-discipline background and extensive experience in the accommodation business. For biographical details of our senior management, please refer to the section headed “Directors and senior management” in this prospectus. Within a short span of time from 2011, we have grown from owning one workers accommodation asset in Singapore (Westlite Toh Guan Accommodation) with approximately 5,300 beds in August 2011 to a strong portfolio of 21 operating workers and student accommodation assets totalling approximately 61,600 beds as at the Latest Practicable Date, comprising approximately 58,400 beds for workers accommodation (including 6,300 beds from Westlite Mandai Accommodation owned by our associated company which we are the operator) and approximately 3,200 beds for student accommodation. We have been delivering good financial performance and strong operating cash flow, with sustained growth since 2011. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our total revenue was approximately S\$84.4 million, S\$104.5 million, S\$120.3 million and S\$71.3 million, respectively, while our profit from continuing operations was approximately S\$111.2 million, S\$34.0 million, S\$34.8 million and S\$23.2 million, respectively. We believe that this is attributable to the successful execution of our Group’s core strategies, growing and actively managing our portfolio of accommodation assets.

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AWARDS

We have received the following awards in the past several years in recognition of our quality of work:

Year	Name of award	Name of awards received by us	Name of awarding organisation	Name of entity receiving the awards
2013	SIAS 14 th Investors' Choice Awards 2013 — Most Transparent Company Awards, Technology (<i>Note 1</i>)	Runner Up	Securities Investors Association (Singapore)	Our Company
2013	Singapore 1000 Company Public Listed Companies 2013	—	DP Information Group	Our Company
2014	SIAS 15 th Investors' Choice Awards 2014 — Most Transparent Company Awards, Technology (<i>Note 1</i>)	Runner Up	Securities Investors Association (Singapore)	Our Company
2015	28 th Annual (2015) Singapore 1000 Award — Profit Growth Excellence (Services) (<i>Note 2</i>)	—	DP Information Group	Our Company
2016	Singapore Corporate Awards — Best Chief Executive Officer (companies with less than S\$300 million in market capitalisation) (<i>Note 3</i>)	—	<i>Note 4</i>	Mr. Kong Chee Min as the chief executive officer of our Company
2017	Singapore Corporate Awards — Best Chief Financial Officer (companies with less than S\$300 million in market capitalization) (<i>Note 5</i>)	—	<i>Note 4</i>	Ms. Foo Ai Huey as chief financial officer of our Company

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Year	Name of award	Name of awards received by us	Name of awarding organisation	Name of entity receiving the awards
2017	Singapore Corporate Awards — Best Investor Relations Silver Award (companies with less than S\$300 million in market capitalization) (Note 6)	—	Note 4	Our Company
2017	SIAS Investors' Choice Award 2017 — Shareholder Communications Excellence Award (SCEA) 2017 (Note 7)	Category of Mid cap — market capitalisation of S\$300 million to less than S\$1 billion	Securities Investors Association (Singapore)	Our Company

Notes:

- (1) The criteria of SIAS Investors' Choice Most Transparent Company Awards are based on the SMU-SKBI Singapore Corporate Governance Index, a balance weighted index covering five aspects in the G20/OECD Principles of Corporate Governance and takes into consideration the "Disclosure and Transparency" aspect.
- (2) The criteria of Singapore 1000 Award — Profit Growth Excellence (Services) are based on the financial performance and corporate citizenry standards of Singapore incorporated companies such as the profile of the shareholdership, nature of the company's core business in relation to their financial performance and adherence to corporate governance standards.
- (3) The criteria of Singapore Corporate Awards — Best Chief Executive Officers (companies with less than S\$300 million in market capitalisation) are based on qualitative and behavioural traits and competencies such as performance orientation, corporate governance, strategic leadership, succession planning, talent management & development and corporate social responsibility & sustainability.
- (4) Organised by the Institute of Singapore Chartered Accountants (ISCA), Singapore Institute of Directors (SID) and The Business Times (BT), supported by Accounting and Corporate Regulatory Authority (ACRA) and Singapore Exchange (SGX), and sponsored by Bank Julius Baer.
- (5) The criteria of Singapore Corporate Awards — Best Chief Financial Officer (companies with less than S\$300 million in market capitalization) are based on transparency of financial reporting, high standard of corporate behavior, sound accounting practices, commitment to good corporate governance consistent with current standards and evolving guidelines, providing advice on strategic direction and being an effective leader of the finance and accounting function. The nominee will also be evaluated on personal and professional qualities, knowledge and experience and track record and accomplishments.
- (6) The criteria of Singapore Corporate Awards — Best Investor Relations Silver Award (companies with less than S\$300 million in market capitalization) are based on the responsiveness of the investor relation contact to cold calls and emails, comprehensiveness or user-friendliness of the investor relation link, specifically the types and quality of information provided and speed of downloads, submission of requested information on investor relation function and

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practices and any negative news items related to the investor relation, such as being on the SGX watchlist, late announcement of financial and annual general meeting results, modified audit opinion and queries about disclosures and announcements.

- (7) The criteria of SIAS Investors' Choice Shareholder Communications Excellence Award (SCEA) 2017 are based on shareholders' rights and equitable treatment and transparency and disclosure sections of the STARS framework. The top 20% of companies with the highest scores are then assessed further based on policy and structure, disclosure and practices, communication and outreach, following and coverage. The company's communication activities such as investors day, dialogue sessions and briefings are included as part of the overall score. The shortlisted companies will be then be reviewed based on qualitative and quantitative inputs with the SCEA Selection Committee Members.

BUSINESS STRATEGIES

We aim to become an internationally renowned quality and safe workers and student accommodation while continue to calibrate the operational capacity of our optical disc factory in line with the levels of demand. We endeavour to achieve a sustainable growth in our business and create long-term shareholders' value. We intend to achieve this by implementing the following corporate strategies:

A. Workers and student accommodation business

- (a) Further expand our student accommodation business to other cities in the United Kingdom, Australia, the USA and explore opportunities in other countries*

We adopt a proactive stance in improving the quality of our student accommodation assets, exceeding customer expectations and adding value to our offerings. Through ongoing reviews of our student accommodation assets, we identify opportunities to undertake upgrading, refurbishment and expansion programs which will improve the market competitiveness and enhance the value of our student accommodation assets. We completed our refurbishment of the RMIT Village in January 2015 and dwell Selegie which commenced operation in September 2015. We also refurbished dwell Manchester Student Village and Westlite Tebrau Accommodation in the fourth quarter of 2016.

We aim to strengthen and grow our portfolio in the student accommodation business going forward so as to achieve a more balanced contribution in revenue from both workers and student accommodation business. Some of our student accommodation assets such as the student accommodation assets in the United Kingdom and the RMIT Village in Australia have the potential for asset enhancement and refurbishment opportunities to improve the attractiveness and value. We will continue to evaluate such opportunities for asset enhancement initiatives to be taken. Besides enhancing and redeveloping our existing student accommodation assets in the United Kingdom and Australia and improving the room/bed configuration of these assets to raise attractiveness, we will continue to explore further opportunities in the student accommodation business, especially in Australia and key education hubs in other countries such as the USA by way of acquisition and/or development to facilitate a more stable revenue stream. We believe an expansion in the student

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accommodation business is beneficial because (i) it allows us to tap into a key growth area in the accommodation sector; (ii) it will result in a more diverse business group capitalising on our existing management skill sets and knowledge arising from the operational synergies; and (iii) the rise in the middle income class is likely to create more demand for student accommodation as children from these families pursue tertiary education in reputational education institutions in key education hubs.

(b) Further penetrate our workers accommodation business in Malaysia, Singapore and explore opportunities in other countries

Having built our presence in Johor, Malaysia, we are actively seeking opportunities to grow our workers accommodation assets portfolio in other industrial nodes of Malaysia such as Penang. Similar to Johor, Penang is a key industrial hub and many large multinational corporations have set up their manufacturing base there. It relies heavily on its large foreign workers population base to support the manufacturing activities. We intend to duplicate our business model in Johor and build a portfolio of workers accommodation to cater to foreign workers in Penang and other parts of Malaysia. As at the Latest Practicable Date, our Westlite Bukit Minyak Land was under construction for workers accommodation. It is located near Bukit Minyak at Simpang Ampat, Penang and close to the North-South Expressway exit at Plaza Tol Bukit Tambun and Jalan Perindustrian Bukit Minyak, a key highway leading into the Bukit Minyak Industrial Park. The location provides easy access to the Penang Science Park, a high technology industrial park as well as the Batu Kawan Industrial Park. The workers accommodation on Westlite Bukit Minyak Land is expected to be completed in June 2018 and has a capacity of approximately 6,600 beds. We have won a tender to develop another workers accommodation located at Juru, Bukit Mertajam, Penang. Completion of acquisition of Westlite Juru Land was pending as at the Latest Practicable Date. To strengthen and build our core portfolio of workers accommodation assets, we continue to look for acquisition opportunities in Malaysia, Singapore and other countries to develop, own and manage, either existing or development assets to grow our workers accommodation business. We are looking to pursue these various prospects on our own or through partnerships with other companies on the condition that we will be appointed as the operator for their workers accommodation assets. Over the years, we have been approached by investors and business partners that are looking to tap on the expertise of our Group in the development and managing the accommodation development business.

(c) Provision of operation management services and other customised management and ancillary services for workers and student accommodation assets

Having built up a strong reputation and track record, we intend to leverage on our management expertise to seek opportunities in managing workers accommodation and also to provide quality value-added services to such accommodation assets. We may also undertake management of accommodation owned by third parties. These may include companies which develop accommodation to house their own workers.

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Leveraging on our expertise and experience, our Group is on a constant lookout for opportunities to grow our service offering across the value chain of the workers accommodation industry. This may include services to enhance our Group's offerings to our client base and residents such as manpower management services (such as handling workers' injury, bringing them to hospital and handling subsequent insurance claims, etc.), laundry services, food catering, minimarts and other ancillary services. We may also offer transportation arrangements for workers to and from the airport or their work site, to increase the attractiveness of our workers accommodation.

B. Optical disc business

Continue to calibrate the operational capacity to keep in line with the levels of demand

We will continue to calibrate the operational capacity of our optical disc factory to keep in line with the levels of demand. Prudent cost management strategies will be exercised to ensure that our optical disc business continues to contribute positively to the overall profitability of our Group and generates cash flows to meet our Group's expansion needs.

FUTURE PLANS

Please refer to the section headed "Future plans and use of proceeds" in this prospectus for a detailed description of our future plans.

OUR BUSINESS

During the Track Record Period, our principal businesses are:

- (i) the ownership, development and/or management of workers accommodation assets in Singapore and Malaysia;
- (ii) the ownership and/or management of student accommodation assets in Australia, the United Kingdom and Singapore; and
- (iii) the provision of operational management services for workers accommodation including ancillary services such as laundry services and transportation services to residents of our workers accommodation assets.

We also engage in the manufacture and sale of optical discs and related storage products in Singapore.

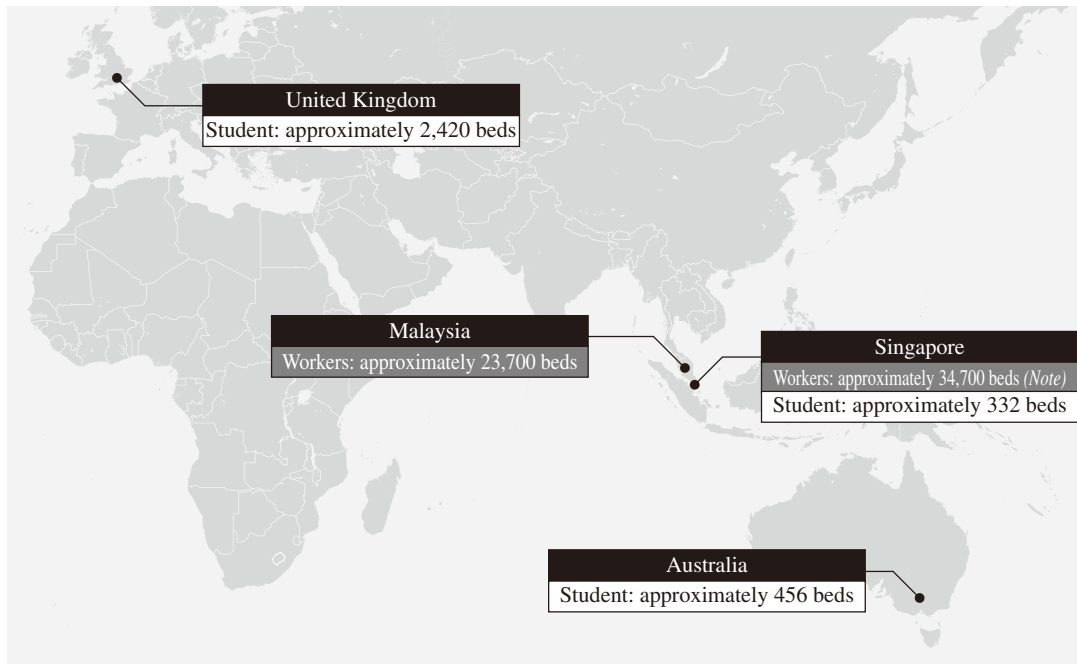
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The following table sets forth the revenue of our Group during the Track Record Period:

	For the year ended 31 December						For the six months ended 30 June			
	2014		2015		2016		2016		2017	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000 <i>(unaudited)</i>	%	S\$'000	%
Accommodation business										
Workers										
accommodation	61,909	73.3	72,098	69.0	85,824	71.4	39,744	69.3	51,812	72.7
Student										
accommodation	14,551	17.2	27,374	26.2	32,276	26.8	16,234	28.3	18,536	26.0
	76,460	90.5	99,472	95.2	118,100	98.2	55,978	97.6	70,348	98.7
Optical disc business										
	7,983	9.5	5,066	4.8	2,188	1.8	1,393	2.4	921	1.3
Total	84,443	100.0	104,538	100.0	120,288	100.0	57,371	100.0	71,269	100.0

A. Our accommodation business

The following map shows the geographical locations of our accommodation properties and assets as of the Latest Practicable Date:



Note: Includes 6,300 beds from the Westlite Mandai Accommodation owned by our associated company.

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We develop, own and/or manage the following type of quality purpose-built accommodation properties and assets:

- (a) workers accommodation assets — comprises mainly of buildings with amenities such as canteens, minimarts, barber shops, automatic teller machines, clinics, on-site laundrettes, training centres and recreational facilities such as badminton courts, basketball courts, exercise corners, games room and gyms; and
- (b) students accommodation assets — comprises mainly of buildings with amenities and facilities such as study areas, common rooms with pool tables, Wi-Fi, barbecue facilities, bicycle storage, car parks, pantries, on-site laundrettes, convenience stores, swimming pools, gymnasiums and cafes in selected student accommodation assets.

The following pictures show our 11 operational PBWA assets in Singapore and Malaysia as at the Latest Practicable Date:

Singapore



Westlite Woodlands Accommodation



Westlite Mandai Accommodation (owned by our 45% owned associated company)



Westlite Toh Guan Accommodation



ASPRI-Westlite Papan Accommodation (owned by our 51% owned subsidiary)



Westlite Tuas Accommodation

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Malaysia



Westlite Senai II Accommodation



Westlite Senai Accommodation



Westlite Tampoi Accommodation



Westlite Johor Technology Park Accommodation



Westlite Pasir Gudang Accommodation



Westlite Tebrau Accommodation

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The following pictures show our 10 operational PBSA assets in the United Kingdom, Australia and Singapore as at the Latest Practicable Date:

United Kingdom



dwel Garth Heads



dwel Cathedral Campus



dwel Hotwells House



dwel Manchester Student Village



dwel The Grafton



dwel Manchester Student Village South



dwel Weston Court



dwel Beechwood House

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Australia



RMIT Village

Singapore



dwell Selegie

Set out below is a list of facilities and management services and ancillary services that we provide in relation to the accommodation business:

- leasing of workers or student accommodation;
- provision of management services (such as cleaning services for common area, security services, landscaping services, building maintenance, refurbishment programmes and organising residential programmes and social events);
- provision of other supporting facilities (such as minimart, canteen, barber shop, automatic teller machines and on-site laundrettes) through our commercial tenants within the accommodation assets; and
- provision of ancillary services such as laundry and transportation services to residents of our accommodation assets.

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For the three years ended 31 December 2016 and the six months ended 30 June 2017, our total revenue was approximately S\$84.4 million, S\$104.5 million, S\$120.3 million and S\$71.3 million, respectively, of which rental and service income from our workers and student accommodation business representing approximately 90.5%, 95.2%, 98.2% and 98.7% of our total revenue, respectively. For further details of our accommodation assets, please refer to the paragraph headed “Property interests — Our accommodation asset portfolio” in this section.

1. Workers accommodation business

We have established reputation as a provider of quality PBWA in Singapore and Malaysia with over six years of experience in this industry. We develop, own and/or manage quality workers accommodation assets in Singapore and Malaysia. As at the Latest Practicable Date, we had a strong portfolio of 11 operational workers accommodation assets with a total operational capacity for approximately 58,400 beds in Singapore and Malaysia operated under our Group’s “Westlite” brand. In Singapore, we had five operational workers accommodation assets with approximately 34,700 beds (including 6,300 beds from Westlite Mandai Accommodation owned by our associated company). In Malaysia, we had six operational workers accommodation assets with approximately 23,700 beds.

For the three years ended 31 December 2016 and six months ended 30 June 2017, our total revenue from workers accommodation business was approximately S\$61.9 million, S\$72.1 million, S\$85.8 million and S\$51.8 million, respectively, representing approximately 73.3%, 69.0%, 71.4% and 72.7% of our total revenue, respectively. Revenue from our workers accommodation business is primarily derived from renting out workers accommodation units to our corporate customers, comprising of companies from the construction, marine, engineering, services, oil and gas and manufacturing industries, etc. These companies house their foreign workers in our workers accommodation units with a majority of the lease periods between one to two years. In addition to revenue from the rental of the workers accommodation units, we also derive revenue from leasing out commercial spaces located within the compounds of our workers accommodation to third parties to operate canteens, minimarts and ancillary services.

We offer various types of apartment unit (the “Unit”) for our customers’ selection. Except for Westlite Tuas Accommodation, all the other Units in our accommodation assets have en-suite kitchen and bathroom. Each Unit will have one to three bedrooms and depending on the size of each bedroom, it can house three to 17 beds per bedroom. Besides providing accommodation, we seek to offer a safe and conducive living environment for the residents. Our workers accommodation are manned with round the clock security guards, security cameras and biometric access systems to prevent unauthorised access by third parties. Each workers accommodation has extensive amenities and facilities. Besides minimart, canteen, barber shop, automatic teller machines and on-site laundrettes to provide convenience for daily needs of the tenants, we also offer various recreational facilities such as badminton courts, basketball courts, exercise corners, games room and gyms at our workers accommodation.

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The foreign workers residing in our workers accommodation are of various races and nationalities and comprise, amongst others, Indians, Bangladeshis, Nepalese, Thais, Malaysians, Filipinos and Chinese. As we have residents from diverse societal backgrounds and living environments, we conduct briefings on house rules, acceptable dress codes and social behaviour for new residents to ensure harmonious living between residents and also to provide information to help them adjust to live in a new environment. Furthermore, we also organise leisure and enrichment activities such as outings, excursions, movie screenings, festive celebrations and enrichment classes to cater to the well-being of our residents.

Pricing policy

For leasing of workers accommodation, we charge monthly rental on the basis of a unit rate per Unit required by our customers. The range of monthly unit rates per Unit charged to our customers of workers accommodation during the Track Record Period were as follows:

	For the year ended 31 December			For the six months ended 30 June
	2014	2015	2016	2017
Workers accommodation (unit rate per Unit per month)				
Singapore	S\$3,300–S\$6,800	S\$2,760–S\$7,040	S\$2,640–S\$7,040	S\$2,400–S\$7,920
Malaysia	RM1,265–RM5,935	RM1,349–RM6,183	RM1,494–RM2,690	RM1,566–RM2,737
			<i>(note)</i>	

Note:

The upper range of the monthly rental rate for workers accommodation in Malaysia is reduced since the year ended 31 December 2016 due to configuration per Unit of Westlite Tebrau Accommodation had changed from average 65 persons per Unit to 17 persons per Unit.

We determine the rental price for our workers accommodation assets on a contract-by-contract basis with reference to, among others, the market rate, market demand, the length of relationship, the number of contracted units and location.

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Payment terms

Our Group's customers for workers accommodation business in Singapore are generally required to pay two to four months refundable deposit and one month rental in advance while our customers in Malaysia are generally required to pay two months refundable deposit and one month rental in advance.

Seasonality

Our Directors consider that our workers accommodation business is generally not subject to any seasonable fluctuations.

(a) Workers accommodation business in Singapore

Our Group's workers accommodation business in Singapore is presently managed under the "Westlite" brand. As at the Latest Practicable Date, we operated five workers accommodation in Singapore with a total of approximately 34,700 beds, namely, Westlite Toh Guan Accommodation, Westlite Tuas Accommodation, Westlite Mandai Accommodation, ASPRI-Westlite Papan Accommodation and Westlite Woodlands Accommodation. Westlite Toh Guan Accommodation, Westlite Tuas Accommodation and Westlite Woodlands Accommodation are wholly-owned by us while Westlite Mandai Accommodation and ASPRI-Westlite Papan Accommodation in which our Group has 45% and 51% stakes, respectively are jointly-owned by Lian Beng Group. Please refer to the paragraph headed "Key contract terms with customers and Lian Beng Group — 2. Jointly owned accommodation assets with Lian Beng Group" in this section for further details of the terms of the joint venture arrangements with Lian Beng Group. All of our workers accommodation assets, except for the newer accommodation assets in Singapore such as Westlite Woodlands Accommodation and ASPRI-Westlite Papan Accommodation, have obtained the ISO 9001 certification on their process and systems.

Some of these workers accommodation assets are strategically located near certain industry hub where our customers are located in order to cater to workers from certain industries. For example, Westlite Woodlands Accommodation which began operations in July 2015, is strategically located near the Woodlands industrial hub to cater for workers working in marine, process and manufacturing industries in northern part of Singapore. ASPRI-Westlite Papan Accommodation which began operations in May 2016, is strategically located near Jurong Island, which is the home to more than 100 global energy and chemical companies, allowing residents to commute conveniently and efficiently to and from work. ASPRI-Westlite Papan Accommodation is Singapore's only integrated PBWA featuring an ASPRI training centre for the process, construction and maintenance industry. The integrated training centre, with a built-in area of approximately 3,000 square feet, offers training

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modules that can provide participants with specific functional skills for carrying out everyday maintenance works in Jurong Island. Such training courses are provided to our residents at subsidised rates, a benefit that is only extended to the residents of the accommodation.

We have a portfolio of quality PBWA with long land tenures such as Westlite Toh Guan Accommodation (60 years commencing from 1 December 1997), Westlite Mandai Accommodation (estate in perpetuity), Westlite Woodlands Accommodation (30 years expiring on 21 November 2043) and ASPRI-Westlite Papan Accommodation (23 years expiring on 31 December 2037).

Westlite Tuas Accommodation was awarded the BCA Green Mark Gold Award in 2010 for its eco-friendly design and features such as greywater recycling and usage of sustainable construction materials which improve energy and water efficiency.

Our five workers accommodations in Singapore operate at healthy weighted average occupancy rates of approximately 89.8%, 85.9%, 83.9% and 93.9% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. Our total revenue from workers accommodation business in Singapore was approximately S\$56.2 million, S\$64.5 million, S\$78.9 million and S\$48.1 million, respectively, representing approximately 90.7%, 89.4%, 91.9% and 92.7% of our total revenue from workers accommodation business, respectively, for the three years ended 31 December 2016 and the six months ended 30 June 2017. For further details of each of our workers accommodation assets in Singapore, please refer to the paragraph headed “Property interests — Our accommodation asset portfolio — Summary information of our accommodation assets — Singapore” in this section.

In addition to the above, we have developed a freehold land site located within the Mandai Industrial Estate, through Lian Beng-Centurion, in which we have an interest of 45%. The site yielded a 141-unit ramp up industrial building and three blocks of workers accommodation. All the industrial units were fully sold and the project obtained temporary occupation permit in January 2014. We have been the exclusive operator and manager of Westlite Mandai Accommodation since March 2013.

(b) Workers accommodation business in Malaysia

Our Group’s workers accommodation business in Malaysia is presently managed under the “Westlite” brand and we believe that we are currently the only provider of PBWA in Malaysia. As at the Latest Practicable Date, we operated six workers accommodation assets with a total of approximately 23,700 beds, namely Westlite Johor Technology Park Accommodation, Westlite Senai Accommodation, Westlite Senai II Accommodation, Westlite Tampoi Accommodation, Westlite Pasir Gudang Accommodation and Westlite Tebrau Accommodation in Johor, Malaysia. We wholly-own all of these assets in Johor, Malaysia, which cater primarily to foreign workers from the manufacturing sector. All of our workers accommodation assets in Malaysia have obtained the ISO 9001 certification on their process and systems.

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Our workers accommodation assets in Johor, Malaysia are located in close proximity to the industrial zone. For example, Westlite Tampoi Accommodation which began operations in January 2015 is strategically located in one of the established industrial zones in Iskandar Malaysia, which is in close proximity to the manufacturing facilities of several renowned Japanese brands and major multinational electronics manufacturers. Our Group has been building our customer base in Malaysia and attracting companies to house their workers in our workers accommodation assets. Amongst our existing corporate customers are multi-national electronic contract manufacturers and manufacturing companies. As part of their manufacturing requirement to meet the Electronic Industry Citizenship Coalition Code of Conduct, certain companies would prefer to house their workers in PBWA.

As one of the pioneers in PBWA in Malaysia, our Group's workers accommodation and services have gained recognition and acceptance by multinational corporations and local companies, and their workers.

Our operational workers accommodations in Johor, Malaysia enjoyed weighted average occupancy rates of approximately 85.2%, 82.9%, 65.8% and 76.7% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. Our total revenue from workers accommodation business in Malaysia was approximately S\$5.7 million, S\$7.6 million, S\$6.9 million and S\$3.8 million, respectively, representing approximately 9.3%, 10.6%, 8.1% and 7.3% of our total revenue from workers accommodation business, respectively, for the three years ended 31 December 2016 and the six months ended 30 June 2017. For further details of each of our workers accommodation assets in Singapore, please refer to the paragraph headed "Property interests — Our accommodation asset portfolio — Summary information of our accommodation assets — Malaysia" in this section.

Due to market demand, we are expanding and diversifying our geographical reach into Penang, which is another important manufacturing hub for multi-national companies in Malaysia. As at the Latest Practicable Date, we had two development sites in Penang, Malaysia — Westlite Bukit Minyak Land is under construction and Westlite Juru Land is pending completion of land acquisition. Upon completion of the development of Westlite Bukit Minyak Land by June 2018, we will add approximately 6,600 beds to our Group's PBWA portfolio.

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2. *Student accommodation business*

Leveraging on our expertise in workers accommodation, we diversified into the student accommodation business in February 2014 with the maiden acquisition of RMIT Village in Melbourne, Australia. We develop, own and/or manage quality PBSA assets in Australia, the United Kingdom and Singapore. In September 2014, we acquired a portfolio of four student accommodation assets in the United Kingdom — three in Manchester and one in Liverpool, with a total of approximately 1,901 beds. In May 2015, we were awarded a tender by the SLA to operate a student accommodation in Short Street, Singapore, with a total of 332 beds. In July 2016, we acquired another four student accommodation assets in the United Kingdom, comprising two in Manchester, one in Bristol and one in Newcastle, bringing the total number of beds to 2,420 in the United Kingdom. In June 2017, we have acquired a development site at Rundle Street on the eastern side of Adelaide city centre, Australia, to be developed as a new 280-bed student accommodation. In July and August 2017, we entered into six conditional agreements for the proposed acquisitions of six existing PBSA assets across five states in the USA, with an aggregate capacity of approximately 2,140 beds, which we intend to have an interest of up to 30%. The acquisitions are expected to be completed in the fourth quarter of 2017 and the assets will be managed by a joint venture company which will be majority owned by us. Our student accommodation business in the United Kingdom and Singapore is operated under the “dwell” brand. Our student accommodation comprises studio to seven bedroom apartments/townhouses in the United Kingdom, one or two bedroom apartments in Australia and single to four-bedded room hostel in Singapore. All units are fully furnished with furniture and equipped with Wi-Fi.

For the three years ended 31 December 2016 and the six months ended 30 June 2017, our total revenue from student accommodation business was approximately S\$14.6 million, S\$27.4 million, S\$32.3 million and S\$18.5 million, respectively, representing approximately 17.2%, 26.2%, 26.8% and 26.0% of our total revenue, respectively. Revenue from our student accommodation business is primarily derived from renting out bedrooms to international and local students studying at universities in the vicinity of our student accommodation assets with a general lease period of one academic year. Students can choose to lease for duration of generally 42 to 51 weeks in the United Kingdom or 40, 44 or 52 weeks in Australia. For dwell Selegie in Singapore, customers can rent our accommodation for various months. For our accommodation assets in the United Kingdom, we offer short-term tenancies during the summer period and for RMIT Village in Australia, we also offer groups and independent travellers accommodation usually for several days during the summer holidays. We also derive revenue from leasing out commercial spaces located within the compounds of our student accommodation to third parties to operate facilities such as minimarts and cafes.

We aim to provide a safe and conducive living environment to students residing at our student accommodation assets which comes with free high speed Wi-Fi. To enhance their stay, we offer a range of facilities and amenities. Selected accommodations have features such as study areas, common rooms with pool tables, barbeque facilities, bicycle storage, pantries, on-site laundrettes,

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convenience stores, swimming pools, gymnasiums and cafes. Apart from ensuring quality services, all our student accommodations provide residential programmes and activities, such as movie nights and themed parties, to promote a vibrant and supportive community.

Pricing policy

For leasing of student accommodation in United Kingdom and Australia, we charge rents based on weekly rental rate per bed. Students can choose to lease for duration of 42 to 51 weeks in the United Kingdom or 40, 44 or 52 weeks in Australia. For dwell Selegie in Singapore, customers can rent our accommodation for various months and we charge on a monthly rental basis.

The range of rental rates charged per bed per week to our customers of student accommodation during the Track Record Period were as follows:

	For the year ended 31 December			For the six months ended 30 June
	2014	2015	2016	2017
Student accommodation (unit rate per bed per week)				
United Kingdom	£88–£158	£88–£210	£85–£212	£86–£220
Australia	A\$285	A\$276–A\$431	A\$285–A\$450	A\$290–A\$470
Singapore	N/A <i>(note)</i>	S\$200–S\$388	S\$100–S\$413	S\$113–S\$388

Note: The student accommodation had not commenced operations.

We determine the rental rate for our student accommodation assets on a contract-by-contract basis with reference to the market rate, the length of stay, demand, the size and location, view, furnishing and type of amenities and facilities.

Payment terms

For our student accommodation in the United Kingdom, where students cannot supply a local guarantor, they are required to pay in advance all the rental for the entire duration of their stay. Students with a local guarantor who have not opted to pay in full can pay the rent on a quarterly basis. Our Group's customers for student accommodation in Australia are required to pay a deposit

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equivalent to approximately four weeks of rent, and rent is paid once every four weeks in advance. Our Group's customers for student accommodation in Singapore are required to pay rental on the entire period together with deposit equivalent to one month's rental on or before commencement of the tenancy period.

Seasonality

Our Directors consider that our accommodation business is generally not subject to any material seasonable fluctuations, except for student accommodation assets due to the effect of end of the academic year break during mid July to mid September in the United Kingdom and Singapore and during December to February in Australia.

(a) Student accommodation business in the United Kingdom

We made our maiden foray into the United Kingdom in July 2014 with the acquisition of the LIMA Portfolio with a total of approximately 1,901 beds. With a total purchase consideration of £77 million, the acquisition remains our largest acquisition to-date. In July 2016, we further strengthened our presence in the United Kingdom with the acquisition of the Braemar Portfolio. These student accommodation assets comprise studio, three to seven bedroom apartments/townhouses with en-suite bathroom or shared bathroom and shared kitchen.

Our student accommodation assets are located in the established education precincts of Manchester, Liverpool, Newcastle and Bristol which provide easy access to the cities' main university campuses and the city centre. Renowned universities are located within a walking distance or close proximity to these student accommodation assets.

Amongst our Group's initial portfolio of student accommodation assets, dwell Manchester Student Village, dwell Manchester Student Village South, and dwell The Grafton in Manchester are freehold properties, while dwell Cathedral Campus in Liverpool is a long leasehold property. All assets were fully operational and had a strong track record of achieving high occupancy rates during the Track Record Period. All of our Group's four newly acquired student accommodation assets in 2016, the Braemar Portfolio, are long leasehold properties and these operational assets have started to contribute to our Group's earnings.

For the three years ended 31 December 2016 and the six months ended 30 June 2017, our total revenue from student accommodation business in the United Kingdom was approximately S\$6.4 million, S\$19.3 million, S\$20.6 million and S\$12.5 million, respectively, representing approximately 44.3%, 70.6%, 63.8% and 67.6% of our total revenue from student accommodation business, respectively. For further details of each of our student accommodation assets in the United Kingdom, please refer to the paragraph headed "Property interests — Our accommodation asset portfolio — Summary information of our accommodation assets — United Kingdom" in this section.

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(b) Student accommodation business in Australia

RMIT Village

In February 2014, our Group acquired RMIT Village in Melbourne, Australia and the adjoining car park building for an aggregate purchase consideration of approximately A\$60 million. This is our Group's first student accommodation asset and it is located on the northern edge of Melbourne's central business district, in a well-established education precinct on Flemington Road, which is approximately a 5-minute tram ride or a 10-minute walk to universities in North Melbourne. Sited on a 4,000 sq.m. freehold land parcel, this student accommodation comprises 229 apartments and has a current capacity of 456 beds. It is centred around a large landscaped courtyard garden area with facilities including a swimming pool, study lounge and gymnasium. Rooms underwent refurbishment in January 2015 and the refurbished rooms are well received by students. Most of the room units comprise two bed types with shared kitchen and bathroom. In May 2017, we commenced an asset enhancement programme for the development of a new wing at RMIT Village. Upon completion, the new wing, an 11-storey building comprising studios, four-bedroom and five-bedroom en-suite apartments, will add up to 160 beds and bring a total number of beds in RMIT Village to approximately 620 beds. The capital expenditure for the enhancement programme for the development of the new wing at RMIT Village for the years ending 31 December 2017 and 31 December 2018 are expected to be approximately S\$15.8 million and S\$15.6 million, respectively.

Given that we acquired the RMIT Village in 2014 which included the provision of operation management services by an Independent Third Party operator, the RMIT Village is operated by them where we have to pay a monthly management fee. For further details, please see the paragraph headed "Procurement — Management and administration services in respect of RMIT Village" in this section.

Affiliated to a university in North Melbourne as its student accommodation facility, RMIT Village benefits from an arrangement whereby that university in North Melbourne may reserve beds for its students prior to the commencement of each academic year. We are also required to give first refusal of up to 70% of our occupancy to students of one university in North Melbourne. Occupancy rate at RMIT Village has been close to full during the Track Record Period. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our total revenue from student accommodation business in Australia was approximately S\$8.1 million, S\$7.7 million, S\$8.5 million and S\$4.2 million, respectively, representing approximately 55.7%, 28.2%, 26.3% and 22.7% of our total revenue from student accommodation business, respectively.

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dwell Adelaide

In June 2017, we completed the acquisition of a development site in Adelaide, Australia, for approximately S\$3.8 million to be developed as a new 280-bed student accommodation known as dwell Adelaide. It is strategically located off Rundle Street on the eastern side of Adelaide City Centre, within walking distance to University of Adelaide and University of South Australia and in close proximity to the main Rundle Mall shopping strip.

The construction and development of dwell Adelaide is expected to be completed by October 2018 to cater for student intake for the 2019 academic year. It will offer student accommodation with vibrant communal facilities, including lounges, TV room, games room, and a rooftop terrace. The asset will comprise mainly self-contained studios, two-bedroom and four-bedroom en-suite apartments.

Upon completion, dwell Adelaide will become our second PBSA asset in Australia after RMIT Village. For further details, please refer to paragraph headed “Our business — 3. Land bank for our accommodation business — (a) two development sites under construction” below in this section.

For further details of our student accommodation assets in Australia, please refer to the paragraph headed “Property interests — Our accommodation asset portfolio — Summary information of our accommodation assets — Australia” in this section.

(c) Student accommodation business in Singapore

dwell Selegie is strategically located in the city centre and in close proximity to several educational institutions. The property consists of a 10-storey building with a capacity to house approximately 332 students with commercial spaces for supporting businesses such as restaurants. The student accommodation asset is a 3 years lease plus a further 3 plus 2 years term upon approval which was granted by the SLA in June 2015. The student accommodation underwent refurbishment and commenced operations in October 2015. The occupancy rate of dwell Selegie was close to full during the first half of 2017. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our total revenue from student accommodation business in Singapore was approximately nil, S\$0.3 million, S\$3.2 million and S\$1.8 million, respectively, representing approximately nil, 1.2%, 9.8% and 9.7% of our total revenue from student accommodation business, respectively. We have entered into three lease agreements with three academic institutions to lease to them such agreed number of student accommodation units for them to lease to their students. The term of lease agreements ranges from 1 month to 2 years. For further details of our student accommodation assets in Singapore, please refer to the paragraph headed “Property interests — Our accommodation asset portfolio — Summary information of our accommodation assets — Singapore” in this section.

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(d) Proposed acquisition of student accommodation business in the USA

In July and August 2017, following our intended plan to expand our student accommodation business into the USA, we entered into six conditional agreements for the proposed acquisitions of six existing PBSA assets directly across five states in the USA, including Auburn, Alabama; Tallahassee, Florida; Madison, Wisconsin; College Station, Texas; and New Haven, Connecticut, with an aggregate capacity of approximately 2,140 beds. We are acquiring the six PBSA assets by way of asset acquisition, which will then be held by companies owned by the investment fund. If the proposed acquisitions proceed with completion, we will have a total of 5,348 beds under management through accommodation management company controlled by us across 16 operating student accommodation assets in four jurisdictions, including the United Kingdom, Australia, Singapore and the USA.

The aggregate purchase consideration is approximately US\$206.0 million (equivalent to approximately S\$282.4 million), which was agreed upon following arms' length negotiations between our Group and the relevant sellers under the acquisition agreements on a willing-buyer, willing-seller basis taking into account the supply and demand for student accommodation each of the markets the assets are located in the United States as well as the range of market transacted values of similar assets. Approximately 60% of the aggregate purchase consideration is to be funded by bank loans from financial institutions in the USA (to be obtained by entities owned by an investment fund established by us which are purchasers to the proposed acquisitions) and secured by the relevant PBSA assets and the remaining approximately 40% of the aggregate purchase consideration is to be funded by shareholders' equity through the investment fund. For details of the investment fund, please refer to the sub-section headed "Structure of the investment fund" below. We will not be required by the financial institutions in the USA to provide any corporate guarantees with regards to the repayment of loan. Accordingly, our Directors confirmed that there will not be any legal recourse against us if the borrowers of the financing (being the entities owned by the investment fund established by us) fail to repay the loan and the financing for proposed acquisition will not have any financial effect on our Group. As at the Latest Practicable Date, due diligence for all six PBSA assets have been completed and hence, the agreements have become unconditional but pending completion. Accordingly, as at the Latest Practicable Date, we paid approximately US\$10.2 million as deposit, all of which is not refundable if the acquisition does not proceed to completion. If completion proceeded, it is estimated that these fully operational assets will be accretive to our Group's earnings starting from the fourth quarter 2017. Please refer to the sub-paragraph headed "Status of fund raising for the proposed acquisitions" below for the current status of fund raising for the proposed acquisitions.

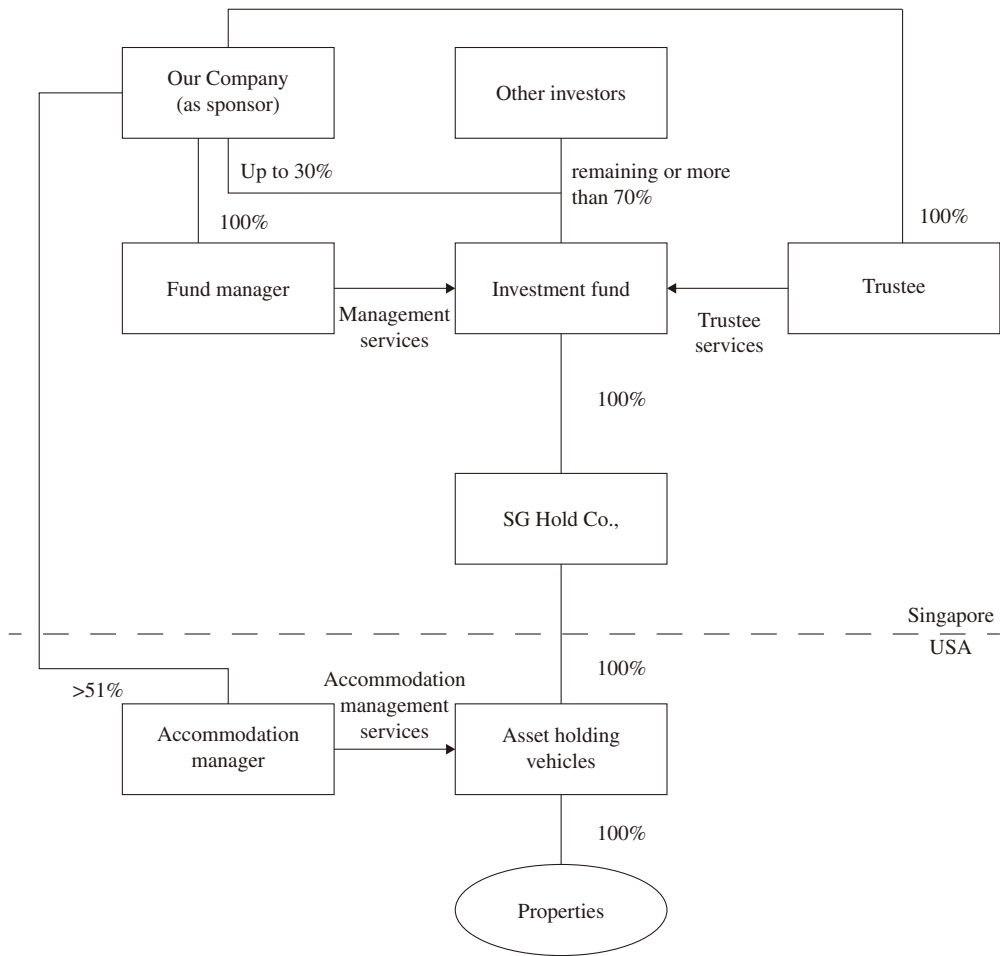
Structure of the investment fund

The proposed acquisition of the six PBSA assets will be via an investment fund to be established and sponsored by us. As at the Latest Practicable Date, we anticipated that the investment fund will be in the form of an unregistered business trust constituted in Singapore, which will be for an initial

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term of five years from the completion date. The investment objective and strategy of the investment fund is to generate stable and recurring income to deliver a total return by investing in student accommodation assets located in education cities in the USA. As at the Latest Practicable Date, it was contemplated that the expected payback period of the investment in six PBSA assets to be in the range of 10 to 15 years. The fund manager has to sell all the portfolio assets comprising the six PBSA assets prior to the expiry of the investment fund life of five years. However, if the market conditions are not favourable to effect a sale, the fund manager can seek the approvals of the investors of investment fund to extend the life of the investment fund.

A simplified version of the investment fund structure is as follows:



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(a) Investment fund by way of business trust

The investment fund aims to raise a targeted aggregate committed capital of approximately US\$100 million, with a performance objective to achieve a targeted net trust leveraged internal rate of return of 12% to 15% per annum. Our Group will hold up to 30% of the units of the business trust while the remaining units of the business trust will be held by not less than six institutional investors or high net worth individuals.

With our intention to hold up to 30% interest in these PBSA assets through the investment fund, our Group will effectively fund up to 12% of the aggregate purchase consideration and our contribution towards the required shareholders' equity shall be up to approximately US\$24.7 million (equivalent to approximately S\$33.9 million), while the remaining shareholders' equity of approximately US\$57.7 million will be contributed by third party investors through their investment in the investment fund. Upon completion, our Company will classify our interest in these six PBSA assets as an investment in associate, which will be accounted for using the equity method at fair value.

Please refer to the sub-paragraph headed "Status of fund raising for the proposed acquisitions" below for the current status of fund raising for the proposed acquisitions.

(b) Trustee

The trustee of the investment fund will be a wholly-owned subsidiary of our Company. The trustee shall be responsible for the administration of the investment fund, act for the benefit of the unitholders and be responsible for the safe custody of the PBSA assets.

(c) Fund manager

The fund manager will be a wholly-owned subsidiary of our Company. The fund manager has general powers of management over the investment fund in accordance with the trust deed and is mainly responsible to manage the fund's assets and liabilities in accordance with the provisions of the trust deed for the benefits of the investors. The fund manager will manage the day-to-day operations of the fund and implement the fund's business plan, including but not limited to monitor the performance of the fund's investments, preparing annual operating and capital budgets, advising the trust as to disposition or exit opportunities, managing tax matters of the trust and any other specific duties described in the trust deed. The manager will also set the strategic direction of the fund and give recommendations to the trustee on the investment, divestment, development and/or enhancement of the investment of the fund in accordance with its stated investment strategy. The fund manager will engage the accommodation manager to provide accommodation management services for the fund.

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Given that the fund manager is managing a fund which invests in securities in body corporates, which indirectly through the asset holding vehicles in the US, hold the real estate assets, the fund manager will be exempted from holding a capital markets services licence for fund management under the Singapore Securities and Futures Act pursuant to the exemption set out in paragraph 5(1)(h) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations in relation to persons who carry on business in fund management in Singapore on behalf of qualified investors where the assets managed by it comprise securities issued by one or more corporations or interests in bodies unincorporated, where the sole purpose of each such corporation or body unincorporated is to hold, whether directly or through another entity or trust, immovable assets. The fund manager will receive an annual management fee equal to a certain percentage of the value of the properties held by the trust.

The key management team of the fund manager comprises a number of employees of our Group and led by our chief investment officer of accommodation business, Mr. Ho Lip Chin, who has over 20 years of experience in the real estate, fund management and hospitality industries across the Asia Pacific. Please refer to the section headed “Directors and senior management” for the experience of Mr. Ho Lip Chin.

(d) Accommodation manager

We plan to set up a joint venture with a USA student accommodation manager to co-manage these assets under the “dwell” brand upon the completion of the proposed acquisition. Subject to finalisation and entering into a joint venture agreement with our proposed joint venture partner, our Group own a majority shareholding in the joint venture company, which will be the accommodation management company for the six PSBA assets. The joint venture company will act as the accommodation manager to provide accommodation management services to the fund and the fund manager as follows:

- (i) supervising the property manager in its provision of property management services in relation to the properties;
- (ii) interact with key executives of the property manager on a regular basis to direct and ensure the “*dwell*” vision and brand is carried out, as is typical of asset manager and owners; and
- (iii) evaluate and manage capital improvement works at the assets of the trust, if required.

Mr. Leong Siew Fatt, our head of student accommodation business, will be responsible for overseeing the day-to-day operations of the accommodation manager and the six PBSA assets together with the joint venture partner. Please refer to the section headed “Directors and senior management” for the experience of Mr. Leong Siew Fatt.

As at the Latest Practicable Date, our proposed joint venture partner, which is headquartered in New York and Charlotte, had over six years of experience in managing student accommodation in 14 states in the USA including Connecticut, Texas and Alabama, and managed 24 student accommodation assets totalling approximately 11,000 beds.

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(e) *The six PBSA assets*

The assets, which are located in five states in the USA, including Auburn, Alabama; Tallahassee, Florida; Madison, Wisconsin; College Station, Texas; and New Haven, Connecticut, are quality student accommodation assets, supporting USA universities with good national rankings and sizable student populations as follows:

- (a) **The Towers on State** — the Towers on State is situated at 502 N. Frances Street, City of Madison, Wisconsin State, USA in the heart of Madison's lifestyle district and has a current capacity of 137 units with 231 beds. As of 31 December 2016, the Towers on State enjoyed high occupancy rate at 92.2% due to its close proximity to the University of Wisconsin Madison which is the flagship university in Wisconsin and which enrolls over 43,300 students annually.
- (b) **The Statesider** — The Statesider is situated at 505 N. Frances Street, City of Madison, Wisconsin State, USA, in the heart of Madison's lifestyle district, and has a current capacity of 78 units with 226 beds. As of 31 December 2016, the Statesider enjoyed occupancy rate at 58.5% (*Note*) due to its close proximity to the University of Wisconsin Madison which is the flagship university in Wisconsin and which enrolls over 43,300 students annually.
- (c) **Logan Square** — Logan Square is situated at 733 W. Glenn Avenue, City of Auburn, Alabama, USA, and has a current capacity of 356 units with 639 beds. As of 31 December 2016, Logan Square enjoyed high occupancy rate at 91.7% due to its close proximity to Auburn University which is home to approximately 28,000 students.
- (d) **Tenn Street** — Tenn Street is situated at 600 Dixie Drive, City of Tallahassee, Florida, USA and has a current capacity of 156 units with 624 beds. As of 31 December 2016, Tenn Street enjoyed high occupancy rate at 94.4% due to its proximity to Florida State University, Florida A&M University and Tallahassee Community College, with a total enrolment of at least 40,800, 9,000 and 12,500 students respectively.
- (e) **Stadium View** — Stadium View Apartments is situated at 400 Marion Pugh Drive, College Station, Texas, USA just across the road from Texas A&M University and in close proximity to the famous 102,000 capacity Kyle Field football stadium. It comprises 156 units with a total of 216 beds, with excellent communal facilities such as resort-style swimming pool, fitness centre and picnic area. As of 31 December 2016, Stadium View enjoyed high occupancy rate at 95.5% due to its proximity to Texas A&M University. Texas A&M University is the second largest university in the USA with an enrolment of 60,435 students as of Fall 2017. In the last four years, the university added an average of over 2,500 new students every year.
- (f) **College & Crown** — College & Crown is situated at 200 College Street, New Haven, Connecticut, USA. As of 31 December 2016, the Yale Asset enjoyed occupancy rate at 46.6% (as it had just commenced business in October 2015 and was in the process of ramping up) and as it is located within the core Yale District in the downtown New Haven submarket and is immediately proximate and walkable to the most desirable local

Note: The occupancy is calculated on twelve-month basis but the beds are leased out based on academic year of nine months only.

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shopping, entertainment and dining, as well as the New Haven Metro-North train station and major employers. It is also a central point connecting the New Haven central business district and Yale University to the Yale medical facilities, both private and public. It comprises 160 units with a total 204 beds, which is strategically located in close proximity to Yale University, a renowned Ivy League research university and the third oldest institution of higher education in the USA.

Based on information provided by the relevant sellers under the acquisition agreements:

- (a) the range of average rental rates charged per month per bed to the existing tenants of the abovementioned student accommodation assets for the year ended 31 December 2016 was approximately US\$420 to US\$1,770; and
- (b) each of the abovementioned six existing PBSA assets in the USA are profit making from operations. For the year ended 31 December 2016, the six PBSA assets generated an aggregate revenue of approximately US\$17.3 million and net operating income of approximately US\$9.5 million, respectively.

Financial impacts of the proposed acquisitions

On the assumption that our Group will acquire all of the abovementioned six existing PBSA assets in the USA through the investment fund with us acquiring up to a maximum of 30% interests in the investment fund upon completion, and based on information provided by the relevant sellers under the acquisition agreements:

- (a) the book value and the net tangible asset value of our Group's interest in these six existing PBSA assets in the USA is up to approximately US\$61.8 million (approximately S\$84.7 million);
- (b) the profit before income tax, minority interests and extraordinary items attributable to our Group's interest in these six existing PBSA assets in the USA is approximately US\$1.7 million (approximately S\$2.4 million) for the six months ended 30 June 2017;
- (c) the pro forma financial effects of the proposed acquisitions on the net tangible asset value per Share, the earnings per Share and the share capital of our Company as set out below are presented for illustrative purposes only and do not reflect the future financial position of our Group following the completion. The pro forma financial effects have been prepared based on the audited consolidated financial statements of our Group for the financial year ended 31 December 2016, being the most recently completed financial year and also assumes that our Company will only have a maximum 30% interest.

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(i) Net tangible asset value for the year ended 31 December 2016

Purely for illustrative purposes only and assuming that the proposed acquisitions of the six PBSA assets in the USA had been completed on 31 December 2016, being the end of the year ended 31 December 2016, the effect on the net tangible asset value per Share as at 31 December 2016 is as follows:

	<u>Before the proposed acquisition</u>	<u>After the proposed acquisition</u>
Net tangible asset (S\$'000)	390,742	390,742
Net tangible asset per Share (Singapore cents)	52.81	52.81

Note: Based on a total of 739,964,438 Shares (excluding treasury shares) as at 31 December 2016.

There is no impact on net tangible asset and net tangible asset per Share as at 31 December 2016 before and after the proposed acquisition because the decrease in cash arising from our contribution towards the investment fund is expected to be equivalent to the increase in our share of equity interest in the investment fund, which will be accounted for as an investment in an associated company using the equity method.

(ii) Earnings for the year ended 31 December 2016

Purely for illustrative purposes only and assuming that the proposed acquisitions of the six existing PBSA assets in the USA had been completed on 1 January 2016, being the beginning of the year ended 31 December 2016, the pro forma financial effects on the earnings per Share for the year ended 31 December 2016 is as follows:

	<u>Before the proposed acquisition</u>	<u>After the proposed acquisition</u>
Profit attributable to shareholders (S\$'000)	28,707	31,147
Weighted average number of Shares ('000)	743,342	743,342
Earnings per Share (Singapore cents)	3.86	4.19

Status of fund raising for the proposed acquisitions

As at the Latest Practicable Date, our Group (i) had entered into various indication of interests in writing with not less than six institutional investors or high net worth individuals who had indicated an interest to invest in the investment fund of up to US\$70 million; and (ii) had obtained funding support in writing from local financial institutions in the USA for the financing of the remaining purchase consideration of up to US\$128.0 million they were in the midst of conducting due diligence for approving the financing arrangements. However, as negotiations and finalisation of the documentation in relation to the investment by the investors were still ongoing, there were no binding agreements entered into with any interested investors and/or financial institutions regarding the proposed investment by the investors and funding for the remaining amount of the aggregate purchase consideration of approximately US\$128.0 million (or equivalent to approximately S\$175.4 million)

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as at the Latest Practicable Date. If we are able to obtain more investments by investors, we are flexible to take up lesser interest in the investment by having less than 30% interests.

3. Land bank for our accommodation business

Having built our strong portfolio of operational accommodation assets, we have been actively seeking opportunities to further grow our accommodation business. As at the Latest Practicable Date, we had a land bank consisting of six pieces of land as follows:

(a) Two development sites under construction

In August 2014, we acquired the Westlite Bukit Minyak Land in Penang, Malaysia from individual sellers who were Independent Third Parties, for the development of our workers accommodation. The relevant state authority's consent has been obtained in relation to the acquisition of land. We have obtained all necessary approvals from the relevant authority in Malaysia (including the building plan) prior to the commencement of construction. As at the Latest Practicable Date, the land was being developed into a PBWA asset comprising three blocks of 11-storey flatted workers' quarters and a single-storey detached facility building, which construction was still ongoing and was expected to be completed by June 2018. It will have a capacity of approximately 6,600 beds and our Group's accommodation portfolio is expected to grow to approximately 65,000 beds for workers accommodation business upon its completion. The aggregate estimated cost for the acquisition and development of Westlite Bukit Minyak Land is expected to be approximately S\$22.4 million, of which approximately S\$2.5 million is the acquisition cost of the land and approximately S\$19.9 million is the total estimated development cost. As at 30 June 2017, approximately S\$8.8 million of the acquisition and development costs had been incurred. As at the Latest Practicable Date, the land was free from encumbrances and we financed the land acquisition and construction through bank borrowing and internally generated funds. We have appointed a consultant for the design, build procurement, construction, completion and commissioning of the Westlite Bukit Minyak Land by way of an open tender. Construction and development costs are paid in instalments at different stages of construction according to the relevant construction contracts with contractors over the construction period of 22 months, with completion expected to take place by June 2018. We expect to pay total progress payments of approximately S\$12.5 million in the year ending 31 December 2017 and the balance in the amount of approximately S\$3.8 million in June 2018.

In June 2017, we acquired a development site at Rundle Street on the eastern side of Adelaide city centre, Adelaide, Australia from an Independent Third Party to be developed into a PBSA asset comprising 280 beds. The student accommodation on the site will be known as "dwell Adelaide" upon its completion in the fourth quarter of 2018 to cater for student intake for the 2019 academic year. The Australian Foreign Investment Review Board had no objection in respect of the acquisition. The aggregate estimated cost for the acquisition and development of dwell Adelaide is expected to be approximately S\$54.8 million, of which approximately S\$4.1 million is the acquisition cost of the site

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and approximately S\$50.7 million is the total estimated development cost. As at 30 June 2017, approximately S\$5.5 million of the land acquisition and construction deposit had been incurred. As at the Latest Practicable Date, the land was charged to the developer to secure the payment of the balance of the relevant construction costs. We intend to finance the remaining development costs in the year ending 31 December 2018 by bank borrowing, internal resources as well as the proceeds from the Share Offer. We have appointed a developer who is an Independent Third Party to develop the site over a period of 12 months, and expected to be completed by October 2018. We expect to pay balance of development costs of approximately S\$49.3 million in October 2018, being the expected practical completion date of the development. Coupled with the additional beds as a result of the asset enhancement programme at RMIT Village, our total student accommodation portfolio in Australia is expected to increase to approximately 900 beds ahead of the 2019 academic year.

(b) Other land bank for future development

Our Group would generally undertake a detailed feasibility study of the project, market study and due diligence before acquiring or developing a project site. These include a study of the economic condition of the area, demand and supply dynamics of the accommodation market, analysis of the site, the land use, planning guidelines, etc. As part of our due diligence, we conduct site visit to the land to be acquired for ground understanding of the site and conditions, engage in discussion with the relevant local government where applicable and engage professionals including architect and town planners on project designs and town planning matters. Preliminary design schemes, capacity and technical requirements are developed to derive at the approximate project costs. Target market size, prevailing market rental rates, staffing and other operational costs are also developed to determine the feasibility of a project before we acquire the project site. Despite the feasibility study, market study and due diligence conducted, our actual implementation of development may be affected by factors beyond our control such as the change in government policies, social or economic conditions. Please refer to section headed “Risk factors — IV. General risks relating to our Group — Our Group may be adversely affected by changes in the social, economic or political conditions locally or globally”.

Our Group presently owns three land sites for future development which have been fully paid and another land site under planning which has not been paid. Given that the land cost generally account for 10% to 20% of the total project cost and not significant in quantum, our Directors do not expect the holding of these lands as land bank for future potential development and business growth would affect our Group’s liquidity position. The development of these sites in the future will be prioritised among the projects and opportunities available to our Group at the relevant time and take into account the prevailing market conditions, planning parameter and costs before determining

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whether to develop these projects. Our Group has not developed these land bank due to various new circumstances that arose subsequent to the acquisitions other than any financial constraints of our Group. In any case, any plans to develop such projects in the future would be subject to the Board's approval.

Port Hedland at Western Australia

In September 2012, we acquired four plots of land totalling 4,434 sq.m. at the city centre of Port Hedland at Western Australia from three individual sellers, who were Independent Third Parties, at the total consideration of approximately S\$5.7 million for the development of workers/short stay accommodation. Payment for the consideration was funded by proceeds from our Company's compliance placements of 100,000,000 Shares at a placement price of S\$0.21 per Share for the purpose of, inter alia, meeting the shareholding spread and distribution requirements of the Singapore Listing Manual undertaken on 17 October 2011 after the Reverse Takeover. Port Hedland, located at approximately 1,600 km north of Perth, Australia is the major port that serves major iron ore and mineral producers for the Pilbara Region of Western Australia. The acquisition was in line with our Group's strategy to further expand into new overseas markets beyond that of Singapore and Malaysia.

Based on the study at the relevant time for the investment, our Group noted that (i) there was an acute shortage of accommodation for workers in the mining industry during the commodities boom; and (ii) there were significant investments by government and large corporations in infrastructure and production capacity. The initial plan was development of an accommodation with food and beverage outlets as well as leisure and business facilities to cater to the acute accommodation shortage for workers, business executives and visitors in the Pilbara region's mining industry. The use of the land is subject to rezoning approval pursuant to the Town of Port Hedland Local Planning Scheme No. 5 (Scheme). Pursuant to the Scheme, the zoning of the land is "Industry", which will be required to rezone the land to "Mixed Business" for use as short stay accommodation. This rezoning is subject to further approvals from the relevant authorities, including the Western Australia Planning Commission for ministerial consent.

We were aware of the zoning requirement at the time of acquiring the land in Port Hedland. However, the land had to be purchased before we could perform development planning and rezoning application for submission for approval. Pre-consultation for the rezoning and change of use were conducted with town planners and the Port Hedland Town Council before the land was purchased. However, at the relevant point in time, the Port Hedland Town Council was not aware that the Environmental Protection Authority will block or freeze the entire rezoning application process by Port Hedland Town Council. Accordingly, our application for rezoning of the land from industry use to "Mixed Business" and for use of short stay accommodation had been put on hold by the relevant authority subject to the relevant environmental studies on the use of the land being undertaken for accommodation purpose. The environmental issues concerning iron ore dust management apply to many residential projects, including ours, located in the entire Port Hedland town. While we could

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actively approach the town planners and appeal to the authorities in our rezoning application, our Directors consider it would be a costly and uncertain process given the latest market development. The commodity market, specifically the iron ore market has been suffering an unexpected cyclical downturn since our acquisition of the land, and the number of workers in Port Hedland have declined as a result. We understand that the town councils are still actively engaging the environmental authorities to allow its rezoning of lands for residential developments. In view of the above development, we intend to await the results of the rezoning process and monitor the commodities market before evaluating available options in respect of our land in Port Hedland. Accordingly, we had no immediate development schedule for the lands as at the Latest Practicable Date. The proceeds from the compliance placements as mentioned above was only applied towards the purchase consideration of the land and no further funds have been used since the project has not proceeded further.

As at the Latest Practicable Date, the Port Hedland land had a number of temporary stay containers (known as donga), which were leased to a tenant on a periodic basis for residential purpose and such usage was not conforming with the existing permitted land use. However, pursuant to paragraph 8.1(a) in Part VIII of the Scheme, no provision of the Scheme shall prevent the continued use of any land or building for the purpose for which it was lawfully used at the time of coming into force of the Scheme. Accordingly, the non-conformity with the “*Industry*” zoning is permitted if residential use of the land was permitted when the Scheme came into force and there has been “*continued*” residential use since then. Given that the land has been used for residential purpose for the past 20 years, our Australian Legal Adviser is of the view that it is quite possible that such an existing use right exists and hence the use of the land as residential is permitted. If in fact the use of the land as residential is not permitted, our Australian Legal Adviser is of the view that the likelihood of enforcement for breach (which could be in the form of ceasing the use of the land as residential purpose) is low. As at the Latest Practicable Date, the land was free from encumbrances.

Land in Bekasi Jakarta, Indonesia

In December 2013, we acquired a 7,220 sq.m. land in Bekasi, Indonesia from an individual seller who was an Independent Third Party. The land was acquired through sale and purchase transaction, evidenced by the Deed of Sale and Purchase No. 1109/2013 dated 30 December 2013 and the Indonesian National Land Agency has issued Certificate of Right to Build No. 4940/Lambang Sari as a validity of the land ownership. The purchase price of the land was approximately S\$0.9 million, which was financed through internally generated funds. The land is located in the eastern part of Jakarta in Bekasi District, which is approximately 30 km from Central Jakarta, Indonesia. The district comprises several industrial areas, including MM2100 Industrial Town, where there are multi-national companies operating businesses. Many of them are manufacturing based and are in need of accommodation services for their workers. The initial plan before acquisition was to develop the land comprising approximately 750 apartments units to house workers as well as middle-level executives working at nearby industrial parks. Based on the study at the relevant time for the investment, our

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Group noted that (i) the land acquisition provided us an opportunity to expand into workers accommodation in Indonesia which has a large source of migrant workers from other parts of Indonesia; (ii) the site is closed key industrial hubs of Jakarta with sizeable workers population; (iii) the adverse traffic conditions with long travel time support the operational model; and (iv) attractive projected returns. However, as this is the only suitable land site we have in Indonesia, it may not provide us the scale as compared to other geographical locations such as Malaysia or Australia. In view of (i) the small investment in the land site of approximately S\$0.9 million with very little holding cost; (ii) other lands in the area have appreciated in value significantly, there is no immediate need to develop the land in prioritization against our other development or acquisition opportunities that we wish to undertake. We are taking a prudent and cautionary approach to manage our cashflow by maintaining a balance between undertaking development projects and maintaining sufficient operational assets to generate income. Available financial resources of our Group are used wisely to maximise returns to our shareholders and we are cautious in avoiding unnecessary financial burdens to our Group by undertaking all development projects, which do not generate operating cashflow, at the same time. Our Group intends to reserve the site as our land bank for future development while we will continue to evaluate the best options for the development of the land before embarking on firm plans. Accordingly, as at the Latest Practicable Date, the land was free from encumbrances and was under evaluation for development into workers/short stay accommodation, we had no immediate development schedule for the land as at the Latest Practicable Date.

Westlite Nusajaya Land

In June 2014, our 49% owned associated company acquired the Westlite Nusajaya Land, in Johor, Malaysia from two individual sellers who were Independent Third Parties. It is a 30,174 sq.m. freehold land for the development of our workers accommodation. The land is located in Nusajaya district, one of the five flagship zones of Iskandar Malaysia and is in close proximity to several major industrial hubs. This location in Nusajaya region complements our Group's existing dormitories and development sites, as it allows us to expand footprint to the growing western corridor of Johor. Nusajaya is also the regional city with large scale developments, such as Puteri Harbour, Medini City and Educity. The initial plan was to develop the land into two workers' accommodations of approximately 5,000 beds. Based on the study at the relevant time for the investment, our Group noted that (i) Nusajaya is on the western side of Johor which we did not have a presence as at the Latest Practicable Date, and complements our spread of workers accommodation in Johor; (ii) leverage on existing operational platform to enjoy economies of scale in Johor to expand our capacity; (iii) strengthen our position as the market leader of workers accommodation provider in Malaysia; and (iv) attractive projected returns especially since we could leverage on our existing infrastructure. The relevant state authority's consent has been obtained in relation to the acquisition of land. The purchase price of the land was approximately S\$4.2 million, which was financed through bank borrowings and internally generated sources. As at the Latest Practicable Date, the land was charged to the bank pursuant to a registered charge. The land is designated for agriculture use as expressly stipulated in the title document. It is situated within an area zoned for residential uses under

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the local authority planning guidelines. We have submitted an application for approval of conversion of the land use from agriculture to industrial (with approved use as dormitory), and the Department of Town and Country Planning Johor has agreed in principle to change the property's zoning to industrial. The land is undergoing the formal process of conversion, which has taken a longer than expected time to complete. Due to the market conditions which include foreign workers quota and the weaker demand in Nusajaya and Johor and after taking into consideration the occupancy rates for our entire portfolio in Johor in Malaysia which are in excess of demand, we have prioritised by economic returns and strategic value against competing projects that our Group has for internal resources. Based on the present evaluation, we have no immediate development plan for the Westlite Nusajaya Land and hence it will be land bank after the conversion is completed. Accordingly, we had no immediate development schedule for the land as at the Latest Practicable Date.

Westlite Juru Land

In November 2014, we won an open tender for the Westlite Juru Land in Penang, Malaysia, from Penang Development Corporation, the development arm of the state government of Penang, to develop the land into a PBWA asset within 18 months from the date of full payment of purchase price of the land. It is a 26,709 sq.m. land with tenure of 99 years. The site is strategically located at Juru in Central District of Province Wellesley, Penang, in close proximity to major industrial parks, catering primarily to Penang's foreign workers in the manufacturing and services industries. The proposed development is a workers village with a capacity of approximately 12,000 beds with recreation facilities and amenities designed for community living to cater to Penang's foreign workers. The potential development of the worker village is planned to be carried out in two phases with the construction of 6,000 beds in each phases. Relevant authority's consent will be required to be obtained in relation to the acquisition of land, which will be applied upon the issuance of the land title. In June 2017, we have obtained the planning permission. As at 30 June 2017, we have incurred a total sum of approximately S\$1.9 million comprising the deposit paid for the land acquisition of approximately S\$1.4 million and professional fees of approximately S\$0.5 million for preparation of the open tender including but not limited to the design and planning of the Westlite Juru Land. The Company has financed such payment by internally generated fund. The balance of purchase price for the land acquisition amounting to approximately S\$2.2 million (being approximately RM6.7 million) is to be paid within 30 days (i) after objections from owners of the neighbouring land are being resolved or withdrawn; or (ii) upon expiry of six months after Westlite Juru obtaining the planning permission if the objections from owners of the neighbouring land remain unresolved but Westlite Juru decides to proceed with the purchase of the Westlite Juru Land. Given that there were certain unresolved objections from owners of neighbouring land, completion of acquisition was still pending as at the Latest Practicable Date and payment of the balance of the purchase price has yet to be made. As at the Latest Practicable Date, we were waiting for the date of the hearing of objections from the owners of the neighbouring land and the whole process, including the hearing and final decision made by the relevant authority, is expected to take about six months. Our Group will adopt a prudent approach and will only proceed with the acquisition of the Westlite Juru Land should the relevant

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authority dismisses the objections from the owners of the neighboring land. In the event that the decision is not in our Group's favour and the objections are upheld, the conditions precedent to the relevant purchase agreement will not be met and we will not proceed with the acquisition as our proposed development cannot be undertaken as planned. Accordingly, we had no immediate development schedule for the land as at the Latest Practicable Date.

Effects on our liquidity issues

Our Company will continue to monitor market conditions and take into account, among others, demand and supply, development costs, latest planning development, our liquidity position and resources, before determining our course of action in respect of the lands pending development. Detailed feasibility study will be undertaken and submit for approval by the Board before commencing development of any of the land sites.

In any case, the acquisition cost of the above mentioned development lands are not high in quantum relative to our Group's assets. For example, the acquisition price of Port Hedland was approximately S\$5.7 million; Bekasi Land was approximately S\$0.9 million and Nusajaya Land was approximately S\$4.2 million and we have not paid for Westlite Juru Land yet as at the Latest Practicable Date. Moreover, there are no debt borrowings on these lands except for Nusajaya Land which has a small loan of approximately S\$2.7 million. Hence the holding costs of these land sites are not significant and will not affect our Group's liquidity position.

B. Optical disc business

Prior to completion of the Reverse Takeover, our Company was known as SM Summit Holdings Limited. We started our business of manufacturing and sale of duplication of audio cassette tapes and other audio related products in March 1984. Our Company was first listed on Sesdaq of SGX-ST on 26 January 1995 and subsequently transferred to the main board of SGX-ST in October 1998.

Over the years, our optical disc business evolved together with the market's technology requirements, advancing into the manufacture and sale of CDs, DVDs and related storage products, and grew our regional presence with manufacturing plants in Singapore, Malaysia, Indonesia, Australia and the PRC. However, the demand for physical optical disc products has fallen over time due to the advent of the internet, mobile and cloud storage devices. In view of the challenging environment, our Group has gradually divested and ran off the business by downsizing its manufacturing capacity and operations to match its decreasing demand. We divested our Malaysia investment in the manufacturing of optical disc in September 2005 and ceased our manufacturing operations in the PRC in December 2011. During the Track Record Period, our Group also divested our Australian manufacturing operations and shut down our Indonesia manufacturing plant in April 2014 and December 2015 respectively. As at the Latest Practicable Date, our Group only engaged in the manufacture and replication of compact discs, data storage products and related components in

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Singapore through our wholly-owned subsidiary, Summit CD Manufacture. Our optical disc products consist of CDs or DVDs with written text, audio or visual contents of our clients such as annual reports, software, music or video contents. Our customers are generally Singapore listed companies, local churches, music companies and multimedia companies. As at the Latest Practicable Date, we had a total of 11 employees for the optical disc business.

For the three years ended 31 December 2016 and the six months ended 30 June 2017, our total revenue from the optical disc business was approximately S\$8.0 million, S\$5.1 million, S\$2.2 million and S\$0.9 million, respectively, representing approximately 9.5%, 4.8%, 1.8% and 1.3% of our total revenue, respectively. We do not expect significant contributions from the optical disc business going forward.

Production facilities

As at the Latest Practicable Date, we had a small-scale production plant in Singapore with a total gross floor area of approximately 600 sq.m., which houses our three production lines and for inventory storage.

Production capacity

As at the Latest Practicable Date, our Group had a total of two CD electric injection moulding machines and one DVD twin electric injection moulding machines with a designed capacity of approximately 1.9 million pieces per month of optical disc units.

Given the divestment of our optical disc production plants in Australia and Indonesia in April 2014 and December 2015, it is not meaningful to include their historic production capacities. The following table sets out a summary of our Group's historic and existing key production and support facilities, the production capacities and utilisation rates of our Group's two CD and one DVD twin electric injection moulding machines for manufacturing of optical disc units for the periods indicated in respect of our plant in Singapore only.

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Production capacity of six electric injection moulding machines

	For the year ended 31 December			For the six months ended 30 June
	2014	2015	2016	2017
	No. of electric injection moulding machines ^(note 1)	6	6	6
Designed annual production capacity (pieces in million) ^(note 2)	46.7	46.7	46.8	23.4
Actual production volume (pieces in million)	9.5	6.7	3.9	1.9
Utilisation rate (%)	20.2	14.2	8.4	8.0

Notes:

1. Electric injection moulding machines are for replicating digital content into the CDs or DVDs.
2. The designed annual production capacity of our Group's production facilities during the Track Record Period is calculated by aggregating the maximum output per day for the CD or DVD electric injection moulding machines and the actual number of working days for each year during the Track Record Period.

The utilisation rates of our Group's production capacity in Singapore for optical disc throughout the Track Record Period was decreasing as we adjusted our overall production facilities and operations of optical disc according to the actual sales orders received. Our Directors are of the view that the existing facilities in Singapore are adequate to meet our Group's needs in the next few years.

Pricing policy

We have a fixed price list for our three different products, being 120 mm CDs, DVD5 and DVD9. We will adjust the sales price according to sales volume requested by our customers with a minimum order of 300 pieces per order. During the Track Record Period, we have not experienced any significant fluctuations in raw materials that required us to revise the sales price.

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The following table shows the range of sales price for our Group's products for the local market in Singapore during the Track Record Period:

	For the year ended 31 December			For the six months ended 30 June
	2014	2015	2016	2017
	S\$	S\$	S\$	S\$
CD (per piece)	0.32 to 1.65	0.37 to 1.75	0.37 to 1.75	0.37 to 1.85
DVD 5 (per piece)	0.45 to 2.30	0.50 to 2.40	0.50 to 2.40	0.50 to 2.40
DVD 9 (per piece)	0.60 to 3.45	0.65 to 3.45	0.65 to 3.45	0.65 to 3.45

We will also charge packaging charge of jewel box of S\$0.45 per unit or DVD box of S\$0.55, and delivery charges of S\$30 per trip.

The following table shows the range of sales price for our Group's products for export market during the Track Record Period:

	For the year ended 31 December			For the six months ended 30 June
	2014	2015	2016	2017
	US\$	US\$	US\$	US\$
CD (per piece)	0.17 to 0.25	0.19 to 0.27	0.18 to 0.25	0.26 to 0.40
DVD 5 (per piece)	0.29 to 0.34	0.31 to 0.36	0.28 to 0.34	0.35 to 0.50
DVD 9 (per piece)	0.35 to 0.40	0.38 to 0.43	0.34 to 0.41	0.45 to 0.60

We will also charge packaging charge of jewel box of US\$0.30 per unit or DVD box of US\$0.35.

Payment terms

Our Group's optical disc customers are generally granted an average credit period of 30 days. New customers are required to pay in full in cash upon delivery of the products ordered.

Seasonality

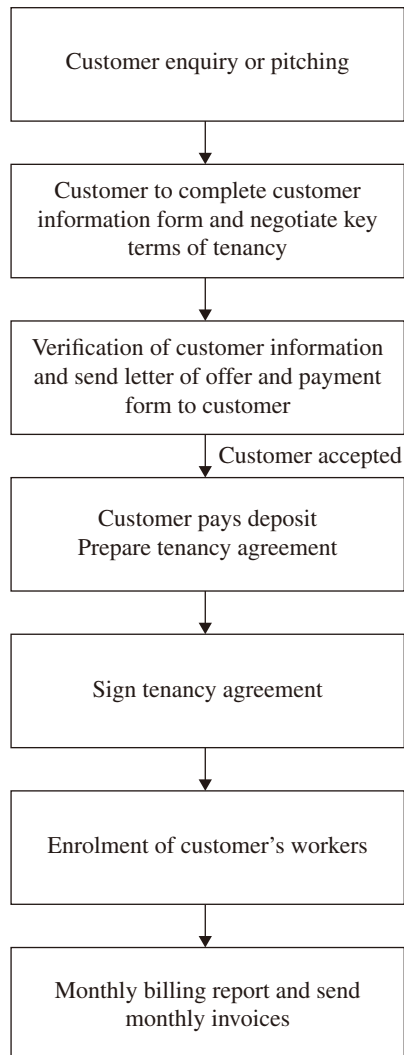
Our optical disc business is subject to seasonal fluctuation. During the Track Record Period, we generally recorded relatively high monthly revenue in March due to seasonal demand for replication of CDs containing financial reports for our customers who are listed companies. We generally experience lower sales in July, November to December.

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PROCEDURES OF OUR BUSINESS OPERATIONS

A. Operational procedures of our workers accommodation business

The following chart sets out the workflow and key stages of our workers accommodation business operations, including handling of customer enquiry, customer verification, formulation of letter of offer, entering into binding tenancy agreements and billing process:



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Customer enquiry and customer verification

We have a team of 24 sales and marketing staff to handle potential customers' enquiries on availability of rooms by walk-in, telephone calls, e-mails or internet. Our sales representatives will also proactively approach potential customers through various means such as cold calls and mailing of marketing materials, with the objective of securing customers. If there are no rooms available at required workers accommodation asset, the customer will be put on waiting list. The customer service officer will update the wait-list in our system on a routine basis. If there are rooms available, our sales representatives will contact the potential customers, who shall complete a customer information sheet. The customer information sheet will be sent to the accounts department for verification and the potential customers will be registered in our system and assigned with a customer code. If the terms offered are below our standard, approval will be sought from our group's sales manager or chief operating officer. The sales representative will then input the agreed terms into our inhouse developed dormitory management system where a standard letter of offer will be generated and together with relevant payment form will be sent to the customers. The Unit will be reserved for the customer in the dormitory management system and the potential customer shall revert and accept within 3 days from the date of the letter of offer. If the letter of offer is accepted by the potential customers and rental deposit has been received by our Group, we will proceed with preparation of the tenancy agreement via our dormitory management system. Otherwise, our sales representatives will contact the potential customers, and if no responses are received, the process will end at this stage and the letter of offer will be cancelled and the Unit will be released from reservation in our dormitory management system.

Entering into binding tenancy agreements

Following from the first stage, our sales team will generate our Group's standard tenancy agreement, where a standard template is resided in our dormitory management system, which incorporates agreed key terms as set out in the signed letter of offer. Our accounts department will update the summary deposit schedule for rental deposit received. Our customers will sign the tenancy agreements once all terms are agreed upon, and the relevant tenancy agreements will be stamped within the prescribed period, if required under the laws of the relevant jurisdiction. We will then proceed to enrol the customers' workers into our workers accommodation prior to adding the workers to reside as residents.

Monthly billing

Rental are billed one month in advance. Our sales representatives will generate monthly billing report from our dormitory management system throughout the duration of the tenancy, which report will be reviewed by dormitory manager and the accounts department. Once the billing report is verified, our accounts department will raise and send invoices to our customers before the 20th of the month. Otherwise, the billing report which cannot be verified will be sent for reconciliation.

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Renewal

Our lease management officer will identify customers whose existing lease will expire in three months' time from our rental listing. Our dormitory manager will evaluate the renewal based on their track record of payment and other factors before deciding whether to offer them a renewal. If our dormitory manager considers that renewal should not be offered for any reasons such as bad record of payment, units poorly maintained, workers posing disciplinary problems, un-cooperative human resource staff, an official letter will be given to them to notify them of the tenancy expiry.

If renewal is to be offered, a letter to customer detailing the Unit offered, revised rental involved and letter of acceptance will be sent to the customer. The customer is given seven days to exercise the option to renew tenancy. If the customer does not accept the offer, a letter will be sent to them to surrender the Unit on the expiry date.

Expiry and early termination

Upon expiry of the tenancy agreement, the outgoing tenants shall hand over all keys and a joint inspection will be conducted to ensure all fittings and fixtures in the Unit are properly accounted for. Outgoing tenants will be required to sign a form acknowledging the missing fixtures and fittings and repairs. Charges levied for pest control, cleaning, painting and washing shall be tabulated. After that, such form will be given to the accounts department for processing of refund of deposit after all charges payable are deducted from the deposit. If the balance in the deposit is insufficient to cover the cost of repairs, our accounts department shall raise invoice to recover the short-fall from tenant.

Our tenancy agreements do not provide for early termination as this practice is not encouraged. Therefore, tenant is obliged to pay rental for the whole tenancy period even if it is terminated prematurely. Early termination is allowed only on goodwill basis if the tenant has valid reasons and there are available tenants on the waiting list. In such instances, the outgoing tenant shall pay rental until the day before the new tenant moves in. An administrative pre-termination charge shall be imposed. The terms and conditions relating to pre-termination shall be made known to outgoing tenant before management agrees to accept pre-termination.

Crisis management

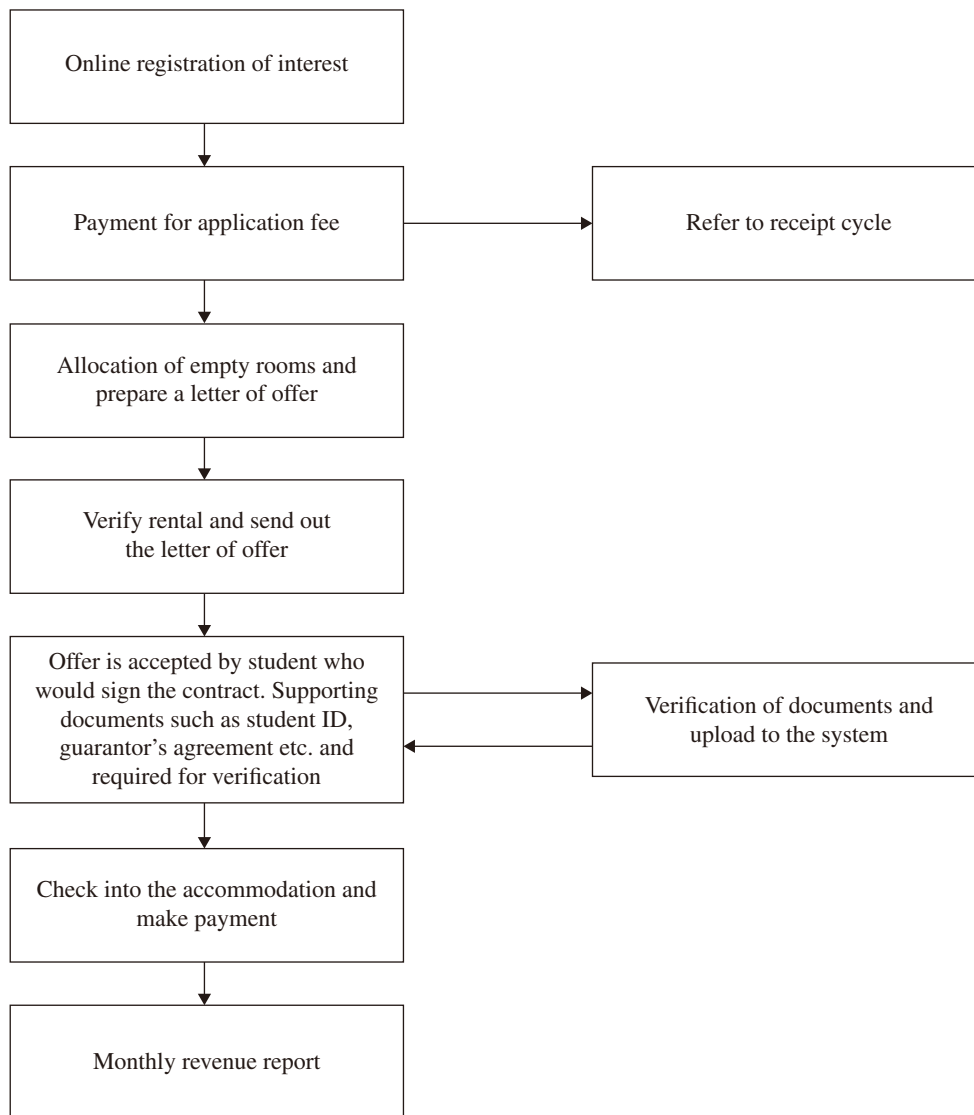
We have a set of standard operating procedures in times of crisis. We have identified a number of crisis scenarios such as fighting, rioting, fire, pandemic, infectious diseases and terrorism, which can be broadly categorised into four main groups, namely, property management, tenant relations, communications and corporate failures. We have set up a crisis management team to enable our staff to promptly notify us when a crisis occurs, which also serve as a central command centre during a crisis. The crisis management team will comprise senior management of our Company and the function heads of the relevant departments. Depending on the nature and severity of the crisis, the

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committee will then designate a member of the crisis management team to be the main point of contact and will put together a team of relevant personnel to aid in the support, preparation and monitoring of the crisis. The crisis management team will ensure that crisis management processes are in place and that all other employees are aware of the teams' existence, role and the members of the team. The team meets regularly to review existing policy and procedures in relation to crisis management issues. A crisis that is classified as level 4 emergency will require high level of attention from the crisis management team and the senior management team.

B. Operational procedures of our student accommodation business

The following chart sets out the workflow and key stages of our student accommodation business operations, including handling of students' applications for rooms, formulation of letter of offer, entering into binding contracts and billing process.



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Students' application for rooms

We have maintained a website interface that rides on the StarRez system where students can register their residential accommodation interest online by filing the application form. The interested students will then make payment for application fee and the StarRez system will be updated automatically upon successful payment. Our sales representatives will handle students' applications and will allocate available room/beds to the students and prepare an invitation letter by email. While the room rental rates are fixed in the StarRez system, our sales representatives will verify the rate to ensure their accuracy before sending out the invitation letter.

Entering into binding tenancy agreement

If the offer is accepted by the students, the students will proceed to sign the tenancy agreement. They must send supporting documents including but not limited to student identification card and guarantor's agreement to our enrolment team for verification. Such documents will be uploaded onto the StarRez system. Students will then proceed to check into the relevant student accommodation of their choice on commencement date. Students will make payment by cash or cheque or electronic transfers in accordance with their payment plans.

Monthly report

Monthly revenue report is generated from the StarRez system and checked against the master room listing. Our accounts department will review these and record the revenue for the month.

Renewal

We generally call our existing tenants at our student accommodation at the end of each academic year to establish if they would renew the tenancy. Once the renewed tenancy is entered into, the tenants will make payment in the same manner as the original tenancy agreement in accordance with their payment plans.

Expiry or early termination

Upon expiry of the tenancy agreement, a joint inspection will be conducted together with the outgoing tenant to ensure all fittings, fixtures and chattels in the unit are properly accounted for. Charges can be levied for missing and damaged items. After that, refund of deposit will be processed after all charges payable are deducted from the deposit.

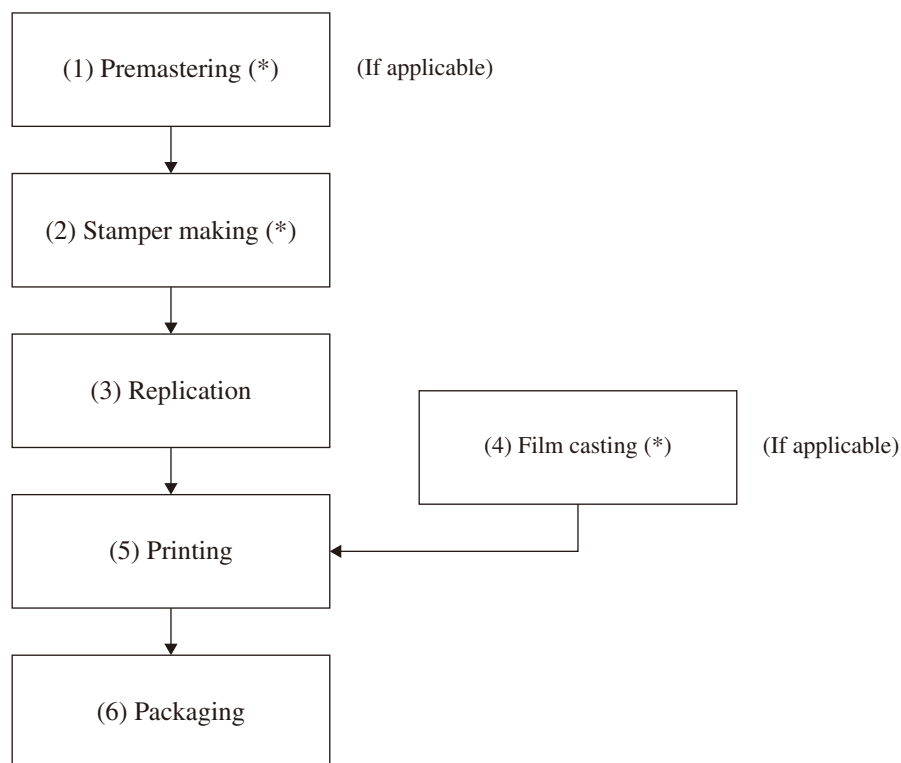
Any tenant who wishes to vacate the premises before the end of the term of tenancy is required to give us written notice of such intention and may be subject to charge for costs that may be incurred by us as a result of the early termination.

C. Operational procedures of our optical disc business operations

1. Production process and planning

Once a request for quotation for an optical disc product is received from our customers, we will prepare a quotation. After the quotation is accepted by a customer and a project is awarded to our Group, our Group will receive a CDR or DVDR master containing the content from our customers. Depending of the size of the order, our Group may need to produce pre-production samples for its customer's approval before mass production.

The diagram below illustrates the major steps involved in the production process for our Group's optical disc products, which can be broadly categorised into six stages: (i) premastering (which we outsource to external suppliers if customer requires this service); (ii) stamper making (which we outsource); (iii) replication; (iv) film casting (which we outsource to external suppliers if customer requires this service); (v) CD face printing; and (vi) packaging.



Note:

* *Outsourcing to external suppliers*

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Production

The production of optical discs comprises two main stages. The initial stage relates to the production of glass masters which are then converted into stampers. For the second stage, the stampers are fitted into the injection moulding machine (within the replication line) for pressing to replicate the transparent discs. This is followed by the sputtering, lacquering and scanning processes to produce the optical discs. The final product is then packed after labels are printed.

Pre-mastering/Video editing and encoding

Optical discs audio pre-mastering involves the reading of source material track-by-track onto the systems hard disk after editing and equalisation which is carried out by the sound engineer in the master room. Tracks can be shortened, extended with pauses, split-up into pieces and placed in a different sequence. Following the editing, the tracks can be written onto a CDR for mastering. Similarly, for video content, editing, menu creation and encoding are carried out by engineers to ensure the content are written onto a DVDR master.

Stamper making

A stamper is made from the master CDR or DVDR. We outsource the stamper making process to an Independent Third Party external service provider.

Replication

The replication process, which is fully automated, is the process whereby raw materials, namely polycarbonate, are moulded under high temperature and impressed onto the stamper to replicate the transparent discs. The transparent circular discs are then sputtered with a thin aluminium film to reflect playback laser beams. To protect the disc from dust, scratches and environmental conditions, UV cured lacquer is spin coated onto the disc surface. Every single disc is checked for pin holes, black spots, stains and scratches by the scanner. The production of the optical discs from the moulding to scanning for physical aspects of the optical discs takes place in a class 10,000 cleanroom ambience. The whole replication process is handled by robotic components within each replication line, meaning there is no manual handling of the discs and this removes the opportunity for mix ups and damages. Random optical disc quality inspection is then performed to ensure that the optical disc quality is within acceptable specifications before proceeding to the label printing process.

Film casting

We outsource the film casting process to an Independent Third Party external service provider.

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Printing

The customers will provide the design to us and we will then print them on the discs according to their requirements. The offset printing machine can print multi-colour images close to the printer proof, thus improving the print quality and enhancing the cosmetic quality of optical discs.

Packaging

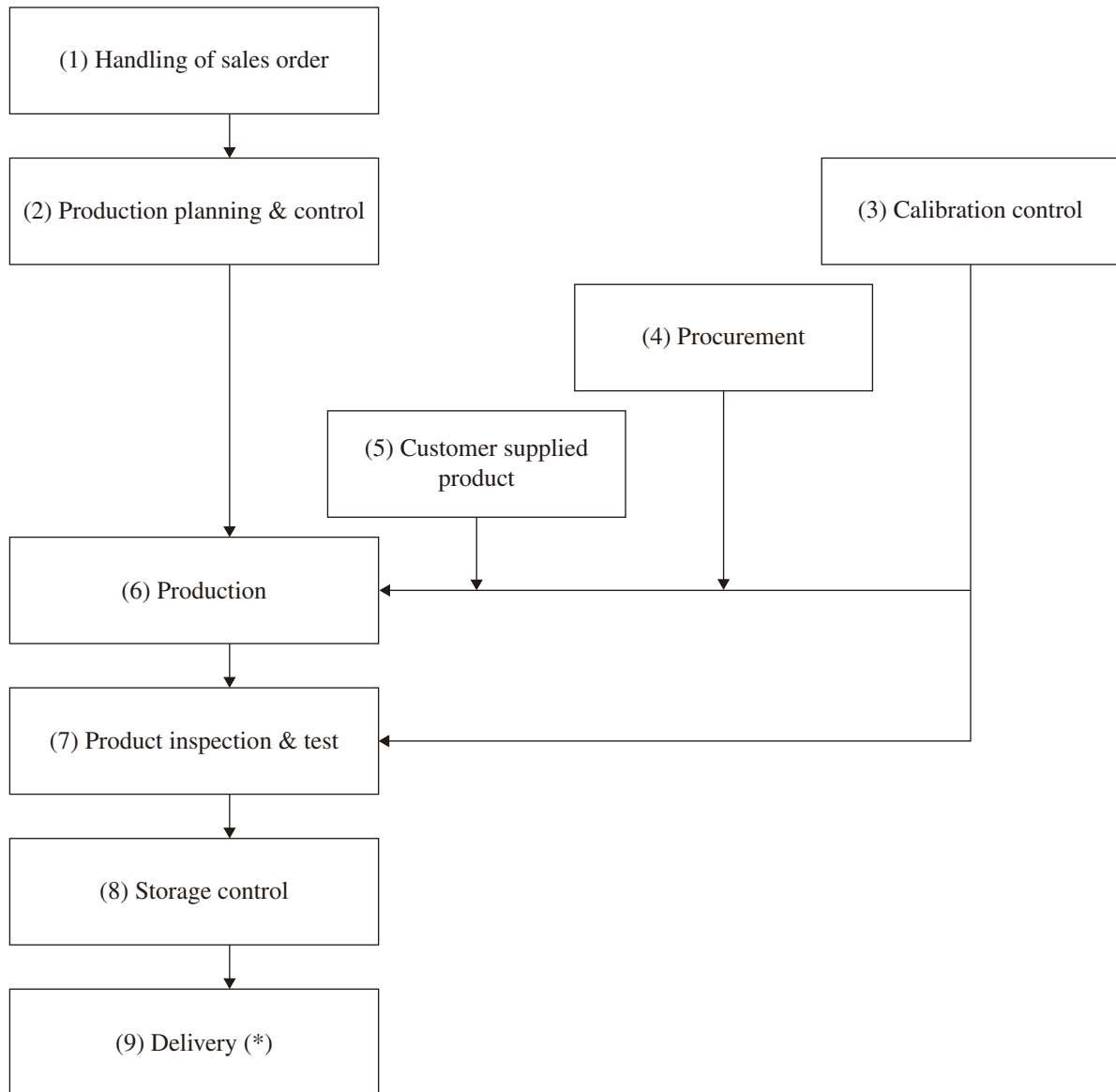
This is the final stage of the manufacturing process whereby optical discs, together with the printed inlays provided by the customers, are packed in jewel boxes by a fully automated packaging machine. This enables us to reduce labour costs associated with disc packaging.

2. *Product sale process*

After a quotation is accepted by our customers, we will conduct searches to check the background of the customers. We will then require the customer to sign a letter of indemnity in our favour to indemnify us and our employees, agents and representatives fully and effectively against any actions, suits, claims, demands, proceedings, governmental prosecutions, losses, damages, compensations, sums of money, costs, etc., arising out of or in relation to or by reason of us being instructed by our customers to test, use, replicate or mass produce any or all of the stampers, CDs, audio CDs, video CDs, CD-ROMs, DVDs, Card-CDs, shaped design CDs, CD-ROM software and any other computer, program or information. Once sales orders have been confirmed and approved, all data relating to such sales orders, such as quantity, production specifications and delivery date, will be entered into our Group's ERP system. It generally takes around five to seven working days from receipt of all required materials for us to deliver the finished products.

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The following chart sets out the workflow and key stages of our optical disc business operations, including placing of orders by our customers, manufacturing and delivery of products to our customers:



Note:

* *Outsourcing to external suppliers if necessary*

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MAIN QUALIFICATIONS, LICENCES AND CERTIFICATIONS

During the Track Record Period, our Group is primarily engaged in the accommodation business in Singapore, the United Kingdom, Australia and Malaysia and the optical disc business in Singapore, Australia and Indonesia. Our Group has divested our Australian optical disc business in 2014 and shut down our Indonesia operations in 2015. Save as disclosed in the paragraph headed “Regulatory non-compliance” in this section, our Directors confirmed that our Group has obtained all relevant licences, permits or qualification for its businesses in those jurisdictions during the Track Record Period.

We set out below the relevant licences, permits or qualifications that our Group has obtained throughout the Track Record Period and up to the Latest Practicable Date:

A. Licences, permits or qualifications

1. Accommodation business

Relevant authority/ organisation	Relevant list/ category	Qualification/ Licence/Grading	Obtained by	Date of grant/ registration	Date of expiry
Singapore					
MOM	Licence to operate a foreign employee dormitory under FEDA	Licence to operate the foreign employee dormitory named Tuas Lodge 1	Westlite Tuas	30 April 2017	29 January 2018
MOM	Licence to operate a foreign employee dormitory under FEDA	Licence to operate the foreign employee dormitory named Westlite Woodlands Dormitory	Westlite Woodlands	2 August 2016	1 August 2019
MOM	Licence to operate a foreign employee dormitory under FEDA	Licence to operate the foreign employee dormitory named Westlite Dormitory Toh Guan	Westlite Toh Guan	17 November 2016	16 November 2019

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Relevant authority/organisation	Relevant list/category	Qualification/Licence/Grading	Obtained by	Date of grant/registration	Date of expiry
MOM	Licence to operate a foreign employee dormitory under FEDA	Licence to operate the foreign employee dormitory named Centurion-Lian Beng Papan	Centurion-Lian Beng Papan	21 November 2016	20 November 2019
MOM	Licence to operate a foreign employee dormitory under FEDA	Licence to operate the foreign employee dormitory named Westlite Mandai Dormitory	Westlite Mandai	16 February 2017	15 February 2020

Relevant authority/organisation	Relevant list/category	Qualification/Licence/Grading	Obtained by	Date of grant/registration	Date of expiry
United Kingdom					
Liverpool City Council	Section 64 Housing Act, 2004	House in Multiple Occupation Licence	Centurion Student Services (UK) Ltd.	22 September 2016	21 September 2017 <i>(Note)</i>

Note: This licence has expired. Our Group has applied for the renewal and the Liverpool City Council has confirmed that the licence will be renewed and will come into force from the date of expiry of the current/previous licence. The Liverpool City Council also confirmed that Centurion Student Services (UK) Ltd. is not in breach of any regulations by continuing to let the properties during the renewal process.

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2. *Optical disc business in Singapore*

Relevant authority/ organisation	Relevant list/ category	Qualification/ Licence/Grading	Obtained by	Date of existing licence	Date of expiry
Singapore					
Registrar of Optical Discs, Singapore	Manufacture of Optical Disc Act	Manufacture of optical disc	Summit CD Manufacture	27 January 2015	26 January 2020
Pollution Control Department of National Environment Agency	Environmental Protection and Management Act	Licence to import, store and sell hazardous substances	Summit CD Manufacture	7 April 2017	6 April 2018
Media Development Authority	Films Act	Film (Distribution/ Exhibition) Licence	Summit CD Manufacture	1 October 2016	30 September 2019
Singapore Civil Defence Force	Fire Safety Act	Petroleum and Flammable Materials Storage Licence	Our Company	1 November 2016	31 October 2018

Our Group will renew all existing licences, permits and qualifications before their respective expiry dates. Our Directors confirmed that we have not experienced any material impediment in renewing the licences, permits and qualifications necessary for our operations during the Track Record Period and up to the Latest Practicable Date.

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B. Certifications

We have also obtained certain certifications with respect to quality management. The relevant certifications which we have obtained during the Track Record Period and up to the Latest Practicable Date are set forth in the following table:

1. Accommodation business

Relevant authority/ organisation	Relevant list/ category	Qualification/ Licence/Grading	Obtained by	Date of expiry
Singapore				
Lloyd's Register Quality Assurance Limited	Management of dormitory for foreign workers	ISO 9001: 2008	Westlite Tuas	11 June 2018
Intertek Certificate Limited	Provision of management services to foreign worker's dormitory	ISO 9001: 2008	Westlite Toh Guan	5 January 2019
Intertek Certificate Limited	Provision of management services to foreign worker's dormitory	ISO 9001: 2008	Westlite Mandai	9 February 2018
Malaysia				
Intertek Group Plc	Provision of management services to foreign worker's dormitory	ISO 9001: 2008	Westlite Dormitory Management Sdn. Bhd. (Note)	14 September 2018
United Kingdom				
Accreditation Network UK	—	The National Code of Standards for Larger Student Development 2017	dwel Beechwood House	31 January 2018

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Relevant authority/ organisation	Relevant list/ category	Qualification/ Licence/Grading	Obtained by	Date of expiry
Accreditation Network UK	—	The National Code of Standards for Larger Student Development 2017	dwel Cathedral Campus	31 January 2018
Accreditation Network UK	—	The National Code of Standards for Larger Student Development 2017	dwel Garth Heads	31 January 2018
Accreditation Network UK	—	The National Code of Standards for Larger Student Development 2017	dwel Hotwells House	31 January 2018
Accreditation Network UK	—	The National Code of Standards for Larger Student Development 2017	dwel Manchester Student Village	31 January 2018
Accreditation Network UK	—	The National Code of Standards for Larger Student Development 2017	dwel Manchester Student Village South	31 January 2018
Accreditation Network UK	—	The National Code of Standards for Larger Student Development 2017	dwel The Grafton	31 January 2018
Accreditation Network UK	—	The National Code of Standards for Larger Student Development 2017	dwel Weston Court	31 January 2018

Note: Such ISO 9001:2008 is applicable to all seven workers accommodation assets in Malaysia.

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The validity of the above certificates is subject to the continuing satisfactory operation of the relevant holder's management system. Our Directors confirmed that they are not aware of any circumstances that would significantly hinder or delay the renewal of these certifications.

PROPERTY INTERESTS

The Property Valuer, Knight Frank Petty Limited, an independent property valuer, has valued our Group's property interests and is of the opinion that the market value of our Group's property interests (including land and buildings) as of 30 September 2017 was approximately S\$960.0 million (excluding property interests held by the associated companies) on the basis that our Group has property with a total site area of approximately 284,002 sq.m..

In forming the opinions in the Property Valuation Report, the Property Valuer has adopted various approaches, among others, as follows:

- Property interests held by our Group for (i) investment in Australia and Malaysia; (ii) owner occupation in Malaysia; (iii) future development in Malaysia; and (iv) leasing by our Group for investment under long lease in Malaysia — investment approach by capitalising the rental income derived from the existing tenancies, where applicable, with due provision for the reversionary income potential of the property interests and direct comparison method by making reference to comparable sale transactions as available in the relevant market where applicable;
- Property interests held by our Group for investment in the United Kingdom, Singapore and the PRC — investment approach by capitalising the rental income derived from the existing tenancies, where applicable, with due provision for the reversionary income potential of the property interests; and
- Property interests held by our Group for investment, owner occupation and future development in Indonesia — direct comparison method by making reference to comparable sale transactions as available in the relevant market where applicable.

The key assumptions adopted by the Property Valuer in preparation of the Property Valuation Report included but not limited to the following:

- the property interests of our Group are not subject to any unusual or onerous covenants, restrictions, encumbrances or outgoings;
- no allowance has been made in the Property Valuation Report for any charges, mortgages or amounts owing on the property interests nor for any expenses or taxation which may be incurred in effecting the sale;

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- the information provided by our Company to the Property Valuer is complete and correct;
- the properties were in satisfactory exterior and interior decorative order without any unauthorised extension or structural alternations or illegal uses as at the valuation date; and
- the properties interests were constructed, occupied and used in full compliance with, and without contravention of any ordinances, statutory requirements and notices except otherwise stated.

The full text of Knight Frank Petty Limited’s letter, summary of valuation and valuation certificate regarding such property interests are set out in the section headed “Property valuation report” as set out in Appendix III to this prospectus.

Leased properties

As at the Latest Practicable Date, in addition to the property interests which we leased and form our accommodation asset portfolio, the details of which are set out in the paragraph headed “Our accommodation asset portfolio” in this section, we rented our headquarter office details of which are as follows:

Address	Leased area (sq.m.)	Monthly rent (approx.)	Tenure
45 Ubi Road 1 #04-01/02 and #05-01/02 Singapore 408696	1,184.50 and 1,182.50	Rent: S\$18,230 and S\$18,200 Service charge: S\$3,450 and S\$3,440	3 years (15 November 2016 — 14 November 2019) subject to renewal for a further 3 years period

Owned properties

As at the Latest Practicable Date, we owned the following properties (which do not form part of our accommodation asset portfolio):

Address	Usage	Monthly rent paid by tenant	Tenure of tenancy	Deposit paid by tenant
PRC Units 4 and 5, No. 558 Gangye Road, Xiaokunshan Town, Songjiang District, Shanghai, PRC	Warehouse and office leased to Independent Third Party	RMB86,270	17 June 2016 to 31 January 2018	RMB85,940

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Address	Usage	Monthly rent paid by tenant	Tenure of tenancy	Deposit paid by tenant
Malaysia				
No. 17, Jalan Ekoperniagaan 1/23, Taman Ekoperniagaan, 81100 Johor Bahru, Johor, Malaysia	Self use as office and warehouse	—	—	—
Indonesia				
Royal Palace C.15, Jalan Prof. Dr. Soepomo, SH No. 178 A, Rukun Tetangga/Rukun Warga/Kelurahan Mentang Dalam, Kecamatan, Jakarta Selatan, Indonesia	Marketing office	—	—	—
Industry factory at MM2100 Industrial Town J1., Bali Blok H1-1, Cibitung Bekasi 17520, Indonesia	Factory compound	—	—	—

Shanghai Huade Pholoelectron Science & Technology Co. Ltd. (“**Shanghai Huade**”), our indirect subsidiary in the PRC, as landlord of our property located at Units 4 and 5, No. 558 Gangye Road, Xiaokunshan Town, Songjiang District, Shanghai, the PRC, did not make the required registration of the tenancy agreement with the local government department in accordance with the Administrative Measures for Commodity House Leasing (《商品房屋租賃管理辦法》). In June 2017, Shanghai Huade made an enquiry to the local authority and was informed that the registration of the tenancy could only be completed after the expiry of the current tenancy agreement, which will end in January 2018. As advised by our PRC legal advisers, the non-registration of the tenancy agreement would not affect the enforceability of the tenancy agreement and there will not be any administrative penalty imposed on Shanghai Huade for such non-registration under the relevant law and regulation of the PRC.

For details of our accommodation asset portfolio, please refer to the paragraph headed “Property interest — Summary information of our accommodation assets” in this section.

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Our accommodation asset portfolio

As at the Latest Practicable Date, our accommodation asset portfolio (including the proposed acquisitions in the USA where completion was pending) by location and use is as follows:

Country	Workers accommodation assets	Student accommodation assets
Singapore	5 ^(Note)	1
United Kingdom		
Manchester	—	5
Liverpool	—	1
Newcastle	—	1
Bristol	—	1
Australia		
Melbourne, Victoria	—	1
Adelaide, South Australia	—	1 (under construction)
Port Hedland, Western Australia	1 (subject to rezoning approval into a workers/short stay accommodation)	—
United States of America		
Wisconsin State	—	2 (pending completion of acquisition)
Alabama	—	1 (pending completion of acquisition)
Florida	—	1 (pending completion of acquisition)
Texas	—	1 (pending completion of acquisition)
Connecticut	—	1 (pending completion of acquisition)
Malaysia		
Johor	7 (including Westlite Desa Cemerlang which ceased operation in January 2017) 1 (Westlite Nusajaya Land is undergoing land use conversion)	—
Penang	1 (Westlite Bukit Minyak Land under construction) 1 (Westlite Juru Land pending completion of land acquisition)	—
Indonesia		
Bekasi, Jakarta	1 (under evaluation for development into a workers/short stay accommodation)	—
Total	17	17

Note: Included Westlite Tuas Accommodation which lease will expire on 30 January 2018.

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Set out below is an analysis of our Group's portfolio of operating accommodation assets in terms of investment cost incurred, payback and breakeven periods, weighted average occupancy rate, weighted average rental rate per bed, revenue and profit contribution and operating yield by country of operations:

(1) Workers accommodation assets

	Singapore	Malaysia
(i) Investment cost incurred as at 30 June 2017 (S\$'000)	580,047.7	47,568.1
(ii) Payback period	Year 4 to 12	Year 9 to 18
(iii) Breakeven period	Year 1	Year 1 to 3
(iv) Weighted average occupancy rate (approximately)		
Year ended 31 December 2014	89.8%	85.2%
Year ended 31 December 2015	85.9%	82.9%
Year ended 31 December 2016	83.9%	65.8%
Six months ended 30 June 2017	93.9%	76.7%
(v) Weighted average rental rate per bed (per month) (approximately)		
Year ended 31 December 2014	S\$285	S\$33
Year ended 31 December 2015	S\$273	S\$35
Year ended 31 December 2016	S\$277	S\$33
Six months ended 30 June 2017	S\$274	S\$33
(vi) Revenue contribution (S\$'000)		
Year ended 31 December 2014	56,159.8	5,749.6
Year ended 31 December 2015	64,478.2	7,620.0
Year ended 31 December 2016	78,876.5	6,947.0
Six months ended 30 June 2017	48,050.5	3,761.5

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	Singapore	Malaysia
(vii) Net profit for core business (S\$'000)*		
Year ended 31 December 2014	25,229.4	1,681.2
Year ended 31 December 2015	30,326.7	2,875.0
Year ended 31 December 2016	33,555.5	1,718.4
Six months ended 30 June 2017	24,186.6	953.2
 (viii) Operating yield		
During Track Record Period	12.4%–23.7%	4.6%–8.6%

* included allocated headquarter expenses.

The weighted average occupancy rate for the workers accommodation assets in Singapore decreased from approximately 89.8% to 85.9% and then to 83.9% and increased to approximately 93.9% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. This was mainly due to the ramping up of the Westlite Woodlands Accommodation and the ASPRI-Westlite Papan Accommodation which commenced operations in the year ended 31 December 2015 and the year ended 31 December 2016, respectively.

The weighted average occupancy rate for the workers accommodation assets in Malaysia decreased from approximately 85.2% to 82.9% and then to 65.8% and increased to approximately 76.7% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. This was mainly due to the decrease in resident workers population of our workers accommodation assets for the same period as a result of Malaysia government's policies in freezing the intake of foreign workers to Malaysia and relaxing this policy towards the end of 2016.

During the Track Record Period, Westlite Woodlands Accommodation, Westlite Papan Accommodation, Westlite Tampoi Accommodation and Westlite Senai II Accommodation recorded a loss in their initial ramp up period. Both Westlite Woodlands Accommodation and Westlite Tampoi Accommodation had turned around since the year ended 31 December 2015 while Westlite Senai II Accommodation and Westlite Papan Accommodation had turned around in the year ended 31 December 2016 and the first quarter of 2017, respectively.

Westlite Tebrau Accommodation was loss making since the year ended 31 December 2016 mainly due to the refurbishment works which had taken place in the fourth quarter 2016. As at the Latest Practicable Date, we had entered into new tenancies with some clients and the occupancy rate of Westlite Tebrau Accommodation was approximately 72.6%. It recorded breakeven since August 2017.

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Westlite Desa Camerlang Accommodation was losing making in the year ended 31 December 2016 due to the reduction in demand from our customers in the vicinity resulting from the change in surrounding area from a manufacturing area to a residential cum commercial area. As part of our asset rationalisation exercise, Westlite Desa Camerlang Accommodation ceased operations in January 2017 and the property was held for sale as at the Latest Practicable Date.

(2) Student accommodation assets

	Singapore	Australia	United Kingdom
(i) Investment cost incurred as at 30 June 2017 (S\$'000)	2,225.4	75,940.5	182,899.2
(ii) Payback period	Year 8	Year 14	Year 10 to 13
(iii) Breakeven period	Year 3	Year 1	Year 1
(iv) Weighted average occupancy rate (approximately)			
Year ended 31 December 2014	—	100.0%	99.6%
Year ended 31 December 2015	30.9%	100.0%	99.1%
Year ended 31 December 2016	79.0%	99.3%	98.4%
Six months ended 30 June 2017	90.2%	100.0%*	95.3%
(v) Weighted average rental rate per bed (per week) (approximately)			
Year ended 31 December 2014	—	S\$336	S\$200
Year ended 31 December 2015	S\$118	S\$315	S\$204
Year ended 31 December 2016	S\$179	S\$345	S\$197
Six months ended 30 June 2017	S\$179	S\$369	S\$197
(vi) Revenue contribution (S\$'000)			
Year ended 31 December 2014	—	8,108.0	6,442.8
Year ended 31 December 2015	321.8	7,731.6	19,321.0
Year ended 31 December 2016	3,176.0	8,502.4	20,597.6
Six months ended 30 June 2017	1,792.3	4,215.1	12,528.7

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	Singapore	Australia	United Kingdom
(vii) Net profit for core business**			
Year ended 31 December 2014	—	1,802.4	2,270.5
Year ended 31 December 2015	(1,441.5)	1,025.2	2,504.2
Year ended 31 December 2016	(311.3)	1,334.3	2,174.7
Six months ended 30 June 2017	(50.4)	389.3	2,749.0
(viii) Operating yield			
During Track Record Period	(161.7)%–9.9%	5.2%–7.8%	6.3%–8.9%

* Based on available beds after the closure of 29 beds for the asset enhancement programme of the RMIT Village which would add up to 160 new beds upon completion in the fourth quarter of 2018.

** Included allocated headquarter expenses.

The weighted occupancy rate of dwell Selegie was lower in the year ended 31 December 2015 due to the initial start-up and ramping up of the occupancy as it only commenced operations in September 2015. From the year ended 31 December 2016 onwards, dwell Selegie had entered into a number of agreements with local academic institutions and there was an increase in walk-in students. Therefore, the occupancy rate has increased significantly.

With the improved occupancy rate, dwell Selegie started to charge higher rental rate starting from year 2016. Therefore, the weighted average rental per bed per week has increased significantly. The weighted average rental per bed of the United Kingdom assets for the year ended 31 December 2016 and six months ended 30 June 2017 has reduced due to the lower exchange rate.

The revenue and net profit of the Australian assets reduced for the six months ended 30 June 2017 mainly due to the two months of summer holidays as well as the closure of some units in RMIT Village to prepare for the refurbishment/asset enhancement initiative works to be carried out.

Net profit of the United Kingdom assets reduced for the year ended 31 December 2016 mainly due to the devaluation of British Pounds as well as the loss from the Braemar Portfolio. Braemar Portfolio was acquired in July 2016 and it comprised of four months of revenue and six months of cost as it started its operation during the summer holidays.

dwell Selegie was loss making during its initial ramp up period for the two years ended 31 December 2016. We expect it will turn around in the year ending 31 December 2018.

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For the student accommodation assets in Singapore, due to the ramping up of the occupancy of dwell Selegie which commenced operation in September 2015, the operating yield was in deficit. However, the operating yield improved as occupancy rate reached approximately 90.2% for the six months ended 30 June 2017.

As at the Latest Practicable Date, there were two properties in Malaysia currently being used by our Group as workers accommodation, which usage was inconsistent with the express conditions as stated in their issue documents of title. Details are as follows:

- The express conditions in the issue document of title of Westlite Tampoi Accommodation requires it to be used as a site for light industry for the purpose of electronic/plastic industry and other related use; and
- The express conditions in the issue document of title of Westlite Tebrau Accommodation requires it to be used for medium industrial purpose. This is a piece of land leased by our Group pursuant to a lease registered with the relevant land registry.

Any breaches of title condition as stated above may cause the properties to be liable to forfeiture by the relevant state authority in Malaysia, unless the land administrator elects to impose a fine (and rectification of the breaches) or require the breach (which is capable of being remedied) to be remedied.

In March 2013, we have obtained the relevant land authority's approval to vary the express condition to include the usage of land for workers' dormitory purposes. However, such approval has lapsed in June 2013 for failure to pay due registration fee. We had made application to the relevant land office to recertify the approval for the variation of the express condition in the issue documents of the title of Westlite Tampoi Accommodation. Notwithstanding the application for recertification, we have been informed by the relevant land office that a fresh application for variation of express condition will have to be submitted. As at the Latest Practicable Date, our appointed surveyor has submitted the fresh application to the relevant land office in August 2017. In October 2017, we have obtained a written confirmation from the relevant authority that it has no objection in principle against the application. Our legal advisers as to Malaysia law are of the view that there would be limited impediment in obtaining such an approval once the fresh application for variation of express condition is made. Once the application is approved and all conditions as may be imposed by the authority are fulfilled, we are advised by our legal advisers as to Malaysia law that it is unlikely that our relevant subsidiary in Malaysia will be penalised or fined by the relevant authority for such breach.

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As for the Westlite Tebrau Accommodation, we have received a letter from the lessor in which it reiterated that it has no objection for Westlite Tebrau to build workers' dormitory on the Tebrau Land. The lessor has further undertaken to render all necessary assistance to Westlite Tebrau in its application to the State Authority for the variation of the express condition of the Tebrau Land and to respond, reply and attend to any query raised by the State Authority or other relevant authority in relation to the existing usage of the property. As at the Latest Practicable Date, we have appointed a licensed surveyor to prepare the necessary application for the variation of the express condition in the issue document of title of Westlite Tebrau Accommodation. As advised by our legal advisers as to Malaysia law, it is unlikely that the land will be forfeited to the state authority in view of the lessor's agreement to assist in the application for variation of express condition of the property.

GFA information

The following table sets forth the GFA of the workers and student accommodation assets as of 31 December 2014, 2015 and 2016 and 30 June 2017:

	As of 31 December			As of 30 June
	2014	2015	2016	2017
	<i>sq.m.</i>	<i>sq.m.</i>	<i>sq.m.</i>	<i>sq.m.</i>
Total GFA available for workers accommodation				
— dormitories	142,469	178,084	236,592	236,592
— commercial space within the workers accommodation	2,292	3,053	8,598	8,598
Sub-total	198,772	256,079	329,823	329,823
Total GFA available for student accommodation				
— dormitories	53,775	58,143	71,540	71,540
— commercial space within the student accommodation	3,068	4,164	3,248	3,248
Sub-total	71,689	77,214	91,535	91,535
Total	270,461	333,293	421,358	421,358

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Occupancy rate

The table below sets forth the weighted average occupancy rates of our workers and student accommodation assets as well as the relevant information for calculating the weighted average occupancy rates for the three years ended 31 December 2016 and the six months ended 30 June 2017:

	For the year ended 31 December			For the six months ended 30 June
	2014	2015	2016	2017
Workers accommodation				
Weighted average number of beds leased out per month	27,673	34,637	38,541	44,904
Weighted average bed capacity per month	31,552	41,007	51,496	52,202
Occupancy rate (approximately) ^(Note)	87.7%	84.5%	74.9%	86.0%
Student accommodation				
Weighted average number of beds leased out per week	2,345	2,436	3,097	3,078
Weighted average bed capacity per week	2,352	2,672	3,208	3,226
Occupancy rate (approximately) ^(Note)	99.7%	91.2%	96.6%	95.4%

Note: Calculated as the weighted average number of beds leased out to our customers divided by the weighted average number of beds available in our (i) workers accommodation in the Track Record Period; or (ii) student accommodation in the Track Record Period, as the case may be. Westlite Mandai Accommodation which is owned by our associated company is excluded from calculation of the occupancy rate.

(a) Workers accommodation assets

The weighted average occupancy rate for the workers accommodation assets in Singapore decreased from approximately 89.8% to 85.9%, to 83.9% and increased to 93.9% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively mainly due to the ramping up of Westlite Woodlands Accommodation and ASPRI-Westlite Papan Accommodation which commenced operations in 2015 and 2016, respectively. The weighted average occupancy rate for the workers accommodation assets in Malaysia decreased from approximately 85.2% to 82.9%, to 65.8% and increased to 76.7% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively mainly due to the decrease in resident workers population of our workers accommodation assets for the same period as a result of Malaysian government's policies in freezing the intake of foreign workers to Malaysia.

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The overall weighted average occupancy rate for the workers accommodation decreased from approximately 87.7% to 84.5%, to 74.9% and subsequently increased to 86.0% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. There was an increase in the weighted average number of beds leased out per month from 27,673 to 34,637, to 38,540 and to 44,904 for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively due to our expansion in total bed capacity and our ability to maintain a high occupancy rate during the same period.

(b) Student accommodation assets

The weighted average occupancy rate for the student accommodation assets in the United Kingdom decreased from approximately 99.6% to 99.1% and then to 98.4% and to 95.3% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. The decrease in the weighted average occupancy rate for student accommodation for the year ended 31 December 2016 and the six months ended 30 June 2017 was mainly attributable to (i) the additional new Braemar Portfolio acquired in July 2016; and (ii) decreased in occupancy in dwell Garth Heads from 80% in the year ended 31 December 2016 to 47.3% for the six months ended 30 June 2017 due to most of the short term tenancies have expired prior January 2017. The weighted average occupancy rate for the student accommodation assets in Australia has remained constant as close to full occupancy during the Track Record Period. The weighted average occupancy rates for the student accommodation asset in Singapore increased from nil, to 30.9%, to 79.0% and to 90.2% for three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. It is mainly due to the ramping up of its occupancy since commencement of operations in September 2015.

The overall weighted average occupancy rate for the student accommodation decreased from approximately 99.7% to 91.2%, increased to approximately 96.6%, and slightly decreased to approximately 95.4% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. There was an increase in the weighted average number of beds leased out per month from 2,345 to 2,436, to 3,097 and to 3,078 for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively due to our expansion in total bed capacity and our ability to maintain a high occupancy.

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Summary information of our accommodation assets

We set out below summaries of our accommodation assets under operation and land bank for our accommodation business in Singapore, Malaysia, Australia, Indonesia and United Kingdom as at the Latest Practicable Date:

1. Accommodation assets under operation

Singapore

(1) Leased properties

Name/Location	Our Group's stake (%)	Date of commencement of operation	Rental cost	Land tenure/ Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
Westlite Tuas Accommodation	100	29 February 2012	For the year ended 31 December 2014 — approximately S\$1.9 million	1 May 2011 to 29 April 2017,	40,349/ 55,995	8,600
90 Tuas South Avenue 9, Singapore			For the year ended 31 December 2015 — approximately S\$2.0 million	further renewed for 9 months		
			For the year ended 31 December 2016 — approximately S\$2.0 million	(1 May 2017 to 30 January 2018)		
			For the six months ended 30 June 2017 — approximately S\$1.1 million			
dwell Selegie	100	2 September 2015	For the year ended 31 December 2014 — Nil	5 June 2015 to 4 June 2018	4,408/ 5,405	332
1A Short Street, Singapore			For the year ended 31 December 2015 — approximately S\$1.5 million			
			For the year ended 31 December 2016 — approximately S\$2.6 million			
			For the six months ended 30 June 2017 — approximately S\$1.3 million			

For Westlite Tuas Accommodation, there is no provision under the sub-tenancy agreement dated 8 May 2017 entered into with the Building and Construction Authority of Singapore which provides a right to us to renew the tenancy upon the expiry of its current term. Accordingly, the lease will expire upon the expiry date on 30 January 2018. On 1 November 2017, our Company announced that the relevant authorities in Singapore have not granted further extension of the lease as the site is needed for redevelopment. Accordingly, the tenancy agreement for Westlite Tuas Accommodation will expire on 30 January 2018 and we are in the process of making arrangements to move our

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residents to other workers dormitories owned by us as well as to a pre-arranged dormitory nearby with available bed capacity. As at the Latest Practicable Date, we were working with the relevant authorities on the reinstatement and return of the land by 30 January 2018. We intend to only lease our workers accommodation up to such date shortly before the expiry of such tenancy by exercising our rights to terminate under the tenancy agreements without compensation and the workers residing there will be given a notification to surrender their units and move out before the expiry of the tenancy. We will exclude 8,600 beds from our total workers accommodation portfolio of 34,700 beds in Singapore and we estimate there will be a loss of revenue to our Group. During the year ended 31 December 2016, the revenue generated from the tenancy of Westlite Tuas Accommodation amounted to approximately S\$27.6 million which accounted for approximately 22.9% of the revenue of our Group or approximately S\$2.6 million in net profit which accounted for approximately 7.4% of our Group's profit from continuing operations respectively. During the year ended 31 December 2016, our cashflow from operating activities generated from Westlite Tuas Accommodation was approximately S\$14.4 million, representing approximately 20.7% of our Group's total cashflow from operating activities. Westlite Tuas Accommodation has always been carried at fair value based on independent valuation report. The investment property of Westlite Tuas Accommodation has been fair valued as zero as at 31 December 2016. The intangible asset recognised on the favourable lease agreement and the plant and equipment of Westlite Tuas Accommodation are currently being amortised and depreciated throughout the lease period and will be fully amortised and depreciated on or before the lease period ends on 30 January 2018. As a result, our Directors confirmed that there will be no carrying value on the balance sheet by January 2018 and hence no write-off of Westlite Tuas Accommodation as a result of the non-renewal of the tenancy.

For dwell Selegie, according to the tenancy agreement dated 5 June 2015 with the Government of the Republic of Singapore in relation to dwell Selegie, our Group as tenant has the right to request for renewal of the tenancy for a further term of three years by serving a written request to the landlord of not less than 10 months before the end of the current lease term, and the landlord may, at its sole discretion, agree to grant our Group a tenancy for such further term from the end of the term at such rent and terms and conditions (including a provision for a final term of two years) to be agreed between the parties. In August 2017, we had written to the landlord to renew such tenancy, which if renewed, the term of the tenancy will be extended to 4 June 2021 (and can be further extended to 4 June 2023). As at the Latest Practicable Date, we had not received any reply from the landlord. Given that we have a contractual right to renew the tenancy, and there has been no breach of the tenancy agreement by our Group since the commencement of the tenancy with dwell Selegie has been operating in compliance with the applicable laws and regulations since its operation commencement in September 2015, our Directors are confident that the current tenancy will be renewed and we are not aware of any impediment to such renewal. Nonetheless, in the event that the tenancy is not renewed, we will exclude 332 beds from our total student accommodation portfolio in Singapore and we estimate there will be a loss of revenue. During the year ended 31 December 2016, the revenue generated from tenancy of dwell Selegie amounted to approximately S\$3.2 million which accounted for approximately 2.6% of the revenue of our Group and it recorded a loss of approximately S\$0.5 million for the year ended 31 December 2016.

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Accordingly, the loss in revenue of Westlite Tuas Accommodation and/or dwell Selegie may have a significant impact on the financial performance of our Group. Please refer to the paragraph headed “Risk factors — There is no assurance that our Group would be able to renew the leases to our accommodation assets at all or on similar commercial terms” in this prospectus for details of the relevant risk if the current tenancies of Westlite Tuas Accommodation and dwell Selegie are not renewed.

(2) Owned properties

Name/Location	Our Group's stake (%) (approx.)	Date of commencement of operation	Rental cost	Land tenure/ Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
Westlite Woodlands Accommodation 2 Woodlands, Sector 2, Singapore	100	10 July 2015	Nil	30 years (22 November 2013 — 21 November 2043)	9,542/ 28,626	4,100
ASPRI-Westlite Papan Accommodation 5/5C/5D Jalan Papan, Singapore	51	25 May 2016	For the year ended 31 December 2014 — Nil For the year ended 31 December 2015 — Nil For the year ended 31 December 2016 — approximately S\$1.2 million For the six months ended 30 June 2017 — approximately S\$1.0 million	1 January 2015 to 31 December 2037	14,817/ 50,378	7,900
Westlite Toh Guan Accommodation 14 to 28 (Even No.) Toh Guan Road East, Singapore	100	1 August 2011	Nil	60 years leasehold commencing from 1 December 1997	11,685/ 37,371	7,800
Westlite Mandai Accommodation 32/34/36 Mandai Estate, Singapore	45	14 March 2013	Nil	Estate in perpetuity	11,265/ 29,056	6,300

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As advised by our legal advisers as to Singapore law, temporary occupation permits and/or certificates of statutory completion must be issued before a property can be occupied in Singapore. We have obtained such certificates of statutory completion for the Westlite Woodlands Accommodation on 10 January 2017, the ASPRI-Westlite Papan Accommodation on 17 October 2016, the Westlite Toh Guan Accommodation on 29 September 2005 and the Westlite Mandai Accommodation on 28 March 2014. As such, as advised by our legal advisers as to Singapore law, these accommodation assets can be legally occupied. Our legal advisers as to Singapore law also confirmed that our Group has obtained the requisite licences to legally operate these accommodation assets as a foreign employee dormitory.

United Kingdom

Name/Location	Our Group's stake (%)	Date of commencement of operation	Rental cost	Land tenure/ Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
dwel Manchester Student Village Lower Chatham Street, Manchester, M1 5SX, United Kingdom	100	2 September 2014	Nil	Freehold	4,500/28,182	1,017
dwel Manchester Student Village South 357A Great Western Street, Manchester, M144AH, United Kingdom	100	2 September 2014	Nil	Freehold	6,300/9,869	355
dwel The Grafton 60 Grafton Street, Manchester, M13 9NU, United Kingdom	100	2 September 2014	Nil	Freehold	880/4,444	145

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Name/Location	Our Group's stake (%)	Date of commencement of operation	Rental cost	Land tenure/ Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
dwel Beechwood House 9-11 Ladybarn Lane, Fallowfield, Manchester, M14 6NQ, United Kingdom	100	1 July 2016	For the year ended 31 December 2014 — Nil For the year ended 31 December 2015 — Nil For the year ended 31 December 2016 — approximately S\$2,600 For the six months ended 30 June 2017 — approximately S\$3,500	125 years leasehold (1 July 2016 — 1 March 2134)	1,700/1,195	37
dwel Weston Court 45-47 Cromwell Range, Fallowfield, Manchester M14 6HH, United Kingdom	100	1 July 2016	For the year ended 31 December 2014 — Nil For the year ended 31 December 2015 — Nil For the year ended 31 December 2016 — approximately S\$9,400 For the six months ended 30 June 2017 — approximately S\$8,800	125 years leasehold (1 July 2016 — 1 March 2134)	3,700/2,874	140
dwel Cathedral Campus 1 Dean Patey Court, Cathedral Gate, Off Upper Duke Street, Liverpool, L1 7BT, United Kingdom	100	2 September 2014	Nil	250 years leasehold (1 September 2014 — on 5 February 2257)	16,400/8,852	384
dwel Garth Heads Melbourne Street, Newcastle upon Tyne NE1 2SE, United Kingdom	100	1 July 2016	Nil	125 years leasehold (13 October 1995 — 12 October 2120)	2,000/4,936	185

BUSINESS

Name/Location	Our Group's stake (%)	Date of commencement of operation	Rental cost	Land tenure/ Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
dwel Hotwells	100	1 July 2016	For the year ended 31 December 2014	125 years leasehold	2,400/4,628	157
House			— Nil	(1 July 2016 —		
192-216, Hotwell Road, Bristol			For the year ended 31 December 2015	25 May 2134)		
			— Nil			
BS8 4UR, United Kingdom			For the year ended 31 December 2016			
			— approximately S\$10,600			
			For the six months ended 30 June 2017			
			— approximately S\$9,900			

Australia

Name/Location	Our Group's stake (%)	Date of commencement of operation	Rental cost	Land tenure/ Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
RMIT Village	100	10 February 2014	Nil	Freehold	6,206/ 15,109	456
5-17 Flemington Road, North Melbourne, Victoria 3051, Australia						

BUSINESS

Malaysia

(1) Leased properties

Name/Location	Our Group's stake (%)	Date of commencement of operation	Rental cost	Land tenure/ Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
Westlite Tebrau Accommodation PLO 250, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor, Malaysia	100	13 February 2012	Nil	48 years 8 months and 7 days (1 February 2000 — 31 January 2060)	5,718/ 13,093	2,100

(2) Owned properties

Name/Location	Our Group's stake (%)	Date of commencement of operation	Rental cost	Land tenure/ Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
Westlite Johor Technology Park Accommodation PLO 46, Jalan Teknologi 5, Taman Teknologi Johor, 81400 Senai, Johor, Malaysia	100	23 July 2012	Nil	99 years leasehold (23 April 2013 — 22 April 2112)	14,314/ 33,300	5,800

BUSINESS

Name/Location	Our Group's stake (%)	Date of commencement of operation	Rental cost	Land tenure/ Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
Westlite Desa Cemerlang Accommodation (ceased operation in January 2017) Lot 2152, Batu 13 1/4, Jalan Sungai Tiram 81800 Ulu Tiram, Johor, Malaysia	100	12 April 2012	Nil	Freehold	15,555/ 6,297	—
Westlite Pasir Gudang Accommodation Lot Nos. 72–73, Jalan Tembusu, Taman Air Biru, 81700 Pasir Gudang, Johor, Malaysia	100	10 November 2012	Nil	99 years leasehold (3 November 1986 — 2 November 2085)	8,391/ 8,703	2,000
Westlite Senai Accommodation Lot 6212, Taman Perindustrian Senai, Mukim Senai, Daerah Kulaijaya, Johor Darul Takzim, Malaysia	100	17 September 2013	Nil	Freehold	20,310/ 14,958	2,600

BUSINESS

Name/Location	Our Group's stake (%)	Date of commencement of operation	Rental cost	Land tenure/ Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
Westlite Senai II Accommodation Lot 6214, Taman Perindustrian Senai, Mukim Senai, Daerah Kulajaya, Johor Darul Takzim, Malaysia	100	3 January 2016	Nil	Freehold	19,071/ 23,366	5,900
Westlite Tampoi Accommodation No. 6, Jalan Bayu, Taman Perindustrian Tampoi Jaya, 81200 Johor Bahru, Johor Darul Takzim, Malaysia	100	25 February 2015	Nil	Freehold	28,328/ 28,328	5,300

BUSINESS

2. Land bank for our accommodation business

Owned properties

Malaysia

Name/Location	Our Group's stake (%)	Land tenure/Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
Westlite Nusajaya Land Lot No. 1108 Mukim of Jeram Batu, District of Pontion, Johor, Malaysia	49	Freehold	30,174/N/A	—
Westlite Bukit Minyak Land Jalan Sri Tambun 1, 14100 Simpang Ampat, Penang, Malaysia	100	Freehold	17,900/ 39,603	—
Westlite Juru Land Jalan Juru, Mukim 13, Seberang Perai, Tengah, Bukit Mertajam, Penang, Malaysia <i>(Note)</i>	100	99 years (since 2014)	26,709/ 37,471	—

Australia

Name/Location	Our Group's stake (%)	Land tenure/Lease term	Land area/ GFA (sq.m.)	Current capacity Number of beds (approx.)
Project Port Hedland Lot 465, 466, 470 & 471, 44–46 Anderson Street, Port Hedland, Western Australia	100	Freehold	4,434/299	N/A

BUSINESS

Name/Location	Our Group's stake (%)	Land tenure/Lease term	Land area/ GFA (sq.m.)	Current capacity
				Number of beds (approx.)
dwell Adelaide 12–18 Synagogue Place, Adelaide, SA5000, Australia	100	Freehold	597/0	N/A

Indonesia

Name/Location	Our Group's stake (%)	Land tenure/Lease term	Land area/ GFA (sq.m.)	Current capacity
				Number of beds (approx.)
Land in Bekasi Jakarta, Indonesia JI Wareng Kali Jambe Lambang Sari Village, sub-district of Tambun Bekasi, West Java, Jakarta, Indonesia	100	30 years (since 2013)	7,220/0	—

Note: Completion of acquisition of the Westlite Juru Land was still pending as at the Latest Practicable Date.

CUSTOMERS

Our customers in our workers accommodation business mainly comprise companies engaged in various industries, including the construction, marine, engineering, services, oil and gas and manufacturing industries in Singapore and Malaysia. For the three years as at 31 December 2016 and the six months ended 30 June 2017, we had approximately 650, 820, 1,010 and 940 corporate customers respectively for our workers accommodation business with revenue contributions to us. For our student accommodation business, we have a wide and diversified customer base and our customers are mainly students in the United Kingdom, Australia, China and Southeast Asia. For the three years as at 31 December 2016 and the six months ended 30 June 2017, we had approximately 2,350, 2,380, 2,880 and 2,850 student respectively residing in our student accommodation with revenue contributions to us.

BUSINESS

The following table sets forth a breakdown of the revenue of our workers accommodation business by the business sectors of the corporate customers (being companies which were the employers of the workers residing at our workers accommodation assets and excluding commercial tenants who rented the commercial spaces at our workers and students accommodation assets for business operations) during the Track Record Period:

	For the year ended 31 December						For the six months ended 30 June	
	2014		2015		2016		2017	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Construction	38,399	64.1	42,734	61.3	44,988	54.8	23,786	48.1
Marine	5,150	8.6	7,772	11.2	11,154	13.6	5,487	11.1
Engineering	4,240	7.1	4,374	6.3	4,937	6.0	1,953	4.0
Oil and gas	4,841	8.1	4,592	6.6	8,809	10.7	11,364	23.0
Services	1,547	2.6	1,539	2.2	4,112	5.1	2,374	4.8
Manufacturing	3,886	6.5	5,980	8.6	6,169	7.5	3,291	6.7
Others	1,796	3.0	2,710	3.8	1,895	2.3	1,138	2.3
Total	59,859	100.0	69,701	100.0	82,064	100.0	49,393	100.0

In addition to revenue from the rental of the workers and student accommodation units, we also derive revenue from leasing out commercial spaces located within the compounds of our workers and student accommodation to Independent Third Party commercial tenants. Commercial tenants are those who operate their businesses at the commercial spaces at our accommodation assets including operators of minimarts, convenient shops, canteen, barber shops, sundry shops, and service providers of automatic tellers machines and laundry services etc. As at the Latest Practicable Date, we had approximately 60 commercial tenants for our accommodation business.

In addition, we were also engaged by (i) Lian Beng-Centurion, a company which we own 45% interest; and (ii) Centurion-Lian Beng Papan, a company which we own 51% interest, as the exclusive operator and managing agent of Westlite Mandai Accommodation and ASPRI-Westlite Papan Accommodation respectively. We charge monthly management fees of S\$26,000 and S\$46,000 respectively. For further details, please refer to the paragraph headed “Key contract terms with customers — B. Dormitory management agreements relating to workers accommodation assets owned by Lian Beng-Centurion and Centurion-Lian Beng Papan” in this section.

BUSINESS

The following table sets forth a breakdown of the revenue of our accommodation business by commercial and non-commercial tenants during the Track Record Period:

	For the year ended 31 December						For the six months ended	
	2014		2015		2016		30 June	
	<i>S\$'000</i>	%	<i>S\$'000</i>	%	<i>S\$'000</i>	%	<i>S\$'000</i>	%
Non-commercial tenants <i>(note 1)</i>	74,094	96.9	96,191	96.7	112,984	95.7	67,307	95.7
Commercial tenants <i>(note 2)</i>	2,366	3.1	3,281	3.3	5,116	4.3	3,041	4.3
Total	76,460	100.0	99,472	100.0	118,100	100.0	70,348	100.0

Notes:

1. Non-commercial tenants included companies which were the employers of the workers residing at our workers accommodation assets and the students residing at our student accommodation assets.
2. Commercial tenants were tenants who rented the commercial spaces at our workers and student accommodation assets for business operations.

In general our customers of both workers and student accommodation engage us directly except that some students applying for our student accommodation in the United Kingdom are referred by agents in the PRC and the United Kingdom with whom we have entered into referral fee agreements. For more details of the arrangements with these agents, please refer to the paragraph headed “Sales and marketing” in this section below.

During the Track Record Period, we were not dependent on any single customer. For the three years ended 31 December 2016 and six months ended 30 June 2017, our five largest customers accounted for approximately 9.4%, 8.3%, 8.2% and 11.8% of our revenue, respectively. Our Directors confirmed that our Group had no material dispute with our customers and none of our customers was our major supplier during the Track Record Period.

None of our Directors, or any of their respective close associates or any existing Shareholders which, to the knowledge of our Directors, owns five per cent or more of the total issued share capital of our Company immediately following the completion of the Share Offer, had any interest in any of our five largest customers during the Track Record Period and all of which are Independent Third Parties.

BUSINESS

KEY CONTRACT TERMS WITH CUSTOMERS AND LIAN BENG GROUP

1. Contracts with customers

During the Track Record Period, all contracts we entered with our customers were legally binding and majority of the contracts were in our standard form.

A. Lease agreements relating to our workers accommodation

Letter of offer

We generally enter into letter of offer with our customers which sets out key terms of the tenancy such as details of the premises, term of the tenancy, rental rate, deposit and other fees and charges, payment method and events of default upon which our Group may rescind the tenancy. Once this is accepted by the customers together with payment of security deposits and other fees and charges, we will then proceed to enter into tenancy agreements with our customers.

Tenancy agreement

After our customers accept the letter of offer and paid the required security deposits, we will enter into binding tenancy agreements with them. Our tenancy agreements with workers accommodation customers contain terms relating to details of the premises including the list of furniture hired, term of the tenancy, rental rate, payment terms and termination and renewal.

Term

The workers accommodation lease agreements are generally for a term of one year but we may enter into contracts with longer term with our customers on a contract-by-contract basis. Most of our workers accommodation lease agreements provide the tenants with the option to renew for a further term of one year. Our tenants may request for the renewal of the term of the tenancy not less than three months before the expiry date of the existing tenancy term and new tenancy for the renewed term will be entered into two months prior to the expiry of the existing tenancy term.

Rental rate

We charge a monthly rent calculated on the basis of a unit rate per Unit required by the customers. The rent will be dependent on a contract-by-contract basis with reference to, among others, the market rate, market demand, the length of relationship, the number of contract units and location. Our monthly rent includes the service charge and hires charge of the furniture and may include utilities such as water, electricity and gas. For details of our relevant pricing policy, please refer to the paragraph headed “Our business — A. Our accommodation business — 1. Workers accommodation business — Pricing policy” in this section.

BUSINESS

Payment terms

All payments of rent shall be made on the first day of the month. We charge interest on any rent, charges, interest and other monies under the tenancy agreement which remains unpaid seven days after they have become due.

Security deposit

A security deposit of generally equivalent to two to four months' rent is payable upon acceptance of the letter of offer for the relevant tenancy agreement. The security deposit shall be returned to the tenant upon due performance and observance of the tenancy agreement and return of the keys respectively at the end of the tenancy agreement term.

Termination and renewal

We have a right to terminate a tenancy agreement with a tenant if, among others, the relevant tenant fails to pay any monies within seven days after they become due under the tenancy agreement or breach any terms under the relevant lease agreement. The relevant tenant is liable to pay us compensation and damages for loss suffered by us which can be deducted from the security deposit. There is an option to renew the tenancy under some tenancy agreements.

Others

All tenants are required to abide by the house rules and regulations of the respective dormitories which set out the access and restrictions to entry, offences resulting in immediate eviction or punishable by penalties and other rules the workers are required to observe.

B. Dormitory management agreements relating to workers accommodation assets owned by Lian Beng-Centurion and Centurion-Lian Beng Papan

On 31 March 2013 and 28 December 2016, Westlite Dormitory Management Pte. Ltd., our wholly-owned subsidiary, entered into a dormitory management agreement with Lian Beng-Centurion, a company which we own 45% interest and Centurion-Lian Beng Papan, a company which we own 51% interest, to engage us as the exclusive operator and managing agent of Westlite Mandai Accommodation and ASPRI-Westlite Papan Accommodation, respectively for a period of five years, which is automatically extended for five more years unless otherwise agreed.

Our obligations

We have exclusive control, discretion and authority with respect to and be responsible for the operation of Westlite Mandai Accommodation and ASPRI-Westlite Papan Accommodation free from interference from Lian Beng-Centurion and Centurion-Lian Beng Papan, respectively. We are responsible for, among others, the employment of dormitory staff, marketing of the dormitory, establishing and implementing operating policies and procedures, price schedules, purchase and disposal of fixed assets (subject to certain limits), negotiating and entering into operating contracts, equipment leases and other undertakings, executing leases and other contracts, arranging for repairs

BUSINESS

and maintenance, determination and implementation of credit policies, and selection and engagement of outside legal counsel to provide legal advice in connection with the operation of Westlite Mandai Accommodation and ASPRI-Westlite Papan Accommodation.

Management fees

During each fiscal year during the term of the dormitory management agreements, Lian Beng-Centurion and Centurion-Lian Beng Papan will pay us a management fee equal to three per cent of the gross revenue of Westlite Mandai Accommodation and ASPRI-Westlite Papan Accommodation. Such management fee (which is exclusive of goods and services tax and all other taxes which is borne by Lian Beng-Centurion) is payable each month in the sum of S\$26,000 and S\$46,000, respectively. The management fees will ultimately be calculated based on the audited annual statement for each fiscal year. If the management fees calculated based on the audited annual statement exceeds or is less than the aggregate management fees already paid to us, Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be, shall pay to us, or, as the case may be, we shall refund to Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be, an amount equal to such excess or deficiency promptly. For the avoidance of any doubt, any deficits or negative cash flow at any time in any fiscal year shall be borne exclusively by Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be.

Termination

In addition to an event of default as set out in the agreement which enables the non-defaulting party to terminate the agreement, Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be, may terminate the dormitory management agreement upon the sale of Westlite Mandai Accommodation or ASPRI-Westlite Papan Accommodation, as the case may be, to a third party by giving at least 60 days' notice to us and the payment of a termination fee in an amount equivalent to six months' management fee, calculated based on the management fees received for the fiscal year immediately preceding the termination date, provided always that, for so long as our Company or any of its affiliates continues to be a shareholder of Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be, these agreements cannot be terminated by Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be, without our prior consent.

C. Lease agreements relating to our student accommodation

Invitation letter

We will issue an invitation letter by email to the students after they applied online through our websites. Documents including the tenancy agreement, rent schedule, guide to tenants and relevant rules and policies in residing in the relevant premises are attached to the invitation letter. The students are required to follow the procedures set out in the invitation letter of offer to provide the signed tenancy agreements together with other required documents and pay the deposits and/or booking fee before their tenancies are confirmed. For students under the age of 18 who apply for our accommodation in Australia or Singapore, or students applying for our accommodation in the United Kingdom with rent paid by instalments, they are required to have a guarantor. Our offer is in general valid for seven days.

BUSINESS

Tenancy agreement

Students are required to return the signed copy of the tenancy agreement to our Group by email before they can secure the rooms. Our tenancy agreements set out the details including the room type, term of the tenancy, payment schedule and rights and obligations of the tenant and landlord.

Term

The term of tenancy varies in different locations. The tenancy lasts for 40, 44 or 52 weeks for our accommodation in Australia. For United Kingdom, students can opt for a period of tenancy for generally between 42 to 51 weeks. We also offer short-term tenancy for students during the summer period in the United Kingdom and in Australia. In Singapore, we entered into three tenancy agreements with three institutions to lease out a majority of the rooms or beds, the term of lease agreements range from 1 to 1.75 years. Tenancy with other students are for various months.

Rental rate

The rent varies for different room types in different locations. Our Group will set the rental rate for each room type in the respective locations for the new academic year. For details of our pricing policy for our student accommodation, please refer to the paragraph headed “Our business — A. Our accommodation business — 2. Student accommodation business — Pricing policy” in this section.

Our rental rate includes the use of facilities such as study rooms and gymnasiums, utilities including electricity and water and access to Wi-Fi. We determine the rental rate for our student accommodation assets on a contract-by-contract basis with reference to the market rate, the length of stay, demand, the size and location, view, furnishing and type of amenities and facilities.

Payment terms

For RMIT Village in Australia, the annual rental sum for the entire tenancy agreement term is payable monthly in advance per the dates and amounts in the rent payment schedule which we issue to the tenant upon entering into the tenancy agreement. For summer short stays, full payment in advance is required. Payment by credit card or electronic fund transfer is allowed.

For our student accommodation in the United Kingdom, the annual rental sum for the entire tenancy agreement term is payable on or before the dates specified in the tenancy agreement. Students can enjoy a 2% to 5% discount of the annual rental sum if they make lump sum payment. Students can opt for annual rental sum paid in four instalments by the dates specified in the tenancy agreement (August, September, January and April, respectively) if they can provide a guarantor based in the United Kingdom. For short-term tenancy offered in summer, students are required to settle the rental sum by lump sum payment.

For dwell Selegie in Singapore, for tenancy agreements with the three institutions, rental is paid monthly together with the relevant monthly service charges and goods and service tax. For other tenancies which are usually short term, the rental is paid in full for the entire tenancy period in advance.

BUSINESS

Security deposit

For RMIT Village in Australia, a bond (currently equivalent to four weeks' rent) and a departure cleaning fee is payable upon signing of the tenancy agreement. The bond is transferred to the Residential Tenancy Bond Authority ("RTBA"). Such bond is refundable at the end of the agreement term, subject to payment by the tenant of any outstanding sums due to us and the leased premises being in a condition to our satisfaction. RTBA releases the bond monies directly to students.

For our student accommodation in the United Kingdom, a security deposit (currently £150 and only applicable to dwell Beechwood House and dwell Weston Court in Manchester, dwell Garth Heads in Newcastle and dwell Hotwells House in Bristol) and a non-refundable booking fee/application fee (£50 or £99 depending on the location) is payable upon signing of the tenancy agreement. Such security deposit is refundable at the end of the agreement term, subject to payment by the tenant of any outstanding sums due to us and the leased premises being in a condition to our satisfaction.

For dwell Selegie in Singapore, a non-refundable booking fee (currently S\$300) is due upon successful booking and will be offset when the rental is paid in full in advance. Our tenants are required to pay deposit equivalent to one month rent and service charges as security deposits. Such security deposit is refundable at the end of the agreement term, subject to payment by the tenant of any outstanding sums due to us and the leased premises being in a condition to our satisfaction.

Termination

For RMIT Village in Australia, we have a right to terminate a tenancy agreement with a tenant by giving not less than 14 days' prior written notice if, among others, the tenant commits any act which is inconsistent with the standards required of occupants at our property or which constitutes an act of serious misconduct in our opinion and such act is of a nature which cannot be rectified. Any tenant who wishes to vacate the premises before the end of the term of tenancy is required to give us notice of such intention and may be subject to charge of costs (student is still liable for the full contract until a replacement tenant is found) that may be incurred by us as a result of the early termination.

For our student accommodation in the United Kingdom, we have a right to apply for a court order to repossess the leased premises if, among others, the relevant tenant fails to pay any monies within a reasonable period of time after they become due under the tenancy agreement. Any tenant who wishes to vacate the premises before the end of the term of tenancy is still liable for the full contract amount unless a suitable replacement tenant is found.

For dwell Selegie in Singapore, we have the right to terminate the tenancy agreement prematurely if the tenant is in breach of the agreement, in which event the deposit shall be absolutely forfeited without prejudice to any right of action against the tenant in respect of unpaid or all remaining term unpaid rent, service charge, charges, additional charges and any other monies owing to the landlord and any antecedent breach of the terms and conditions of the tenancy agreement.

BUSINESS

Renewal

For student accommodation in the United Kingdom and Australia, new agreements will be signed for extension of terms.

For dwell Selegie in Singapore, in the event of renewal/extension of lease, our operations executive will issue a letter of extension with the renewal/extension information such as period of extension and rates. The letter of extension is then reviewed by the operations manager, followed by signature of the operations manager and the customer as acceptance of the renewal/extension of the lease.

Others

All residents at our student accommodation assets in Australia, the United Kingdom and Singapore are required to abide by our house rules.

D. Lease agreements relating to supporting amenities and facilities at our accommodation assets

Lease of car park of our student accommodation in the United Kingdom and Australia

We have engaged Independent Third Party car park management companies for the daily operation and management of the car park spaces in Manchester Student Village, Manchester Student Village South and Cathedral Campus in the United Kingdom and RMIT Village in Australia.

Term

For car park spaces at our dwell Manchester Student Village South, the management agreement lasts for a term of three years and will expire in March 2019. For RMIT Village in Melbourne, Australia, the term of the lease lasts for three years and will expire in January 2018.

Rental rate

For car park at dwell Manchester Student Village South, the management company charges a certain percentage of the revenue generated at the car park as the management fees. For RMIT Village in Australia, we charge the car park management company as tenant an annual fixed rent on the basis of the leased car park bays. The annual fixed rent is subject to annual rent review and further adjustment based on the tenant's turnover gained from the relevant car park of that lease year.

Payment terms

For car park at dwell Manchester Student Village South, the management company shall make transfer of the revenue generated at the car park, after deducting its management charge to us, by cheque or by direct bank transfer with every month end. For RMIT Village in Australia, the car park management company is required to pay the rent by monthly instalments by cheque or electronic funds transfer. We charge interest on any monies under the lease agreement which remain unpaid five business days after they have become due.

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Termination and renewal

For car park at dwell Manchester Student Village South, the agreement lasts for a period of three years followed by a 6-month rolling termination continuing until termination notice is served by either party. For RMIT Village in Australia, we have a right to terminate the lease agreement if the car park management company fails to pay rent or breaches its obligation under the lease agreement. We grant the tenant an option to renew the lease for a further term of one year.

Other commercial tenancies at our accommodation assets

We entered into various commercial tenancies with other service providers, including operators of minimart, convenience shops, canteen, barber shops, sundry shops and laundry etc. for a duration of approximately one year to three years. Commercial tenants are required to pay monthly rental and service charges, as well as deposit equivalent to two to three months of monthly rental.

E. Quotation relating to our optical disc business

We do not enter into any long term manufacturing agreement with our customers for our optical disc business. Our quotation generally sets out volume of optical discs to be replicated, the unit price, the expected delivery day, the terms of payment and the validity of the quotation. There is also a reminder to the customers that they shall bear all consequences and responsibilities to ensure all works given to us do not infringe any copyrights, trademarks, patents or licensing legal requirements. Please also refer to paragraph headed “Procedures of our business operations — C. Operational procedures of our optical disc business operations — 2. Product sale process” in this section regarding the salient terms of the letter of indemnity that our customers are required to execute when engaging our services of replication of optical discs.

2. Jointly owned accommodation assets with Lian Beng Group

On 25 July 2011, Centurion Properties (our Controlling Shareholder), Lian Beng Group and Lian Beng-Centurion entered into an agreement (the “**Mandai Agreement**”) for the development of Westlite Mandai Accommodation. In August 2011, our Company completed the acquisition of 45% interest in Lian Beng-Centurion from Centurion Properties as a result of the Reserve Takeover and Lian Beng-Centurion became our 45%-owned associated company. Our Group ratified and acceded to the terms of the Mandai Agreement pursuant to the deed of ratification and accession dated 1 August 2011.

Due to the change in contractual agreement with effect from 2 January 2015 pursuant to which our Group and Lian Beng Group agreed that the Lian Beng Group, being the majority shareholder holding 55% of Lian Beng-Centurion, would take control of Lian Beng-Centurion. Associated companies are entities over which our Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Joint ventures are entities over which our Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities. Accordingly, Lian Beng-Centurion and Westlite Mandai are re-classified from joint ventures to associated companies of our Group.

BUSINESS

Our Group and Lian Beng Group agreed to the change in 2015 because at that time, our Group and Lian Beng Group were discussing the joint arrangement in relation to the development of ASPRI-Westlite Papan Accommodation. It was mutually agreed that our Group, being having 51% interest in Centurion-Lian Beng Papan, shall have the control over Centurion-Lian Beng Papan, and Lian Beng Group which has the majority 55% interest in Lian Beng-Centurion shall have control over Westlite Mandai.

On 23 October 2015, Goldprime Dormitory Pte. Ltd. (a wholly-owned subsidiary of Lian Beng Group), Centurion Dormitory Venture Pte. Ltd. (our wholly-owned subsidiary) and Centurion-Lian Beng Papan entered into an agreement (the “**Papan Agreement**”) for the development of ASPRI-Westlite Papan Accommodation.

Development of the accommodation assets

Pursuant to the Mandai Agreement, Lian Beng Group was appointed as the main contractor for the development of the Westlite Mandai Accommodation and the project manager for the management of the project (which included the development of the relevant land, ownership, leasing and/or sale of industrial buildings). As the project manager, it shall provide management services to Lian Beng-Centurion at an agreed fee amounting to a certain percentage of the construction cost. As for the Papan Agreement, an Independent Third Party contractor was appointed as the main contractor for the development, operation and use of the relevant land and our Group was appointed as the project manager for the management of the project (which included the building works and operations of ASPRI-Westlite Papan Accommodation). As the project manager, our Group shall provide management services and finance and administration services to Centurion-Lian Beng Papan at agreed fees amounting to a certain percentage of the construction cost respectively.

Appointment of manager of the accommodation assets

Pursuant to both the Mandai Agreement and the Papan Agreement, our Group was appointed as the manager of Westlite Mandai Accommodation or ASPRI-Westlite Papan Accommodation, as the case may be, to provide management services to Westlite Mandai or Centurion-Lian Beng Papan, as the case may be, at an agreed fee amounting to a certain percentage of the gross revenue generated from the project on an annual basis.

Pursuant to the Mandai Agreement, our Group was appointed as the marketing manager to provide marketing management services to Lian Beng-Centurion for the sale of the units of the industrial buildings developed on the relevant land at an agreed fee amounting to a certain percentage of the gross revenue generated from the sale of units in the industrial buildings, while Lian Beng Group was appointed to provide finance and administrative management services to Lian Beng-Centurion in respect of the sale of units in the industrial buildings at an agreed fee amounting to a certain percentage of the gross revenue generated from the sale of the units in the industrial buildings.

BUSINESS

Appointment of directors and management of the companies

Each of our Group and Lian Beng Group under the respective agreements is entitled to appoint, remove and replace two directors to the board of Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be. Chairman of the meetings of the board of Lian Beng-Centurion shall be appointed by Lian Beng Group under the Mandai Agreement and chairman of the meetings of the board of Centurion-Lian Beng Papan shall be appointed by our Group under the Papan Agreement. The board shall determine the general policies including the scope activities and operations of Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be. The chairman of a meeting of the board shall have a second or casting vote.

Project costs and funding

Upon the determination of the project costs, our Group and Lian Beng Group under the respective agreements shall fund the project costs by way of (i) shareholders' loans; (ii) subscription for further shares of Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be; and/or (iii) third party financing.

Pursuant to the Mandai Agreement, our Group and Lian Beng Group would fund the balance of the purchase price of the relevant land for the development of Westlite Mandai Accommodation by (i) extending their shareholder loans to Lian Beng-Centurion; and (ii) by way of loans and other credit facilities from banks or other credit providing institutions in accordance with the terms under the Mandai Agreement.

Pursuant to the Papan Agreement, our Group and Lian Beng Group agreed that the project costs would be financed from external sources by way of loans and other credit facilities from banks or other credit providing institutions on terms acceptable to them. In the event that additional funding is required from the shareholders for the development and completion of the entire project (inclusive of the land), our Group and Lian Beng Group have undertaken to severally grant shareholder loans and/or subscribe for any issue of shares of Centurion-Lian Beng Papan in proportion of their shareholding interests at such time and manners determined by the board of Centurion-Lian Beng Papan from time to time.

Profit sharing

Pursuant to the Mandai Agreement and the Papan Agreement, the declaration of dividends by Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be, for each financial year shall be paid to the shareholders pro-rata to their respective participation interest in Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be.

BUSINESS

Transfer of shares

Pursuant to the respective agreements, neither our Group nor Lian Beng Group as shareholders of Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be, can or agree to, without the prior written consent of the other shareholder (i) pledge, mortgage, charge or otherwise encumber any of its share or any interest in any of its shares; (ii) sell, transfer or otherwise dispose of, or grant any option over, any of its shares or any interest in its shares; or (iii) enter into any agreement in respect of the votes attached to any of its shares.

Duration and termination

The respective agreements shall take effect from the date of the respective agreements without limit in point of time and shall cease and determine upon the dissolution of Lian Beng-Centurion or Centurion-Lian Beng Papan, as the case may be.

CREDIT MANAGEMENT

1. Accommodation business

Due to the nature of our accommodation business where we collect rental deposit from our tenants, we do not generally face any material non-payment of rental. During the Track Record Period, we had no record of material long overdue of rental payment from our customers.

Workers accommodation

Our sales and accounts will remind and follow up with customers for settlement of outstanding payment, followed by written reminder and demand letter if payment continues to be outstanding. Subject to the number of months of rental deposit paid by the tenants, our legal advisors will issue notice of re-entry to the tenants after 40 days or 70 days (as the case may be) of the due day. We will terminate the tenancy agreement and evict the workers of our customers from our premises if payment is not settled after 45 days or 75 days (as the case may be) of the due day. Payment extension requested by our customers will be subject to approval by the management and a maximum of 65 days is allowed. Any further payment extension is subject to approval by our chief financial officer.

Student accommodation

If payment is not received after seven days from the due day, our operation staff will remind the students for payment settlement by emails or phone calls. Demand letters will be sent to the students or their guarantors, if the rent is not settled after 21 days of the due day, requiring payment within three days from the date of the demand letter. Notice of re-entry will be issued by our legal advisors to the students if no payment is made after 26 days of the due day and we will evict them if the payment is still not received within 30 days. Payment extension requested by any student will be subject to approval by our management and a maximum of 30 days payment extension may be allowed. Any further payment extension is subject to approval by our chief financial officer.

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Similar procedures apply to the commercial tenants of our student dormitories. Subject to the number of months of rental deposit paid by them (two months deposit or three months deposit), they will receive notice of re-entry if payment is not settled after 55 or 85 days of the due day (as the case may be), and we will terminate the tenancy agreement and evict them if payment is not settled after 60 days or 90 days of the due day (subject to the number of months of rental deposit paid by them). Payment extension is subject to approval by our management and a maximum of 90 days payment extension may be allowed. Any further payment extension is subject to approval by our chief financial officer.

2. Optical disc business

Payment terms with optical disc customers are mainly on credit. Our customers place orders with our Group based on demand and market conditions. Our Group generally allows an average credit period of 30 days during the Track Record Period to its customers. Credit limit attributed to customers are reviewed regularly based on repayment history with reference to the payment terms stated in contracts to determine the recoverability of a trade receivable. In addition to credit periods, customers are subject to credit limits and are required to settle their accounts with our Group before further delivery of products will be made if they have reached the credit limits before expiration of the credit periods. Payment upon delivery or in advance of delivery is required for certain overseas customers, in particular new, smaller and/or less credit worthy customers. Our Group places significant emphasis on controlling our cash and credit sales.

SALES AND MARKETING

We have a dedicated sales and marketing team who, together with outside sales and marketing consultants we hire in regions where we operate, determine the appropriate advertising and sales plans for our accommodation business and optical disc business.

1. Accommodation business

Our Group had a sales and marketing team of 32 members as at the Latest Practicable Date who are responsible for the business development and promotion of our workers and student accommodation. Our Group's sales and marketing department in Singapore headquarter manages the sales and marketing for workers and student accommodation in Singapore and Malaysia. The team is supported by individual sales teams working at respective dormitories in Singapore and Malaysia. The sales teams at dormitory level handle the sale of beds/Units and implement the promotion activities of the respective dormitories. For our student accommodation in the United Kingdom, the sales and marketing function is carried out by the sales and marketing team working at the head office in Manchester.

For our workers accommodation in Singapore and Malaysia, we mainly conduct direct sales by sending emails, cold calling and site visit to potential corporates who have production facilities or are carrying out contraction projects who need to arrange accommodation for their workers. We also work with trade associations in Singapore to organise seminars and talks to their member companies in promoting our Westlite brand.

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For our student accommodation in the United Kingdom and Singapore, we unveiled a new brand “dwell” in February 2017 which anchors on our Group’s core value of “Managing with a Heart” and mission to build cohesive communities across our student accommodation assets. Our promotion channels include website, social media such as Facebook, Twitter, Instagram, Snapchat, YouTube and instant messaging platforms such as Weibo, QQ and WeChat. We also advertise on websites and popular search engines. We join the housing fairs and other events of the universities organised for their students where we distribute marketing leaflets and explain our services directly to the students, and we organise site visits to our accommodation assets for students who are interested in applying our rooms. In the United Kingdom, we also work with Liverpool Student Homes and Student Homes Manchester which are student accommodation search engines assist students in finding quality private accommodations.

For our student accommodation business in the United Kingdom, we have also entered into referral fee agreements with agents in the PRC and the United Kingdom for referring students to apply for our rooms. All referral fee agreements with agents in the PRC and the United Kingdom are non-exclusive with one year contract term. For any student referred by them who enter into tenancy agreement with our Group, they will receive a commission at a rate ranging from 1% to 7% of the actual rental fees received by us depending on the room types. For referral agreements with local universities, they are of contract terms for two years and pursuant to which our Group will reserve certain number of rooms for their students.

As for our RMIT Village in Australia, our Independent Third Party operator is responsible to formulate overall business plan and marketing strategy for each operating year for our Group’s approval and supervise the implementation of such plan and strategy. The Independent Third Party is responsible for research and analysis of the international and national trends of student housing and prepare promotional materials and recommend the rental rates for each academic year. Apart from website of the RMIT Village from which students worldwide can find latest promotion information of the village, we also participate in the open day and other events organised by universities such as career expo where students can obtain promotion leaflets, talk to our sales and marketing staff directly and join visiting tours to the village.

2. Optical disc business

As at the Latest Practicable Date, given the relatively small operations of our optical disc business, Mr. Lee Kerk Chong, our executive director of optical disc business is responsible for the overall planning and overseeing the sales, marketing and promotion of our Group’s products. The demand for physical optical storage media continues to be weak in Singapore and our strategy is to focus and expand our accommodation business, we therefore do not actively promote our optical disc business.

We have a suggested price list for local market in Singapore and export to overseas every year and our sales and marketing staff will prepare quotations according to the price list. Any quotation sets below the suggested prices will require approval by the management. In general, customers confirm the quotations by emails before the production team arrange for the mass production.

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We did not encounter any disruptions to any of our manufacturing operations nor was there any incidents that result in the material loss of revenue and compensation to customers for late delivery of products of our Group during the Track Record Period.

For the three years ended 31 December 2016 and the six months ended 30 June 2017, our sales and marketing expenses amounted to approximately S\$0.6 million, S\$0.8 million, S\$0.9 million and S\$8 thousand, respectively.

COMPETITION

1. Accommodation business

The accommodation service industry is highly competitive and generally concentrated. We compete with other accommodation providers based on a number of factors including service quality, price, financial and human resources, brand recognition and ability to acquire suitable land. Our existing and potential competitors include major domestic providers in Singapore, the United Kingdom, Australia and Malaysia and, to a lesser extent, foreign providers and global student accommodation providers from other countries. These competitors may have better track records, greater financial, human and other resources, larger sales networks and greater brand recognition.

We believe that the key competing factors in our business include the following:

- size and operation;
- cost of construction;
- geographic location; and
- the ancillary amenities and facilities to the third experience and quality in accommodation asset management.

Please refer to the paragraph headed “Competitive strengths” in this section for details of our competitive strengths.

2. Optical disc business

During the Track Record Period, the operating environment for our optical disc business was challenging and is likely to remain challenging going forward as market demand for physical storage media falls with consumers shifting to internet downloads and streaming from physical packaged media. Our Group will continue to calibrate the operational capacity of our optical disc factory to keep in line with the declining demand. Prudent cost management strategies will be exercised to ensure that the optical disc business continues to contribute positively to the overall profitability of our Group and generates cash flows to meet our Group’s expansion needs.

BUSINESS

PROCUREMENT

A. Accommodation business

We engage Independent Third Party suppliers to provide a range of services associated with the management and operation of our workers and student accommodations, mainly including cleaning, security, pest control, utility services, provision of furniture and equipment, construction, renovation and other repair and maintenance services. We do not have an average procurement price, as the range of services provided by our suppliers is significantly different. For RMIT Village in Australia, we have engaged an Independent Third Party operator to provide management and administration services in respect of the operations of the student accommodation assets and its ancillary commercial spaces for the duration from 10 February 2014 to 31 December 2019. We have not experienced any significant disputes with our suppliers for accommodation business during the Track Record Period.

Our operation team is responsible for quality control over the selection and performance of our suppliers.

Before a new supplier is added to the approved vendor list, it has to be evaluated and approved by the dormitory manager and a finance officer. In general, our suppliers are scored based on their track record of similar scale or capacity projects, financial capabilities, pricing, alternative proposal and quality of performance. Our building contractors are sourced through an open tender process for aggregate contract amount that exceeds S\$1 million, RM2 million or A\$1 million, as the case may be. During the tender process, a minimum of three shortlisted suppliers will be invited to submit their tenders with details of price, payment terms, relevant information of their services and their background. For suppliers on operating cost, we obtain minimum two quotes to make comparison to select the most appropriate supplier. Our property management team will consider their proposals and select those suppliers that can meet our standard requirements. The contract term for our suppliers generally ranged from one to three years.

We generally conduct review and assessment of our suppliers on annual basis. Our review and assessment include the following: (i) review the quality of the service provided by the suppliers during the past contract term; (ii) assess the overall performance of the suppliers' services; (iii) conduct random checks for the services provided; and (iv) review the background and eligibility of the suppliers, including its latest business license and other relevant operation permit. Our property management team is responsible for monitoring the performance of our suppliers.

Management and administration services in respect of RMIT Village

We have entered into an operator agreement with an Independent Third Party in January 2014 for the operation, management and maintenance of our RMIT Village in Australia. Pursuant to the operator agreement, the Independent Third Party acts as our agent to provide the daily management and administration services for RMIT Village including handling the registration and booking of rooms, collection of rental fees, repair and maintenance of the premises, buildings and other facilities, dealing with students' enquiries and complaints, organising residential programmes and social events for the residents and promotion and marketing of the village.

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To ensure quality operations of RMIT Village, the Independent Third Party is responsible for hiring and providing training to the staff, liaising with suppliers or contractors for various supplies or services for the daily operations, and liaising with relevant statutory authorities and government agencies for consent or approval to ensure the operation of the village is in compliance with the laws. It is also required to liaise with and report to the university from time to time on our behalf. The Independent Third Party has to comply with the relevant quality standards in respect of operation procedures, residential support and asset management and maintenance set out in the operation agreement.

The Independent Third Party has to prepare monthly financial reports, occupancy reports and arrears schedules for our review, prepare annual budget for every operating year, formulate overall strategic business planning of the village and make recommendations to us from time to time to optimise the returns.

Pursuant to the operator agreement, the Independent Third Party is to be remunerated for its services by an annual fee for each operating year of an amount equal to an agreed fixed percentage of the gross profit earned from the operation of the village for a particular operating year (the “**Management Fee**”). The Independent Third Party is entitled to payment on the 14th day of each month of one twelfth of the Management Fee estimated in the annual budget and the business plan for the operating year of which the month is part.

The operator agreement will expire in December 2019, which is subject to early termination by either party if there is a breach of the operator agreement or by six months prior written notice by either party.

Cleaning services

We engage Independent Third Party suppliers to provide cleaning services within some of our workers and student accommodations. To ensure the general health and well-being of the workers, students and staff of our accommodations, our cleaning service provider also carries out sterilisation of our accommodations on a yearly or bi-yearly basis. Our cleaning service provider has to comply with our internal guidelines which set out the frequency that the facilities need to be cleaned and the hygiene standards that our cleaning service providers need to meet for each type of facilities.

We typically enter into contracts with our cleaning service providers for a term of one year with an option to renew for another year. We pay a fixed monthly service fee to our cleaning service provider, and such service fee is required to be paid within 30 days upon presentation of the relevant invoice by the cleaning service provider. In general, the contracts can be terminated upon one month notice. We may enter into new contract with our existing or other cleaning service provider if they succeed in the next tender process for selection of cleaning service providers. For our student accommodation assets, we engage a third party cleaning service provider to carry out a one off deep clean in summer.

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Security services

We also engage Independent Third Party security service providers for a 24-hour security guard services in our workers accommodation and selected student accommodation. The security services include night watch and regular patrolling and operating security cameras to prevent unauthorised access and monitoring abnormal activities within our workers and student accommodations. Our security service providers have to comply with our internal guidelines which set out the required duties of the security guards, the number of security guards for each designated spot inside our workers and student accommodation and the number of working hours.

We generally enter into contracts with our security service providers for a term of one year. As stipulated in the contract, we pay a fixed service fee to our security service providers on a monthly basis, and such service fee is payable within 30 days from the date of the invoice to the security service providers. There is generally an option to extend the term for one year in the contract. In general, the contracts can be terminated upon one month notice. We may enter into new contract with our existing or other security service provider if they succeed in the next tender process for selection of security service providers.

Building maintenance, construction and refurbishing

We also engage Independent Third Party suppliers to provide building maintenance, construction and refurbishing services on an as-needed basis for various facilities on our workers and student accommodation. Our suppliers are responsible for providing building maintenance, construction and refurbishing services for the designated facilities as agreed under the contracts. Depending on the type of services required, we enter into agreements with our suppliers for terms ranging from a few days to one year. We typically pay the service fees to our building maintenance, construction and refurbishing service providers by instalment or upon completion of their work. We will make on-site inspection upon completion of each task. In addition, we also record the details on the completed task in writing for our internal record.

There is in general no termination clause under our contracts with project-based suppliers and our contracts with maintenance service providers provide typical termination clause of one month notice. We may enter into new contracts with our existing or other building maintenance and refurbishing service providers if they succeed in the next selection process on building maintenance and refurbishing providers. We usually give advance notice to our customer if maintenance and refurbishing works are to be carried out in our workers and student accommodations. Maintenance and refurbishing works of individual rooms are often carried out when the accommodation is vacant to minimise disturbance to the residents.

Utilities

The electricity, gas and water supply required for our accommodation assets is predominantly provided by local utility services providers located at the relevant jurisdictions where we operate our accommodation business. Our utilities expenses amounted to approximately S\$4.6 million, S\$6.0 million, S\$6.5 million and S\$3.7 million for the three years ended 31 December 2016 and the six

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months ended 30 June 2017, respectively, accounted for approximately 10.4%, 10.5%, 10.6% and 10.9% of the total operating expenses respectively. We had not experienced any material suspension or shortage of the power and water supply during the Track Record Period.

Coin operated washers and dryers

We have engaged Independent Third Parties for installation of coin operated washers and dryers at some of our workers and student accommodation.

Term

We engage the same vendor for installation of washing machines and dryers for all of our student dormitories in the United Kingdom and the respective agreement last for a term of eight years.

For other accommodations, we have Independent Third Party vendors to provide commercial coin operated washers and dryers for a period of up to three years.

Rental rate

Some of the vendors of the coin operated washers and dryers pay certain percentage of the revenue to our Group on a weekly basis.

Termination and renewal

The agreements can be terminated by either party.

Barber shop services agreement

We have granted to Independent Third Parties to operate barber shops at our workers accommodation assets for a period of one to two years. We set out the prices for the professional hair cut to residents and non-residents in some of the agreements.

B. Optical disc business

Procurement and inventory control of raw materials

The main raw materials for our Group's optical disc production include polycarbonate resins, aluminium targets, UV lacquer and DVD bonder. Our Group maintains reasonable stock level of raw materials to meet our production according to our actual sales order received. Each department performs monthly stock check to verify the raw materials, and a physical stock check is also carried out twice a year to maintain stock level.

Our Group generally sources from at least two suppliers for each type of these raw materials. Our Group does not generally enter into fixed term supply agreements with our suppliers. Our Group had not experienced any significant difficulties in sourcing raw materials during the Track Record Period. Our suppliers for optical disc business are sourced by quotations. Our purchasing executive will issue purchase orders, which will be verified by different levels of management depending on

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the amount of purchase. Our purchasing executive normally selects and evaluates our suppliers based on their quality of the raw materials supplied, delivery time and pricing of the raw materials. We have an approved vendor list to provide raw materials that are regularly requested. We will also ask suppliers for samples of raw materials to inspect their quality.

Electricity

Our Group's electricity supply required for its manufacturing activities is predominantly transmitted by local electricity supplier. Our Group had not experienced any material interruption to the supply of power during the Track Record Period.

SUPPLIERS

For the three years ended 31 December 2016 and six months ended 30 June 2017, our Group's five largest suppliers in aggregate accounted for approximately 24.9%, 31.2%, 40.4% and 28.7%, respectively, of our Group's total operating and construction costs. Costs incurred from our largest supplier for the same periods accounted for approximately 9.5%, 13.4%, 28.9% and 11.3%, respectively, of our Group's total operating and construction costs. None of our Directors, their respective close associates or Shareholders holding more than 5% of our Group's issued share capital held any interest in any of our Group's five largest suppliers during the Track Record Period and all of which are Independent Third Parties.

For our suppliers providing the relevant services, payment terms are set out in the relevant contracts as mentioned under the paragraph headed "Procurement" above. For our sourcing of raw materials, our Group generally receives credit terms from its suppliers. Due to our established relationship with suppliers and the volume of our purchases, with respect to the principal raw materials, our Group is generally entitled to an average credit period of 30 days from our suppliers. During the Track Record Period, we had not experienced any significant shortage nor delay in delivery of materials by our suppliers. Our suppliers for raw materials are mainly based in Singapore. The payment terms for our Group's purchases with our suppliers vary from each other and payments are mainly made in Singapore dollars. None of our suppliers has entered into long term supply agreement with us.

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The table below sets out the approximate percentage of our purchases from the five largest suppliers during the Track Record Period:

For the year ended 31 December 2014

Rank	Supplier	Approximate length of business relationship with our Group as at the Latest Practicable Date	Services provided to our Group	Payment and credit term	Contribution to total operating and construction costs	
					Aggregate amount S\$ million	Approximate % of operating and construction costs of our Group
1	Lian Beng Construction (1988) Pte Ltd	3 years	Construction	Settlement upon receiving invoice	8.9	9.5%
2	CBE Tech Sdn Bhd	4 years	Construction and renovation	Settlement upon receiving invoice	7.1	7.7%
3	Brilliant General Building Construction Pte Ltd	5 years	Main contractor for 18 storey block	Settlement upon receiving invoice	5.0	5.3%
4	ZAP Piling Pte Ltd	3 years	Erection of workers' accommodation	Settlement upon receiving invoice	1.4	1.5%
5	Supplier A	4 years	Electricity supply	Settlement upon receiving invoice	0.9	0.9%
Total					23.3	24.9%

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For the year ended 31 December 2015

Rank	Supplier	Approximate length of business relationship with our Group as at the Latest Practicable Date	Services provided to our Group	Payment and credit term	Contribution to total operating and construction costs	
					Aggregate amount S\$ million	Approximate % of operating and construction costs of our Group
1	Unison Construction Pte. Ltd.	2 years	Construction	Settlement within 35 days' credit term	36.3	13.4%
2	Lian Beng Construction (1988) Pte. Ltd.	3 years	Construction	Settlement upon receiving invoice	31.7	11.7%
3	CBE Tech Sdn. Bhd.	4 years	Construction and renovation	Settlement upon receiving invoice	13.7	5.0%
4	Supplier B	4 years	Consultancy and architectural services	Settlement within 14 days' credit term	1.5	0.6%
5	Supplier C	3 years	Electricity supply	Settlement upon receiving invoice	1.4	0.5%
Total					84.6	31.2%

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For the year ended 31 December 2016

Rank	Supplier	Approximate length of business relationship with our Group as at the Latest Practicable Date	Services provided to our Group	Payment and credit term	Contribution to total operating and construction costs	
					Aggregate amount S\$ million	Approximate % of operating and construction costs of our Group
1	Unison Construction Pte. Ltd.	2 years	Main contractor	Settlement within 35 days' credit term	28.8	28.9%
2	CBE Tech Sdn. Bhd.	4 years	Construction and renovation	Settlement upon receiving notice	5.4	5.4%
3	Supplier D	2 years	Lease of land	Settlement upon receiving notice	2.4	2.4%
4	Supplier E	1 year	Gas supply	Settlement upon receiving notice	1.9	1.9%
5	Lian Beng Construction (1988) Pte Ltd	3 years	Construction	Settlement upon receiving notice	1.8	1.8%
Total					40.3	40.4%

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For the six months ended 30 June 2017

Rank	Supplier	Approximate length of business relationship with our Group as at the Latest Practicable Date	Services provided to our Group	Payment and credit term	Contribution to total operating and construction costs	
					Aggregate amount S\$ million	Approximate % of operating and construction costs of our Group
1	Supplier F	8 months	Land and construction of PBSA asset in Adelaide	Settlement upon receiving notice	5.0	11.3%
2	CBE Tech Sdn. Bhd.	4 years	Construction and renovation	Settlement upon receiving notice	2.8	6.2%
3	Concept FF&E Limited	10 months	Construction	Settlement within 14 days' credit term	2.7	6.1%
4	Supplier D	2 years	Lease of land	Settlement upon receiving notice	1.3	3.0%
5	Supplier E	1 year	Gas and electricity supply	Settlement upon receiving notice	0.9	2.1%
Total					12.7	28.7%

Background information of our top five suppliers

Lian Beng Construction (1988) Pte Ltd is a company incorporated in Singapore, which is a member of the Lian Beng Group. The Lian Beng Group engages in the construction of residential, industrial, commercial and civil engineering projects in Singapore. It operates in six segments, which are (i) construction; (ii) dormitory; (iii) engineering and leasing of construction machinery; (iv) property development; (v) investment holding; and (vi) manufacturing of concrete and asphalt.

CBE Tech Sdn. Bhd. is a company incorporated in Malaysia. It operates as a civil and structure construction company based in Johor Bahru.

Brilliant General Building Construction Pte. Ltd. is a company incorporated in Singapore. It is an A2 main contractor registered with the Building and Construction Authority in Singapore. It has completed both public and private projects including design and building.

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ZAP Piling Pte. Ltd. is a company incorporated in Singapore with core business in pile foundation and civil engineering. It is registered under the CR08 workhead for “Piling Works” at L6 Grade and CW02 workhead for “Civil Engineering” at B1 grade.

Supplier A is a company incorporated in Singapore, which is part of an energy utility company with operations in Singapore and Australia. Supplier A provides metering and billing services to the electricity market. It also provides metering, billing and payment collection, and customer service on behalf of other utility service providers, including Public Utilities Board for water charges, City Gas for gas charges and various refuse collection companies for refuse removal fees.

Unison Construction Pte. Ltd. is a company incorporated in Singapore. It principally engaged in building construction including major upgrading works by acting as a general contractor.

Supplier B is a company incorporated in Singapore providing architectural design consultancy services to both local and the Asia Pacific region, with offices in Kuala Lumpur, Shanghai, Beijing and Ho Chi Minh City. Its recent repertoire of projects ranges from the award-winning Harbour Mall & Four Points by Sheraton in Sandakan, the Holiday Inn Express in Singapore to several masterplan projects in Zhuhai.

Supplier C is a company incorporated in Singapore, which is part of a leading power general company in Singapore. It operates as an electricity retail arm of the group by engaging in the business of transmission, distribution and sale of electricity.

Supplier D is a statutory board under the Ministry of Law. It is responsible for managing state land through land sales, leases, acquisitions and allocations. It also develops and markets state land properties to optimise their use for the benefit of the public.

Supplier E is a company incorporated in the United Kingdom, which is a leading energy supplier to industrial, commercial and business customers within the United Kingdom. Since its establishment in 1987, it now supplies over 80,000 sites across all market sectors including small and medium businesses, large industrial and commercial companies, as well as the public service and non-profit organisation.

Supplier F is a company incorporated in Australia, which is part of a group based in Adelaide, Australia engaging in the building and development of residential and commercial high-rises in Adelaide.

Concept FF&E Limited is a company incorporated in the United Kingdom, which is principally engaged in the business of provision of interior design services.

BUSINESS

QUALITY CONTROL

Accommodation business

We have a quality control policy and we are committed to complying with and continually improving our quality management system to ensure that we provide quality accommodation services that consistently meet our customers' expectations, legal requirements and safety standards. Our Group has obtained the ISO 9001 certification on our existing management system for our workers accommodation business. This demonstrates our commitment and focus on providing quality accommodation and service to our customers. Our chief operating officer, Mr. Teo possesses over 20 years of experience in the property and workers accommodation development and management business. He owned and managed various business in Singapore including real estate and construction business. He oversees the day-to-day operations and expansion of our accommodation business.

We also maintain approved supplier and contractor lists and a supplier or a contractor is first admitted to our list based on the factors, including but not limited to, their market reputation, quality, responsiveness, track record, and existence of quality, environmental, health and safety management systems. The approved supplier and contractor lists are reviewed annually and each approved supplier and contractor will be reviewed based on its performance, such as its quality, timeliness, responsiveness and environmental, health and safety record.

During the construction of our workers and student accommodations, our project department will assign site supervisors to inspect the works being carried out by the workers and by our contractors. Our site supervisors will also inspect the works completed to ensure that the relevant requirements are met. At the completion of the construction work, our staff will conduct a final check before arranging for renting out our accommodations to our customers. Safety and regulatory requirements are also to be complied with.

Our Group had not experienced any material disputes on our workers and student accommodations relating to the quality of our accommodations nor our accommodation management services during the Track Record Period and up to the Latest Practicable Date.

Our quality management systems for some of our workers accommodation except for the two newer worker dormitories in Singapore, Westlite Woodlands Accommodation and ASPRI-Westlite Papan Accommodation, have been certificated to have achieved the ISO9001:2008 requirements. Westlite Woodlands Accommodation and ASPRI-Westlite Papan Accommodation have plans to have their quality management systems certified by end of 2017 and first quarter of 2018, respectively. For relevant details, please refer to the paragraph headed "Main qualifications, licences and certifications" in this section.

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Optical disc business

Mr. Lee Kerk Chong, our executive director for optical disc business, is responsible for ensuring compliance with the requirements and other applicable regulations, standards and internal policies in all aspects of our production of the optical discs. Quality control procedures are in place to inspect every step of the production process including receiving of raw materials, stamper verification, CD/DVD replication, film and colour proof, printing, packing and delivery.

Over the past years, we have garnered awards in recognition of our achievements and quality control in our optical disc business. We have also gone through and passed the factory audits arranged by our customers and complied with their stringent selection requirements. For relevant details, please refer to the paragraph headed “Main qualifications, licences and certifications” in this section.

Our Group had not experienced any material disputes relating to the quality of our optical discs during the Track Record Period and up to the Latest Practicable Date.

ENVIRONMENTAL MATTERS

Our Directors believe that our accommodation business and optical disc business do not generate environmental pollution in general, hence, the impact of our operations on the environment is limited. Our Directors also confirmed that our manufacturing process does not generate significant chemical wastes, waste water or other industrial wastes at various stages of the manufacturing process. During the Track Record Period, we were not subject to any major environmental claims, lawsuits, penalties or disciplinary actions. Our Group did not incur any material environmental compliance costs during the Track Record Period.

WORKPLACE SAFETY AND HEALTH POLICY

Our Directors believe that the operational safety measures currently adopted by us are in line with the industry practice in the jurisdictions where we operate and our Directors confirmed that we are not in breach of any operational safety laws or regulations in these jurisdictions. There were no fatal accidents, health injuries, or any non-compliance incidents with the relevant laws and regulations in the jurisdictions where we operate during the Track Record Period and up to the Latest Practicable Date.

In the United Kingdom, we have engaged fully qualified professional safety advisers as our consultant to advise on the safety and health matters and ensure we are in compliance with the requirements of the relevant legislations. To ensure a safe and healthy workplace for our employees, the students and other visitors, we have set up a health and safety committee comprising the managers of different departments for developing the relevant policies and monitoring performance in health and safety matters for our operations in the United Kingdom.

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Please refer to the section headed “Regulatory overview” in this prospectus for further details. Our Directors confirmed that we had not experienced any significant labour accident which had a material adverse impact on us during the Track Record Period and up to the Latest Practicable Date. We had complied with all relevant mandatory local and national labour and safety laws and regulations in the jurisdictions which we have business operations during the Track Record Period and up to the Latest Practicable Date.

INSURANCE

Our Directors confirmed that our Group has adequate insurance coverage which is consistent with market practices and adequate for the purpose of its business and operations. All the policies are in force and the premiums have been paid. The insurance premium paid by us during the Track Record Period amounted to approximately S\$0.4 million, S\$0.5 million, S\$0.6 million and S\$0.3 million, respectively. These insurance policies are reviewed annually to ensure that the coverage is adequate.

In relation to the operations of our accommodation business, our Group maintains insurance coverage for fire, burglary, industrial all risks, property, business interruption and public liability. Our Group also maintains terrorism insurance for its accommodation operations in the United Kingdom. In relation to the operations of the optical disc business, our Group maintains insurance coverage for boiler and pressure vessel and industrial all risks.

Our Group also maintains insurance for its employees, including hospitalisation and surgery insurance, medical insurance, travel insurance, personal accident insurance, work injury compensation and directors and officers liability insurance.

Our Directors confirmed that we have satisfied all statutory requirements with respect to insurance coverage in the jurisdictions where we operate our business. As of the Latest Practicable Date, we have not made nor been the subject of any material outstanding insurance claims. We had not experienced any significant loss or damage arising from the operation of our accommodation business and our optical disc business during the Track Record Period.

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INFORMATION TECHNOLOGY SYSTEM

Dormitory management system

Our Group has developed and maintained our own dormitory management system for our workers accommodation business in Singapore and Malaysia. Leveraging on the system which maintains real-time information of the availability of beds and centralised database of all corporate tenants and their workers as residents of the respective dormitories, members of the sale department can check the availability of the beds, reserve the beds and issue the letter of offer to potential customers. The tenancy agreement can be generated by the system once the customers confirm the tenancies. An account will be created for each customer with its details including the company name, contact details and information of the existing tenancies with us. The account of each customer also contains particulars of each of their workers residing in our dormitories including name, nationality, work pass number, check in status and bed he/she being assigned. The system also allows our staff to monitor the schedule and status of our regular inspection of the rooms, manage meter reading of the electricity and water utilities of each corporate tenant, and send emails to customers for utilities, billing and check out. The data stored in the system also assists us in analysing the revenue trends our workers accommodation business which enables us to formulate suitable business plans. We are committed to safeguard the confidentiality, integrity and availability of all electronic information. Data generated in the dormitory management system and files stored in our servers are backed up periodically.

StarRez

During the Track Record Period, we have engaged an Independent Third Party software provider StarRez for integrated student housing solution which assists us in dealing with the online housing applications by the students, room matching contract management, maintenance, parcel management and staff administrative functions such as billing, reporting, and emails.

As confirmed by our Directors, there had been no unexpected system or network failure which caused material interruption to our operations during the Track Record Period.

As at the Latest Practicable Date, there were six employees responsible for the management and monitoring of our system infrastructure.

ERP

For our optical disc business, our Group has implemented the ERP system, which was customised according to our operation flow covering all major business processes such as sales, production planning, production, delivery and inventory management. During the Track Record Period, we did not experience any material interruption to its business operations which may have a material adverse impact on the Group's operation and financial position due to the failure of the ERP system. We have a warehouse at our production plant in Singapore with an aggregate storage area of approximately 11.5 sq.m..

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INTELLECTUAL PROPERTY RIGHTS

Domain names

As at the Latest Practicable Date, we were the registrants of a number of domain names containing “centurion”, “tptpooling”, “fwtpooling”, “fwsharetransport”, “dwellstudent”, “worker dormitory services” and “westlite”. Please refer to the paragraph headed “B. Further information about the business of our Group — 2. Intellectual property rights of our Group” as set out in Appendix VI to this prospectus for further details of our domain names.

Trademarks

As at the Latest Practicable Date, we had registered or applied for registration of a number of “Westlite” and “dwell” trademarks in, as the case may be, Singapore, the United Kingdom, Australia and Malaysia where we operate our accommodation business as well as other jurisdictions. We have also entered into a licence agreement with Centurion Global, our Controlling Shareholder, for a non-exclusive licence at nominal cost to use the trademark “Centurion” in connection with our Group’s operation and development of our accommodation business in countries set out in the licence agreement. Details of our intellectual property rights are set out in the paragraph headed “B. Further information about the business of our Group — 2. Intellectual property rights of our Group” as set out in Appendix VI to this prospectus.

As at the Latest Practicable Date, we were not aware of any material infringements (i) by us of any intellectual property rights owned by third parties; or (ii) by any third parties of any intellectual property rights owned by us and we were also not aware of any pending or threatened claims against us or any of our subsidiaries in relation to the material infringement of any intellectual property rights of third parties.

RISK MANAGEMENT

Key risks relating to our business are set out in the section headed “Risk factors” in this prospectus. We adopt an Enterprise Risk Management Framework for the identification and management of key risk within our Group’s businesses, which has adopted and aligned with the guidance of the Committee of Sponsoring Organisations of the Treadway Commission Internal Controls Integrated Framework in United States. The Committee of Sponsoring Organisations of the Treadway Commission is a committee in United States which provides thought leadership through the development of comprehensive frameworks and guidance on enterprise risk management, internal control and fraud deterrence designed to improve organisational performance and governance and to reduce the extent of fraud in organisations. The Enterprise Risk Management Framework sets out a systematic and ongoing process to identify and assess risk and defines how risk information (including risk mitigation action plans) is collected, monitored and reported to our management, the Audit Committee and the Board on a regular and timely basis.

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Our Board has delegated the Audit Committee to assist in our oversight of the risk management framework, policies and processes. The Audit Committee's principal functions and responsibilities on risk management, include the following:

- (i) reviews and recommends risk management strategies and policies, and risk tolerance for the Board's approval;
- (ii) reviews and assesses the adequacy of risk management policies and framework in identifying, measuring, monitoring and controlling risks, as well as the extent to which these policies and framework are operating effectively;
- (iii) ensures that adequate infrastructure, resources and systems are in place for an effective risk management, i.e. ensuring that staff responsible for implementing risk management systems performs those duties independent of our Group's risk taking activities; and
- (iv) provides risk oversight and reviews risk profiles of our Group.

Our Group's internal and external auditor conduct independent reviews of the effectiveness of our Group's material internal controls, including financial, operational, compliance, information technology and risk management. The Audit Committee will review their reports to ensure that there are adequate and effective internal controls in our Group. Based on the internal controls established and maintained by our Group, work performed by the internal and external auditors and reviews performed by our management, our Directors are of the opinion that our Group's risk management systems and internal controls addressing financial, operational, compliance and information technology risks were adequate and effective for the Track Record Period.

Hedging

Exposures to foreign currency risks are managed as far as possible by natural hedges where we match our sales and purchases in the same foreign currency. Loans are borrowed in the local currency to the maximum "loan-to-value" where possible, subject to tax planning. Investments are made with a long term perspective. Financial reports are prepared on a monthly basis so that we can closely monitor our Group's overall financial performance and identify the relevant risks. We also monitor our foreign currency risk exposure by preparing a quarterly analysis report to the Board so that any relevant risks can be addressed and appropriate measures can be carried out to minimise the exposure. As at the Latest Practicable Date, we did not have any hedging position nor outstanding exposure under any derivative instrument.

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Liquidity risk management

Our Group's prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. During the Track Record Period, assets held by our Group for managing liquidity risk included cash and short-term deposits. Our management monitors rolling forecasts of the liquidity reserve which comprises cash and bank deposits of our Group on the basis of expected cash flow. This is generally carried out at local level in the operating companies of our Group in accordance with the practice set by our Group. In addition, our Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios and maintaining debt financing plans.

Please refer to paragraph headed "Financial information — Liquidity and capital resources" and note 15 of the Accountant's Report in Appendix I to this prospectus for the details of our Group's cash flow, cash and bank balances during the Track Record Period.

To manage liquidity risk arising from our expansion and development plans, our Group ensures that there are sufficient cash and short term deposits and bank facilities to meet any short term liabilities and unanticipated fund requirements. As at 30 June 2017, we had cash and short term deposits of approximately S\$84.4 million and available banking facilities of approximately S\$109.0 million.

Expansion on acquiring completed assets and development projects are typically funded by banks at 70% to 80% loan to value ratio. The balance of 20% to 30% is financed by internal resources. To avoid unanticipated fund requirements to meet bank repayments, our Group's funding policy for investments is to commit a long term bank loans to match the long term nature of its investments. Our Group's typical bank loans taken up for the investments are between 10 to 15 years with fixed and pre-determined debt repayments, matching the incoming cash flows over the entire loan period. As at 30 June 2017, we had an average bank maturity profile of approximately 11 years. Sufficient cushions are provided to ensure the cash flows could comfortably meet the financial covenants stipulated in the long term loan agreements.

Our Group also manages the level of our expansion in development projects with completed cash flow generating assets to reduce the possible liquidity risk that could arise from project delays and cost increase contingencies. As at 30 June 2017, the value of development project in the pipeline is approximately 9.5% of the aggregate value in development projects and cashflow generating assets.

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Besides monitoring rolling forecasts of the liquidity reserve on the basis of expected cash flows by management, the Audit Committee and the Board are being advised on our Group's liquidity and sufficiency of working capital during meetings held quarterly. Funding arrangements for expansion and development plans are discussed at the Board level before approvals are granted for the acquisition or commencement of developmental projects.

Apart from the available cash, short term deposits and committed banking facilities, our Group also has an available MTN Programme facility of up to S\$350 million in which our Group can readily tap the debt capital market for funds. We have successfully raised S\$250 million from the debt capital market over four different occasions during the Track Record Period.

Where necessary, we could also raise capital through share placements or rights issues to mitigate liquidity risk, if any, arising from the expansion plan and development plans.

Due to the nature of our Group's business, the cash generated is stable with high operating margin and the cash generated on an ongoing basis are far sufficient to meet operating expenditure, interest and fixed debt repayments. In addition, our business model includes customers having to pay rent in advance and a rental deposit. Requirement for working capital for the day to day operations is hence minimal. However, our Group maintains sufficient cash reserves to cushion any unanticipated fund requirements due to external events that could interrupt the business and those relating to expansions and development plans.

Capital risk management

Our Group's objectives when managing capital are to safeguard our ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve optimal capital structure, we may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings. Our management monitors capital based on a net gearing ratio which is calculated as net debt divided by total capital. Net debt is calculated as borrowings less cash and bank balances and total capital is calculated as borrowings plus net assets of our Group. Please refer to paragraph headed "Financial information — Key financial ratios" in this prospectus for further details.

CORPORATE GOVERNANCE AND INTERNAL CONTROL MEASURES

We maintain corporate governance and internal control measures to ensure effective and efficient management and operations of our business and to safeguard the interests of our employees, stakeholders and Shareholders (as the case may be). These include:

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Control environment	—	the establishment of an internal audit division to review and report on the effective internal control performance;
Risk assessment	—	procedures to identify and analyse relevant risks to the achievement of our Group's objectives, including risks relating to the changing regulatory and operating environment, as a basis for determining how the risk should be mitigated and managed;
Monitoring activities	—	policies and procedures to ensure management directives are carried out and any actions that may be needed to address risks to achieving company objectives are taken;
Information and communications	—	systems to identify, capture and report operational, financial and compliance-related information in a form and timeframe that enable management and other personnel to carry out their responsibilities;
Learning and development	—	policies to ensure continuous training and development programs are in place to update staff with technological, operation and business advancement;
General computer controls	—	procedures on computers such as daily backup processes;
Financial measures	—	(1) outlines the financial and reporting structure, (2) process and procedures for the preparation of the financial statements at the end of the financial reporting period, (3) process and procedures that enhance the corporate planning and budgetary preparation in order to assess the performance, effectiveness and efficiency of the Company's operations;
Sales management measures	—	process and procedures established in respect of (1) residential tenants sales and collection cycle and (2) commercial tenants sales and collection cycle;
Purchases management measures	—	process and procedures established in respect of areas in (1) obtaining quotation from suppliers and inviting open tender from contractors, (2) maintaining and reviewing a list of approved suppliers and contractors and (3) capital expenditure; and
Business continuity plan	—	strategy to minimise the effect of disturbances and to allow for timely resumption of activities.

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In preparation of the Listing, we engaged an independent internal control adviser in March 2017 as our independent external adviser (“**Internal Control Adviser**”) to perform a review of our internal control system. The work scope of the internal control review included documentation, testing and assessment of our procedures, systems and controls in respect of our operation and corporate governance. Through an initial review during March 2017, our Internal Control Adviser identified some findings in our internal control system, and considered that the likelihood and extent of the adverse impact of the relevant findings upon the business operations or resources utilization of our Group was relatively low. It also recommended certain measures to be implemented by us. Based on such recommendations, we implemented the measures to improve our internal control system. According to the results of the follow-up review performed by the Internal Control Adviser in April 2017 and June 2017, our Group has adopted and implemented all recommendations of the Internal Control Adviser.

Based on the above, our Directors are of the view that the internal control measures of our Group are adequate and effective. Our Directors are responsible for overseeing the overall risk management and assess and update our risk management policy as appropriate.

Corporate governance measures

Our Company will comply with the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. We have established three board committees, namely, the Audit Committee, the Remuneration Committee and the Nominating Committee, with respective terms of reference in compliance with the Corporate Governance Code. For details, please refer to the section headed “Directors and senior management — Board committees” in this prospectus. In particular, one of the primary duties of our Audit Committee is to review the effectiveness of our Company’s financial reporting process, internal control and risk management system. Our Audit Committee consists of all three of our independent non-executive Directors, whose backgrounds and profiles are set out in the section headed “Directors and senior management” in this prospectus.

Our Directors will review our corporate governance measures and our compliance with the Corporate Governance Code each financial year and comply with the “comply or explain” principle in our corporate governance reports to be included in our annual reports after Listing.

LITIGATION

As at the Latest Practicable Date, there were no litigation or arbitration proceedings or claims of material importance pending or threatened against any member of our Group or any of our Directors which, in the opinion of our Directors, could have a material adverse effect on our Group’s financial condition or results of operations. We may from time to time become a party to various arbitration or legal proceedings arising in the ordinary course of our business.

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REGULATORY NON-COMPLIANCES

Save as the systemic non-compliance as disclosed below, our Directors confirmed that during the Track Record Period and up to the Latest Practicable Date, there was no non-compliance incident the nature of which is a material non-compliance or a systemic non-compliance:

Regulation	Details of non-compliance	Potential consequences of non-compliance	Reason for non-compliance	Rectification
Planning Permit TP 04/1116 A issued by Melbourne City Council on 11 March 2005 (“ Planning Permit ”)	Centurion Australia Investments Pty Ltd (“ CAI ”), one of our indirect subsidiaries in Australia, did not enter into an agreement with Melbourne City Council under section 173 of the Victorian Planning and Environment Act 1987 in accordance with condition 2 of the Planning Permit following CAI’s purchase of the RMIT Village.	As advised by our legal advisers as to Australia law, the likely consequence of such omission is that the Melbourne City Council would require execution and registration without taking further action unless that requirement was opposed or ignored. Such omission does not affect the validity of the title to the subject land, the validity of the Planning Permit or the right of CAI or its tenant, Centurion Student Services Pty Ltd, our indirect subsidiary in Australia, to operate the business of providing accommodation at the RMIT Village.	The previous owner of the RMIT Village, which sold that facility to CAI, was responsible for compliance with the Planning Permit following its issue by Melbourne City Council. It failed to enter into a section 173 agreement with Melbourne City Council.	Our legal advisers as to Australia law have been instructed to attend to rectification of the omission. An initial draft of such an agreement was submitted to Melbourne City Council on 16 June 2017. As at the Latest Practicable Date, the execution and registration of the agreement was still pending confirmation by Melbourne City Council. Our legal advisers expect that the Melbourne City Council will not proceed with the section 173 agreement as submitted but will rather require a revised section 173 agreement to be entered into in satisfaction of both the Planning Permit and a subsequent (2015) planning permit.

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Regulation	Details of non-compliance	Potential consequences of non-compliance	Reason for non-compliance	Rectification
<p>Licensing of Trades, Businesses and Industries (Johor Bahru City Council) By-laws 2004 (“JBCC By-laws”)</p>	<p>Centurion Dormitories Sdn. Bhd. and Westlite Dormitory Management Sdn. Bhd, our indirect subsidiaries in Malaysia, did not have business licences for their business operations within the City of Johor Bahru.</p>	<p>It is an offence under the JBCC By-laws, and on conviction, each of Centurion Dormitories Sdn. Bhd. and Westlite Dormitory Management Sdn. Bhd. is liable to a fine not exceeding RM2,000 or a term of imprisonment not exceeding one year or both, subject to a further fine of not exceeding RM200 for every day during which such offence is continued after conviction. As advised by our legal advisers as to Malaysia law, it is unlikely that proceedings would be instituted against the two subsidiaries or their directors for such non-compliance, and that the directors of the two subsidiaries would not receive an imprisonment sentence for such non-compliance if action is instituted against them, given the following reasons:</p> <ul style="list-style-type: none"> (a) the non-compliance was not intentional and the directors have taken immediate action to remedy the non-compliance; and (b) there is no reported case where the directors of company were sentenced for imprisonment for such non-compliance. 	<p>The two subsidiaries were previously operating under the roof at Westlite Tebrau Accommodation premises with the same business licences obtained by Westlite Tebrau. We had instructed a local corporate service company to apply for the business licences for the two subsidiaries when the two companies moved to a new office premises in July 2016 but we were informed that it took time to complete the application.</p>	<p>On 6 June 2017, the two subsidiaries had obtained the business licences issued by the Johor Bahru City Council.</p>

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Regulation	Details of non-compliance	Potential consequences of non-compliance	Reason for non-compliance	Rectification
<p>Licensing of Trades, Businesses and Industries (Pasir Gudang Municipal Council) By-laws 2017 (“PGMC By-laws”)</p>	<p>Westlite Pasir Gudang, did not have business licences for its business operation within the area of Pasir Gudang Municipal Council.</p>	<p>It is an offence under the PGMC By-laws, and on conviction, Westlite Pasir Gudang is liable to a fine not exceeding RM2,000 or a term of imprisonment not exceeding one year or both. The Pasir Gudang Municipal Council may, with the consent of the Public Prosecutor compound the offence at an amount not exceeding 50% of the fine prescribed under the said offence. As advised by our legal advisers as to Malaysia law, it is unlikely that proceedings would be instituted against the Westlite Pasir Gudang or its directors for such non-compliance, and that its directors would not receive an imprisonment sentence for such non-compliance if action is instituted against them, given the following reasons:</p> <p>(a) the non-compliance was not intentional and the directors have taken immediate action to remedy the non-compliance; and</p> <p>(b) there is no reported case where the directors of company were sentenced for imprisonment for such non-compliance.</p>	<p>We had instructed a local corporate service company and submitted an application to the local town council for a business licence since 2013. We had been actively liaising with the council to supply the required documents for completion of the application.</p>	<p>On 8 June 2017, Westlite Pasir Gudang obtained the business licence issued by the Pasir Gudang Municipal Council.</p>

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Regulation	Details of non-compliance	Potential consequences of non-compliance	Reason for non-compliance	Rectification
Fire Services Act 1988 (“FSA”)	Westlite Tebrau did not obtain new fire certificate after completion of upgrading work of the Westlite Tebrau Accommodation in April 2017 for its operations.	Under the FSA, where there is no fire certificate in force, the owner of the premises is guilty of an offence whereby if convicted, it is liable to a fine not exceeding RM5,000.00 or imprisonment for a term not exceeding three years or both. Nonetheless, such offence may be compounded in accordance with the Fire Services (Compounding of Offences) Regulations 1991, where notice may be issued to compound the offence upon receipt of information or compliant that an offence has been committed. If full payment of the composition sum offered is made within the period prescribed in the notice, no further proceedings will be taken against such person. As advised by our legal advisers as to Malaysia law, it is unlikely that proceedings would be instituted against Westlite Tebrau or its directors for such non-compliance, and its directors would not receive an imprisonment sentence if action is instituted against them.	The responsible staff had already applied for the new fire certificate immediately upon completion of the upgrading work and it is normal industrial practice to continue the business operations pending the issue of the new fire certificate.	On 20 August 2017, Westlite Tebrau had obtained the fire certificate issued by the Fire and Rescue Department of Malaysia.

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Regulation	Details of non-compliance	Potential consequences of non-compliance	Reason for non-compliance	Rectification
Indonesian Investment Coordinating Board (“BKPM”) Regulation	PT Westlite Accommodation Cibitung (“PT Westlite”), our indirect subsidiary in Indonesia, did not renew the investment principle licence after the expiry on 16 October 2016.	There is no direct sanction/fine/penalty under BKPM Regulation in respect of expiry of and failure to renew the investment principle licence.	Our responsible staff had made an application to BKPM for renewal of the investment principle licence but was told by the authority that it was not necessary as PT Westlite had no business operation.	On 5 June 2017, PT Westlite submitted an application to BKPM for renewal of the principal licence and such licence was obtained on 9 June 2017.
Interim Regulations on Enterprise Information Disclosure (《企業信息披露暫行條例》) and Interim Measures for the Administration of the Lists for Enterprises with Abnormal Operations (《企業經營異常名錄管理暫行辦法》)	Shanghai Huade, our indirect subsidiary in the PRC, did not make annual notice within the prescribed period and was listed on the list of enterprise with abnormal operations by the local Market Supervision and Management Bureau in July 2015.	If an enterprise fails to fulfil its public disclosure obligations after it has been listed on the list of enterprise with abnormal operations for three years, the relevant authority will include it on the list of enterprises in serious violation of law and such information will be made public. Its legal representative and responsible person shall not serve as legal representative or responsible person of any other enterprises for three years. It will also be restricted to government works including procurement, project bidding, grant of state-owned land or awarding honours etc. As advised by our legal advisers as to the PRC law, there would be no risk of being penalised after the rectification.	The prescribed period time for filing under the new filing system had not expired but the Administration Bureau for Industry and Commerce followed the outdated filing regime with earlier deadline for filing submission, and therefore it put Shanghai Huade onto the list of enterprise with abnormal operations by the local Market Supervision and Management Bureau.	Shanghai Huade was removed from the list of enterprise with abnormal operations in March 2016 after the annual report had been filed with the local Market Supervision and Management

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Our Directors confirmed that, so far as our Directors are aware, during the Track Record Period and up to the Latest Practicable Date, save as disclosed above, our Group is in compliance with all relevant laws and regulations in the jurisdictions where we operate our business in all material respects and we have obtained all requisite licences, approvals and permits from relevant regulatory authorities for conducting our business. We have not experienced any failure in applying for the renewal of all these licences. During the Track Record Period and up to the Latest Practicable Date, no penalty has been imposed on us for the non-compliance incidents disclosed above.

Our Directors further confirmed that, to the best of their knowledge and belief as at the Latest Practicable Date, they were not aware of (i) any non-compliance by our Company, Directors and Controlling Shareholders of the Singapore Listing Manual in relation to our Company since the completion of the Reverse Takeover and up to the Latest Practicable Date; and (ii) any matter that should be brought to the attention of the investors and regulators in Hong Kong in relation to our Group's compliance record in respect of the abovementioned period.

Recommendation of the Internal Control Adviser

In respect of the abovementioned non-compliances, the Internal Control Adviser has recommended that our Group (i) to expedite the approval and implementation of the regulatory compliance checklist, monitor rectification of the issues and to conduct further legal review if the matters have been remediated; (ii) to put in place a procedure whereby a legal compliance checklist will be completed for new projects; and (iii) to include the renewal of required licences in our present contract management system to provide due reminders to our Group on renewal and application. The control procedures and processes will be subject to review by our internal compliance team and the internal audit during our routine audits. In the third quarter of 2017, relevant policies and procedures for regulatory compliance monitoring has been documented. We have established policies and procedures for contract management and implemented a contract management system to monitor the expiry dates and review process for all the contract signed with suppliers or service providers. The regulatory compliance checklists were completed and submitted by subsidiaries in Singapore and Malaysia. Internal audit has been scheduled for end of year after non-compliance issues have been fully addressed and internal compliance team has been established. Our Company has also engaged external legal advisors to advise us on licensing compliance and legal related requirements. We consider recurrence of similar non-compliances would be prevented with implementation of all these measures.

Directors' and the Sole Sponsor's views on internal control measures relating to non-compliance incidents

Having considered the recommendation of the Internal Control Adviser and the rectification measures undertaken by our Group and the preventive measures mentioned above, which have been implemented including the engagement of external legal advisors to handle all licensing, compliance

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and legal related issues, our Directors are of the view, and the Sponsor concurs, that (i) the various internal control measures adopted by our Group are adequate and effective; (ii) the incident identified does not materially affect the suitability of our Directors to act as directors under Rules 3.08 and 3.09 of the Listing Rules; and (iii) the incidents identified do not materially affect the suitability for our Listing under Rule 8.04 of the Listing Rules.

EMPLOYEES

As of 31 December 2014, 2015 and 2016, 30 June 2017 and at the Latest Practicable Date, our Group had a total of 339, 320, 296, 290 and 311 employees, respectively. The following tables set forth the breakdown of our employees (including Directors but excluding independent non-executive Directors) by function and geographical location as of 31 December 2014, 2015 and 2016, 30 June 2017 and the Latest Practicable Date, respectively:

	As at 31 December			As at 30 June	As at the Latest Practicable Date
	2014	2015	2016	2017	
Singapore					
<i>Accommodation business</i>					
Management	8	8	10	10	10
Operations	55	60	68	66	74
Sales and marketing	7	13	13	14	17
Project	3	4	3	3	3
Investor relations	1	1	2	2	4
Investment	—	1	2	2	1
Human resources and administration	4	6	5	7	7
General administration	7	6	9	9	12
Finance and administration	16	23	23	25	26
Management information system	5	5	6	6	6
<i>Optical disc business</i>					
Production	44	34	16	10	10
Sales and marketing	6	5	1	1	1
Finance and administration	4	3	2	—	—
<i>Sub-total</i>	160	169	160	155	171
United Kingdom					
Operations	27	29	41	40	41
Sales and marketing	2	3 ^(Note)	7 ^(Note)	6 ^(Note)	6 ^(Note)
Project	1	1	2	1	3
Finance and administration	2	3	4	6	5
<i>Sub-total</i>	32	36	54	53	55

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	As at 31 December			As at 30 June	As at the Latest Practicable Date
	2014	2015	2016	2017	
Australia					
Operations	16	12	14	14	14
Sales and marketing	2	2	2	2	2
Finance and administration	2	2	2	3	4
<i>Sub-total</i>	20	16	18	19	20
Malaysia					
Management information system	0	0	0	1	1
Operations	38	39	42	40	41
Sales and marketing	6	6	6	7	7
Human resources and administration	1	2	2	2	2
Finance and administration	6	6	7	7	8
<i>Sub-total</i>	51	53	57	57	59
Indonesia					
Management	2	1	1	1	1
Operations	63	36	4	3	3
Sales and marketing	5	4	0	—	—
Human resources and administration	1	1	1	1	1
Finance and administration	5	4	1	1	1
<i>Sub-total</i>	76	46	7	6	6
Total	339	320	296	290	311

Note: Including one employee based in the PRC.

As at the Latest Practicable Date, 171, 55, 20, 59 and 6 of our staff were located in Singapore, the United Kingdom, Australia, Malaysia and Indonesia, respectively. We incurred employee compensation of approximately S\$13.6 million, S\$14.1 million, S\$16.9 million and S\$8.3 million from continuing operations for each of the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively, representing 25.5%, 19.1%, 20.5% and 19.1% of our total expenses from continuing operations, respectively.

For our business operation in the United Kingdom, we engaged an Independent Third Party which is a human resources agency to take charge of all work in relation to human resources including, staff training and appraisal, preparation of human resource-related documents including employment contracts and employee handbook and formulating relevant policies to ensure they are

BUSINESS

compliance with the applicable laws and regulations in the United Kingdom. As for Australia, the Independent Third Party operator is responsible for all human resources-related matters including human resources planning, recruitment, training and appraisal and policies formulation for our staff working at the RMIT Village.

Recruitment

Our management assess our available human resources and conduct manpower planning based on the business needs of our Group on an annual basis. Any request made by relevant department heads is subject to review and approval by the human resources department which is responsible for the hiring process. We recruit our employees from the open market and enter into employment contracts with our employees upon confirmation of the offers.

Employees' remuneration and benefits

All of our employees are paid a fixed salary, a discretionary year-end bonus and may be granted other allowances, based on their performance and position. We also maintain medical, hospital and surgery insurance for our staff, as well as travel, personal accident and work injury compensation insurance and insurance for directors and officers liability. We regularly review our compensation and benefits policies to ensure that our practices are in line with applicable labour regulations.

In accordance with applicable laws of the relevant jurisdictions in which we operate in, we participated in and contributed to statutory mandatory contribution scheme, where applicable, during the Track Record Period.

Employee training

Our employees received training depending on their department and the scope of works. Typically they are required to attend trainings, from time to time, relating to our quality, operation, internal control, environmental, health and safety policies.

Employee relations

Our Directors believe that we have a good relationship with our employees. During the Track Record Period, we did not have any material dispute with our employees. Our employees are not members of any labour union. During the Track Record Period, we did not experience any significant problems with employees or other labour disturbances to our operations and we did not experience any difficulties in the recruitment and retention of experienced staff.

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

OUR CONTROLLING SHAREHOLDERS

Our ultimate holding corporation is Centurion Global, which is an investment holding company that owns a diverse portfolio of businesses covering sectors such as real estate, investment management, private equity investments and others. Centurion Global in turn is owned as to 50.0% by each of Mr. Loh and Mr. Han, respectively. As at the Latest Practicable Date, approximately 54.2% of our Shares were held by Centurion Global indirectly, through Centurion Properties and Thinkpac Limited as to 53% and 1.2%, respectively, both of which are wholly-owned subsidiaries of Centurion Global. As at the Latest Practicable Date, Mr. Loh and his spouse collectively had a direct interest of approximately 2.3% of our Shares and Mr. Han and his spouse collectively had a direct interest of approximately 1.5% of our Shares. Upon completion of the Share Offer, Centurion Global, Centurion Properties, Mr. Loh and Mr. Han will be deemed to be interested in approximately 53.0%, 53.0%, 55.3% and 54.5% of our Shares, respectively. Accordingly, Centurion Properties, Centurion Global, Mr. Loh and Mr. Han will be our Controlling Shareholders upon Listing. Further, (i) Ms. Wong Wan Pei, being the spouse of Mr. Loh; (ii) Ms. Kang Lee Cheng Susanna, being the spouse of Mr. Han; and (iii) Thinkpac Limited, will become part of the group of Controlling Shareholders of our Company upon Listing. The group of Controlling Shareholders will be interested in approximately 56.8% upon Listing. As at the Latest Practicable Date, save for the interests in our Company, Centurion Properties, Centurion Global, Mr. Loh and Mr. Han did not own substantial or controlling interest in other listed companies in Singapore, Hong Kong or elsewhere.

DELINEATION OF BUSINESS

Our principal business

We are one of Singapore's largest workers and student accommodation owner-operators. We develop, own and/or manage quality PBWA assets in Singapore and Malaysia since August 2011, as well as PBSA assets in Australia, the United Kingdom and Singapore since February 2014. The types of properties that we manage are driven by the respective local demand. Our workers accommodation in Singapore and Malaysia are in proximity to industrial locations and our student accommodation assets are generally located in close proximity to key university campuses with easy access to city centres. Our Group's accommodation assets are targeted at housing foreign workers and students who require short-term accommodation during their employment term and the school semester. As at the Latest Practicable Date, we had a strong portfolio of 21 operational accommodation assets totaling approximately 61,600 beds (including 6,300 beds from Westlite Mandai Accommodation owned by our associated company which we are the operator). In June 2017, we acquired a development site at Rundle Street on the eastern side of Adelaide city centre in Adelaide, Australia, to be developed as a new 280-bed student accommodation. As at the Latest Practicable Date, our Group had two development sites in Penang, Malaysia — one under construction and the other pending completion of land acquisition and final planning approval.

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

Controlling Shareholder's business

Mr. Loh and Mr. Han, through Centurion Properties, engage in property development and investment in Singapore, Malaysia, Hong Kong and China. Centurion Properties has a diverse portfolio consisting of residential properties, service apartments, hotel developments and commercial properties. It targets at a relatively wider variety of end-customers including local residents, expatriates, businessmen and tourists. To the best knowledge of our Directors after making reasonable enquiry, save for the business conducted through our Company, Centurion Properties does not own, develop and manage any PBWA assets or student accommodation assets in any part of the world.

As such, due to the difference in business activities, types of properties that Centurion Properties is involved in and its end-customers, our Directors consider that there is a clear delineation between the businesses operated by our Controlling Shareholders and our Group.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Having considered the following factors, we believe our Group is capable of carrying on our business independently of our Controlling Shareholders and their respective close associates (other than our Group) after the Listing.

Financial independence

Our Group has established and maintained independent internal control and accounting systems, accounting and finance departments, independent treasury function for cash receipts and payments, and independent access to third-party financing.

Under these circumstances, our Directors believe that our Group is capable of carrying on our business without financial reliance on our Controlling Shareholders.

Operational independence

We have established our own organisational structure comprising individual departments, such as the accounts department, the investment and finance department, the human resources department, the sales department and the procurement department each with specific areas of responsibilities. We have not shared our operational resources, such as suppliers, customers, marketing, sales and general administration resources with our Controlling Shareholders and/or their respective close associates.

Further, we have sufficient capital, equipment and employees to operate our businesses independently. We have also established various internal control procedures to facilitate the effective operation of our business.

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

We have entered into one exempt continuing connected transaction with our Controlling Shareholders. On 1 August 2011, we, as licensee, and Centurion Global, our Controlling Shareholder, as licensor, entered into a trademark licence agreement pursuant to which Centurion Global has granted a non-exclusive right to our Company to use the trademark “Centurion” in connection with services relating to the development and operation of accommodation and related facilities for workers and students in various countries, or any such services that the parties may agree from time to time. For further details, please refer to the section headed “Connected transaction” in this prospectus.

Notwithstanding the on-going relationship between our Controlling Shareholders and our Group under the said trademark licence agreement, our Directors consider that such relationship will not affect the independence of our Group because (i) the above exempt continuing connected transaction was entered into on normal commercial terms; (ii) our Company is licensed to use the abovementioned trademark by making a one-off consideration of S\$10.00; and (iii) in respect of the trademark licence agreement, our Group is granted with the right to use the trademarks at a nominal consideration.

Management independence

Notwithstanding the Controlling Shareholders have a controlling interest in our Company and comprise our non-executive Directors, our Board of Directors has full authority to make all decisions on its business operations independently and has access to our suppliers and customers without reliance on the Controlling Shareholders.

The following table sets forth a summary of the positions held by our Directors and members of our senior management team, Centurion Properties and Centurion Global as at the Latest Practicable Date:

<u>Name</u>	<u>Positions held within our Company</u>	<u>Positions held within Centurion Properties</u>	<u>Positions held within Centurion Global</u>
Mr. Wong Kok Hoe	Non-executive Director and chairman of the Board Member of the Remuneration Committee	Director	Group chief operating officer
Mr. Loh	Non-executive Director	—	Principal director
Mr. Han	Non-executive Director	—	Principal director

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

Name	Positions held within our Company	Positions held within Centurion Properties	Positions held within Centurion Global
Mr. Gn Hiang Meng	Independent non-executive Director	—	—
	Chairman of the Nominating Committee		
	Chairman of the Audit Committee		
	Member of the Remuneration Committee		
Mr. Chandra Mohan s/o Rethnam	Independent non-executive Director	—	—
	Chairman of the Remuneration Committee		
	Member of the Audit Committee		
	Member of the Nominating Committee		
Mr. Owi Kek Hean	Independent non-executive Director	—	—
	Member of the Audit Committee		
	Member of the Nominating Committee		
Mr. Kong Chee Min (江志明)	Chief executive officer	—	—
Mr. Lee Kerk Chong (李世宗)	Executive director of optical disc business	—	—

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

Name	Positions held within our Company	Positions held within Centurion Properties	Positions held within Centurion Global
Mr. Bin Hee Din Tony (袁啟新)	Executive director of accommodation business	Chief executive officer and director, real estate	—
Ms. Foo Ai Huey (符愛慧)	Chief financial officer	—	—
Ms. Lee Geok Ing (李玉英)	Human resource and administration manager	—	—
Mr. Teo Peng Kwang (趙炳光)	Chief operating officer of accommodation business	—	—
Mr. Ho Lip Chin (何立錦)	Chief investment officer of accommodation business	—	—
Mr. Leong Siew Fatt (梁兆發)	Head of student accommodation business	—	—
Mr. Lim Choon Kwang (林俊光)	Director of security	—	—
Mr. Yeo Boon Hing	Director of corporate research and innovation	—	—

Four of our 16 members of the Board and senior management, namely, Mr. Wong Kok Hoe, Mr. Loh, Mr. Han (collectively, the “**Overlapping Directors**”) and Mr. Bin Hee Din Tony, hold positions in our Company, Centurion Properties and/or Centurion Global. Our Board is of the view that each of their roles within our Company, Centurion Properties and/or Centurion Global are beneficial to our Company, as their presence within our Company will ensure the continuity and stability of our operations and their individual expertise and experience are valuable to the strategic development of our Company. For more details of the relevant experience of the Overlapping Directors and Mr. Bin Hee Din Tony, please refer to the section headed “Directors and senior management” in this prospectus.

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

Our Board believes that the positions held by the Overlapping Directors and Mr. Bin Hee Din Tony in our Company, Centurion Properties and/or Centurion Global will not affect their abilities to discharge their fiduciary duties and duties of skill, care and diligence to our Company, on the basis that:

Mr. Wong Kok Hoe is a non-executive Director and chairman of the Board of our Company. He is responsible for participating in the formulation of corporate and business strategies of our Company. He will abstain from voting on resolutions regarding any transactions proposed to be entered into between our Company, Centurion Properties, Centurion Global and/or any other connected companies. He is not involved in the daily operations of our Company but will attend the Company's board meetings to provide strategic advice and guidance. Mr. Wong Kok Hoe is also a director of Centurion Properties and the group chief operating officer of Centurion Global. Mr. Wong Kok Hoe will devote sufficient time to carry out his responsibilities in our Company.

Mr. Loh is a non-executive Director of our Company. He participates in the formulation of corporate and business strategies of our Company. Mr. Loh does not have executive functions in our Company and is not involved in our daily operations. He will abstain from voting on resolutions regarding any transactions proposed to be entered into between our Company, Centurion Properties, Centurion Global and/or other connected companies. Mr. Loh will devote sufficient time to discharge his duties in our Group.

Mr. Han is a non-executive Director of our Company. He participates in the formulation of corporate and business strategies of our Company. Mr. Han does not have executive functions in our Company and is not involved in our daily operations. He will abstain from voting on resolutions regarding any transactions proposed to be entered into between our Company, Centurion Properties, Centurion Global and/or other connected companies. Mr. Han will devote sufficient time to discharge his duties in our Group.

Mr. Bin Hee Din Tony is an executive director of the accommodation business of our Company. He is responsible for the overall strategic planning and management of the accommodation business of our Group.

Each of our Directors is aware of his fiduciary duties as a Director of our Company which requires, among other things, that he should act for the benefit and in the best interests of our Company and avoid any conflict between his duties as a Director and his personal interest. In the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our Directors or their respective associates, the interested Director(s) shall abstain from voting at the relevant board meetings of our Company in respect of such transactions and shall not be counted in the quorum. Please refer to the section headed "Connected transaction" in this prospectus for details. In the event that all Overlapping Directors abstain from voting, the remaining members of the Board, namely, Mr. Gn Hiang Meng, Mr. Chandra Mohan s/o Rethnam and

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

Mr. Owi Kek Hean, can still function properly taking into account of their expertise and experience. The day-to-day operations of our Company are mainly managed by our senior management who, save for Mr. Bin Hee Din Tony, do not hold any positions other than with our Group and are our full-time employees. Please refer to the section headed “Directors and senior management” in this prospectus for their biographies. Further, when considering connected transactions, our independent non-executive Directors will review the relevant transactions and seek independent advice from external financial advisers if required. More than one-third of our Board is made up of non-executive independent Directors. Having considered the above factors, our Directors are satisfied that they are able to perform their roles in our Company independently, and our Directors are of the view that we are capable of managing our business independently from the Controlling Shareholders following the Listing.

NON-COMPETITION UNDERTAKINGS

Our Controlling Shareholders (each a “**Covenantor**” and collectively, the “**Covenantors**”) entered into the Deed of Non-competition in favour of our Company, under which each of the Covenantors has irrevocably and unconditionally, jointly and severally, warranted and undertaken to our Company (for ourselves and as trustee for each of our subsidiaries) that:

- (a) he/it will not, and will use his/its reasonable endeavours to procure any Covenantor and his/its close associates (each a “**Controlled Person**” and collectively, the “**Controlled Persons**”) and any company directly or indirectly controlled by the Covenantor (which for the purpose of the Deed of Non-competition, shall not include any member of our Group) (the “**Controlled Company**”) not to, except through any member of our Group, directly or indirectly (whether on its own account or with each other or in conjunction with or on behalf of any person or company, or as principal or agent, through any body corporate, partnership, joint venture or other contractual arrangement and whether for profit or otherwise), carry on, engage in, invest or acquire or hold any rights or be interested or otherwise involved in (in each case whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) any business that is in competition directly or indirectly with or is likely to be in competition with any business currently and from time to time engaged by our Group in Singapore, Australia, Malaysia and United Kingdom or any jurisdiction to which the Group carries on the business of managing and operating worker and student dormitory accommodation and any businesses incidental thereto (the “**Restricted Business**”) from time to time; and
- (b) when any Controlled Person and/or any Controlled Company is offered or becomes aware of any new project or business opportunity (the “**New Business Opportunity**”) directly or indirectly to engage or become interested in a Restricted Business:
 - (i) the Covenantors shall promptly in any event not later than 14 days notify our Company of such New Business Opportunity;

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

- (ii) such notice shall include all information together with any documents possessed by it or its close associates in respect of the New Business Opportunity to enable our Company to evaluate the merit of the New Business Opportunity and provide such information as may be reasonably required by our Company to make an informed assessment of such New Business Opportunity;
- (iii) the Covenantors shall use his/its best endeavours to procure that such opportunity is offered to our Company on terms no less favourable than the terms on which such opportunity is offered to him/it and/or his/its close associates;
- (iv) upon receipt of the notice from the Covenantors, the chief executive officer and/or chief investment officer of our Company shall consider whether it is in the interest of our Company and the Shareholders as a whole to pursue the New Business Opportunity. For the avoidance of doubt, the Covenantors and their close associates (other than our Group) shall not be entitled to invest or participate or pursue in any such New Business Opportunity unless such New Business Opportunity is declined by our Company or our Company does not proceed with such New Business Opportunity within 30 business days from the date of the written notice;
- (v) if our Company has not given written notice of its desire to invest in such New Business Opportunity or has given written notice denying the New Business Opportunity within 30 business days (the “**30-day Offering Period**”) of receipt of notice from the Covenantors, the Covenantors and/or his/its close associates shall be permitted to invest in or participate in the New Business Opportunity on his/its own accord. The Covenantors agree to extend the 30 business days to a maximum of 60 business days if our Company requires so by giving a written notice to the Covenantors within the 30-day Offering Period; and
- (vi) if there is any disagreement between the Covenantors and our Company as to whether any New Business Opportunity shall directly or indirectly compete or lead to competition with the Restricted Business, the matter shall be determined by the independent non-executive Directors whose decision shall be final and binding.

Each of the Covenantors further jointly and severally undertakes to our Company (for ourselves and as trustee for each of our subsidiaries) that:

- (a) he/it will provide the Directors (including the independent non-executive Directors), if requested by our Company, with all information necessary for their annual review and the enforcement of all undertakings, representations and warranties contained in the Deed of Non-competition;

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

- (b) he/it will procure that the decisions on matters reviewed by the independent non-executive Directors relating to the compliance and enforcement of the Deed of Non-competition shall be disclosed either through the annual report of our Company or by way of announcements published by our Company to the public;
- (c) he/it will make an annual declaration on compliance with such undertakings, representations and warranties in the Deed of Non-competition for disclosure in our Company's annual reports and use his/its reasonable endeavours to ensure that the disclosure of information relating to compliance with the terms of the Deed of Non-competition and the enforcement of it are in accordance with the requirements of the Listing Rules;
- (d) he/it will allow the Directors, their respective representatives and the auditors to have sufficient access to the records of the Covenantors and his/its close associates to ensure their compliance with the terms and conditions under the deed of non-competition;
- (e) he/it will abstain from voting at any general meeting of our Company if there is any actual or potential conflict of interests;
- (f) he/it will not solicit any existing or then existing employee of our Group for employment by him/it or his/its close associates (excluding our Group);
- (g) he/it will not, either on its/his own account or in conjunction with or on behalf of any other person, firm or company, solicit or entice away or attempt to solicit or entice away from any member of our Group, the custom of any person, firm, company or organisation who shall, during the relevant period of restriction, have been a customer, client, agent or correspondent of our Group or in the habit of dealing with our Group;
- (h) he/it will not, without the consent from our Company, make use of any information pertaining to the business of our Group which may have come to his/its knowledge for any purpose of engaging, investing or participating in any Restricted Business; and

save for "Centurion", he/it will not, in relation to any trade, business or company, use any name (including the word "Westlite") in such a way as to be capable of being or likely to be confused with the name of our Company or any member of our Group.

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

The above non-competition undertakings will not apply if:

- (a) the holding of or interests in shares or other securities by any of the Covenantors and/or his/its close associates in any company which conducts or is engaged in any Restricted Business, provided that, in the case of such shares, they are listed on a recognised stock exchange as specified under the SFO and either:
 - (i) the relevant Restricted Business (and assets relating thereto) accounts for less than 10% of the relevant consolidated turnover or consolidated assets of the company in question, as shown in the latest audited accounts of the company in question; or
 - (ii) the total number of the shares held by any of the Covenantors and his/its close associates or in which they are together interested does not amount to more than 5% of the issued shares of that class of the company in question, provided that any of the Covenantors and his/its close associates, whether acting singly or jointly, are not entitled to appoint a majority of the directors of that company and that at all times there is a holder of such shares holding (together, where appropriate, with his/its close associates) a larger percentage of the shares in question than the Covenantors and his/its close associates together hold.

The non-competition undertaking will take effect from the date on which dealings in the Shares first commence on the Stock Exchange and will cease to have any effect upon the earliest of the date on which (i) such Covenantor, being a Controlling Shareholder, individually or collectively with any other Covenantor(s) ceases to be interested, directly or indirectly, in 30% or more of the issued Shares, or otherwise ceased to be regarded as controlling shareholder (as defined under the Listing Rules from time to time) of our Company; or (ii) our Shares cease to be listed and traded on the Stock Exchange.

NON-DISPOSAL UNDERTAKING

Each of the Controlling Shareholders has undertaken to each of our Company, the Sole Sponsor, and the Stock Exchange that, except with the prior written consent of the Sole Sponsor and unless in compliance with the requirements of the Listing Rules or unless otherwise waived by the Stock Exchange, he/it will not, and shall procure that none of his/its close associates will, at any time during the period of six months immediately following the Listing Date (the “**Lock-up Period**”), enter into any transaction to sell, offer to sell, contract or agree to sell, create any encumbrance or grant any option, right or interest over, or otherwise transfer or dispose of any Share or offer to or agree to or announce any intention to effect any of the above transaction.

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

Each of the Controlling Shareholders has further undertaken to our Company, the Sole Sponsor, and the Stock Exchange that, except with the prior written consent of the Stock Exchange and unless in compliance with the requirements of the Listing Rules or unless waived by the Stock Exchange, he/it will not, and shall procure that none of his/its close associates will, at any time during the period of six months immediately following the expiry of the Lock-up Period, do any of the foregoing if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or encumbrance pursuant to such transaction, he will cease to be a controlling shareholder (as defined in the Listing Rules) of our Company.

In the event that he/it enters into any of the transactions specified above or offers to or agrees to or announces any intention to effect any such transaction, he/it will take all reasonable steps to ensure that he/it will not create a disorderly or false market in the securities of our Company.

Each of the Controlling Shareholders has further undertaken to each of our Company and the Sole Sponsor that, he/it will, at any time within the period commencing on the date of this prospectus and ending on the date which is 12 months after the Listing Date:

- (a) upon any further pledge or charge in favour of an authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) of any Shares or securities or interests in the Shares or securities of our Company beneficially owned by him/it for a bona fide commercial loan, immediately inform our Company and the Sole Sponsor in writing of such further pledge or charge together with the number of Shares or securities so pledged or charged; and
- (b) upon any indication received by him/it, either verbal or written, from any pledgee or charge that any of the pledged or charged Shares or securities or interests in the Shares or securities of our Company will be disposed of, immediately inform our Company and the Sole Sponsor in writing of such indications.

CONNECTED TRANSACTION

CONTINUING CONNECTED TRANSACTION

We have entered into a transaction with an entity which will become our connected person upon Listing. Such transaction will continue following the Listing and will constitute continuing connected transaction within the meaning under the Listing Rules.

Exempt continuing connected transaction

Trademark licence agreement

Background

During the Track Record Period, certain subsidiaries of our Company had historically been using the trademark “Centurion” which is owned by Centurion Global, our Controlling Shareholder (the “**Licensor**”). Centurion Global had licenced its trademark “Centurion” to our Company and it is expected that such arrangement will continue after Listing.

On 1 August 2011, we, as licensee (the “**Licencee**”), and Centurion Global, our Controlling Shareholder, as licensor, entered into a trademark licence agreement (the “**Trademark Licence Agreement**”), pursuant to which Centurion Global has granted a non-exclusive right to our Company to use the trademark “Centurion” in connection with services relating to the development and operation of accommodation and related facilities for workers and students in various countries, or any such services that the parties may agree from time to time. The one-off consideration of the licence was S\$10.0.

Salient terms of the Trademark Licence Agreement

A summary of the salient terms of the Trademark Licence Agreement is as follows:

- (a) the agreement shall commence on the date of the Trademark Licence Agreement and shall continue, unless terminated in accordance with the termination clause of the Trademark Licence Agreement;
- (b) without affecting any other right or remedy available to it, the Licensor may terminate the agreement with immediate effect by giving written notice to the Licencee if, amongst others:
 - (i) the Licencee commits a material breach of any term of the agreement which breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of 21 days after being notified in writing to do so;

CONNECTED TRANSACTION

(ii) the Licencee suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business; and

(iii) the Licensor no longer owns at least 50% of the Licensee.

Historical transaction amount and annual cap

There was no transaction amount recorded pursuant to the Trademark Licence Agreement during the Track Record Period. Under the Trademark Licence Agreement, our Company is only required to make a one-off payment of S\$10.0, and thereafter, we may use the aforesaid trademark at nil consideration. As such, the annual amount payable under the Trademark Licence Agreement for each of the three years ending 31 December 2019 will be nil.

As the annual amount payable under the Trademark Licence Agreement for each of the three years ending 31 December 2019 will be nil and each of the percentage ratios mentioned in Rule 14.07 of the Listing Rules will be 0%, the transactions contemplated under the Trademark Licence Agreement will constitute a *de minimis* continuing connected transaction upon Listing and thus will be exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Rule 14A.76 of the Listing Rules.

Confirmation from our Directors

Our Directors (including independent non-executive Directors) are of the view that the continuing connected transaction described in this section have been entered into in the ordinary and usual course of business and is on normal commercial terms, fair and reasonable and in the interests of our Company and our Shareholders as a whole. Given that there are no non-exempt continuing connected transactions upon Listing, no waiver application has been made to the Stock Exchange regarding exception for non-exempt continuing connected transactions (as defined in the Listing Rules). We will comply with the relevant requirements under Chapter 14A of the Listing Rules should any non-exempt continuing connected transactions occurs on or after the Listing Date.

DIRECTORS AND SENIOR MANAGEMENT

Our Board consists of three non-executive Directors and three independent non-executive Directors. The following table sets forth the information concerning our Directors:

Name	Age	Position	Date of joining our Group	Date of appointment as a Director	Main roles and responsibilities	Relationship with other Directors and senior management (other than that through or relating to our Group)
<i>Non-executive Directors</i>						
Mr. Wong Kok Hoe	54	Non-executive Director and chairman of the Board	1 August 2011	1 August 2011	Participating in the formulation of corporate and business strategies	N/A
Mr. Loh Kim Kang David	54	Non-executive Director	8 May 2015	8 May 2015	Participating in the formulation of corporate and business strategies	Brother-in-law of Mr. Bin Hee Din Tony, a senior management member of our Company and maternal cousin of Mr. Han
Mr. Han Seng Juan (韓成元)	55	Non-executive Director	8 May 2015	8 May 2015	Participating in the formulation of corporate and business strategies	Maternal cousin of Mr. Loh
<i>Independent non-executive Directors</i>						
Mr. Gn Hiang Meng	69	Independent non-executive Director	17 May 2007	17 May 2007	Providing independent advice to our Group	N/A
Mr. Chandra Mohan s/o Rethnam	54	Independent non-executive Director	17 May 2007	17 May 2007	Providing independent advice to our Group	N/A
Mr. Owi Kek Hean (黃格賢)	60	Independent non-executive Director	1 January 2017	1 January 2017	Providing independent advice to our Group	N/A

DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

Our Board comprises six members, all of whom are non-executive Directors or independent non-executive Directors.

NON-EXECUTIVE DIRECTORS

Mr. Wong Kok Hoe (“Mr. Wong”), aged 54, joined our Company on 1 August 2011 as a non-executive Director and chairman of the Board. He is responsible for participating in the formulation of corporate and business strategies. Mr. Wong is a member of the Remuneration Committee.

Prior to joining Centurion Global in April 2008, Mr Wong was admitted as a practising lawyer in Singapore in 14 March 1990. He has more than 18 years of legal experience in the areas of corporate law, corporate finance and mergers and acquisitions. He started his legal career in Drew & Napier before leaving in June 1996 to be a partner in Yeo Wee Kiong & Partners. In October 1999, he joined Rajah & Tann (which was subsequently converted to Rajah & Tann LLP) as a partner and stayed on till June 2008. From July to December 2008, he acted as a consultant in Rajah & Tann LLP. From January 2009 onward, Mr. Wong has been working as the chief operating officer of Centurion Global, responsible for overseeing the operations of Centurion Global.

Mr. Wong obtained a Bachelor of Laws degree from the National University of Singapore in June 1989. He is a former director of LifeBrandz Ltd (stock code: 1D3.SI), a company which is listed on the Catalist Board of SGX-ST, from which he resigned on 27 January 2015.

Save as disclosed above, Mr. Wong does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date.

Mr. Loh Kim Kang David (“Mr. Loh”), aged 54, Mr. Loh joined our Company on 8 May 2015 as a non-executive Director. He is responsible for participating in the formulation of corporate and business strategies.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Loh has over 20 years of experience in the investment and brokerage industry. The following table summarises Mr. Loh's professional experience:

Company name	Principal business activities of the company	Last/current position held	Period of services
Centurion Global	Investment holding	Principal director	April 2008 to present
UOB Kay Hian Pte. Ltd. (formerly known as Kay Hian Pte Ltd)	Securities brokerage	Business development consultant	July 2009 to March 2010
		Director	July 2007 to June 2009
		Executive director	July 1999 to July 2007
		Associate director	July 1996 to July 1999
Kay Hian Overseas Securities Ltd.	Securities brokerage	Managing director (Management)	July 1999 to October 2001
OUB Securities Pte. Ltd.	Stock, share and bond brokers and dealers	Dealing director	August 1995 to June 1996
Ong & Company Pte. Ltd.	Provision of business support services	Dealer (Dealing director)	November 1989 to August 1995

Mr. Loh obtained a degree of Bachelor of Science from the University of Oregon in June 1988.

Save as disclosed above, Mr. Loh does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date. Mr. Loh is the maternal cousin of Mr. Han and brother-in-law of Mr. Bin Hee Din Tony, a senior management of our Company.

Mr. Han Seng Juan (韓成元) (“Mr. Han”), aged 55, joined our Company on 8 May 2015 as a non-executive Director. He is responsible for participating in the formulation of corporate and business strategies.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Han has over 20 years of experience in the investment and brokerage industry. The following table summarises Mr. Han's professional experience:

Company name	Principal business activities of the company	Last/current position held	Period of services
Centurion Global	Investment holding	Principal director	April 2008 to present
UOB Kay Hian Pte. Ltd. (formerly known as Kay Hian Pte Ltd)	Securities and bonds brokerage	Business development consultant Director Executive director Associate director	July 2009 to March 2010 July 2007 to June 2009 July 1999 to July 2007 July 1996 to July 1999
OUB Securities Pte. Ltd.	Stock, share and bond brokers and dealers	Dealing director	August 1995 to June 1996
Ong & Company Pte. Ltd.	Provision of business support services	Dealing director	November 1989 to August 1995
UOB Securities Pte. Ltd.	Stock, share and bond brokers and dealers	Dealer	July 1987 to October 1989

Mr. Han obtained a degree of Bachelor of Science from the University of Oregon in March 1987.

Save as disclosed above, Mr. Han does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date. He is the maternal cousin of Mr. Loh.

DIRECTORS AND SENIOR MANAGEMENT

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Gn Hiang Meng (“Mr. Gn”), aged 69, was appointed as an independent non-executive Director on 17 May 2007. Mr. Gn is the chairman of the Audit Committee and the Nominating Committee and a member of the Remuneration Committee.

Prior to joining our Group, Mr. Gn was the deputy president in charge of hotels and finance of UOL Group Limited, a company principally engaged in property development and investment, and hospitality ownership and management, from August 2001 to July 2007, where he was responsible for hotel acquisition as well as managing a chain of hotels located in Singapore and the Asia/Australia region. He was also in charge of financial and human resource matters, including reviewing and analysing financial statements and projections of companies to assess investment and business opportunities. From November 1973 to March 2001, he joined United Overseas Bank Limited, a commercial bank providing a wide range of financial services, where he was a member of the general management and as the head of the investment banking sector he was in charge of various businesses including investment management, private equity investing, corporate planning, mergers and acquisitions, corporate finance and stock-broking. Prior to his resignation, he was the senior executive vice-president, investment banking.

Mr. Gn obtained a degree in Bachelor of Business Administration from the University of Singapore (currently known as the National University of Singapore) in June 1971.

Mr. Gn has been appointed as an independent non-executive director of each of Haw Par Corporation Limited (stock code: H02.SI), a company principally engaged in manufacturing, marketing and trading healthcare products, Koh Brothers Group Limited (stock code: K75.SI), a company principally engaged in construction and building materials, real estate, and leisure and hospitality businesses, SingHaiyi Group Limited (stock code: 5H0.SI), a company principally engaged in investing, developing and managing real estate properties, and Tee International Limited (stock code: M1Z.SI), a company principally engaged in property investment and development since 13 August 2014, 16 August 2007, 1 December 2013 and 1 June 2013, respectively. The shares of these companies are listed on the main board of SGX-ST.

Save as disclosed above, Mr. Gn does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date.

Mr. Chandra Mohan s/o Rethnam (“Mr. Mohan”), aged 54, was appointed as an independent non-executive Director on 17 May 2007. He is the chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee.

DIRECTORS AND SENIOR MANAGEMENT

The following table summarises Mr. Mohan's professional experience:

<u>Company name</u>	<u>Principal business activities of the company</u>	<u>Last/current position held</u>	<u>Period of services</u>
Rajah & Tann Singapore LLP	Law firm	Partner	January 2008 to present
Pacific Healthcare Holdings Ltd.	Provision of healthcare services	Director	March 2011 to February 2012
Tiong Woon Corporation Holdings Ltd (Stock code: BQM.SI)	Provision and trading of heavy equipment, marine transportation and engineering services	Director	August 1999 to December 2007
National University of Singapore	Tertiary education	Lecturer	July 1989 to March 1995

Mr. Mohan obtained a Bachelor of Laws degree from the National University of Singapore in June 1986 and a Master of Laws degree from the University of Cambridge in July 1989. He is also a fellow of the Singapore Institute of Arbitrators and a member of the Chartered Institute of Arbitrators in the United Kingdom.

Save as disclosed above, Mr. Mohan does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date.

Mr. Owi Kek Hean (黃格賢) ("Mr. Owi"), aged 60, was appointed as an independent non-executive Director on 1 January 2017. Mr. Owi is a member of the Audit Committee and Nominating Committee. Mr. Owi worked with KPMG LLP in Singapore from 1982 until his retirement in October 2015 and had held various senior positions including head of tax, head of enterprise, finance partner and deputy managing partner.

Mr. Owi obtained his Degree of Bachelor of Business Administration from the National University of Singapore in May 1981. He is an Accredited Tax Advisor (Income Tax and Goods and Services Tax) with the Singapore Institute of Accredited Tax Professionals.

Save as disclosed above, Mr. Owi does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date.

DIRECTORS AND SENIOR MANAGEMENT

DISCLOSURE AS REQUIRED UNDER RULE 13.51(2) OF THE LISTING RULES

Mr. Wong was a director of the following companies incorporated in Singapore, which were dissolved or struck off with details as follows:

Name of company	Nature of business	Date of dissolution	Means of dissolution	Reason of dissolution
Celebrities Asia Theme Restaurants (S) Pte. Ltd.	Restaurant operation	28 May 2001	Dissolved	Creditors' voluntary winding up when insolvent ⁽¹⁾
Centurion Football Pte. Ltd.	Business and management consultancy services	4 April 2016	Struck off	Cessation of business
Football Asia 888 Pte. Ltd.	Business and management consultancy services	11 July 2013	Dissolved	Creditors' voluntary winding up when insolvent ⁽²⁾
SW Alliance Pte. Ltd.	Investment holding company	10 May 2010	Struck off	Cessation of business
Femme-Net Pte. Ltd.	Retail sale of computer hardware and accessories and computer software (except games)	4 October 2007	Struck off	Cessation of business
Pacific Transnational Corporation Pte. Ltd.	General wholesale trade	6 October 2001	Struck off	Cessation of business
Wellesley Associates Pte. Ltd.	Investment holding company	12 February 2009	Struck off	Cessation of business
Engineering Management Pte. Ltd.	General cleaning services except households	9 May 2012	Struck off	Cessation of business
TG Pacific Pte. Ltd.	Manufacture of prepared animal feeds	9 June 2011	Struck off	Cessation of business

DIRECTORS AND SENIOR MANAGEMENT

Notes:

- (1) Celebrities Asia Theme Restaurants (S) Pte. Ltd. (“**Celebrities Asia**”) was incorporated in Singapore. The creditors’ voluntary winding up proceeding involved an amount of S\$4,999,764.56. It commenced on 2 June 1999 and concluded on 26 February 2001. Mr. Wong was only the non-executive director of Celebrities Asia and was not involved in the day-to-day business of the said company. To his best knowledge after making reasonable enquiry, the company was wound up by the creditors voluntarily as it was loss-making and the shareholder(s) decided not to invest further. Based on the foregoing, the Directors are of the view that the proceedings did not reflect adversely on his management competency.
- (2) Football Asia 888 Pte. Ltd. (“**Football Asia**”) was incorporated in Singapore. The creditors’ voluntary winding up proceeding involved an amount of S\$2,350,983.00. It commenced on 15 May 2012 and concluded on 11 April 2013. Football Asia was a subsidiary of Centurion Global. Mr. Wong was only the non-executive director of Football Asia and was not involved in the day-to-day business of the said company. To his best knowledge after making reasonable enquiry, the company was wound up by the creditors voluntarily as it was loss-making and the shareholder(s) decided not to invest further. Based on the foregoing, the Directors are of the view that the proceedings did not reflect adversely on his management competency.

Mr. Loh was a director of the following companies incorporated in Singapore, which were dissolved or struck off with details as follows:

Name of company	Nature of business	Date of dissolution	Means of dissolution	Reason of dissolution
Calrisk Venture Pte. Ltd.	Food and beverage service company	11 May 2004	Struck off	Cessation of business
SW Alliance Pte. Ltd.	Investment holding company	10 May 2010	Struck off	Cessation of business

Mr. Gn was a director of the following companies incorporated in Singapore, which were dissolved or struck off with details as follows:

Name of company	Nature of business	Date of dissolution	Means of dissolution	Reason of dissolution
LWB (1995) Limited	Bank / financial holding company	11 April 2002	Struck off	Cessation of business
ICB (2002) Limited	Domestic banking units of full bank	7 February 2013	Struck off	Dormant
United Merchant Bank Nominees (PTE) Ltd.	Trustee, fiduciary and custody services firm	6 November 2009	Struck off	Cessation of business

DIRECTORS AND SENIOR MANAGEMENT

Mr. Mohan was a director of the following companies incorporated in Singapore, which have been dissolved or struck off with details as follows:

<u>Name of company</u>	<u>Nature of business</u>	<u>Date of dissolution</u>	<u>Means of dissolution</u>	<u>Reason for dissolution</u>
Anglo-Chinese School (International) Pte. Ltd.	Primary and secondary school; junior college and university	4 October 2007	Struck off	Dormant
Coffee Gourmet Private Limited	General wholesale trade	3 March 2016	Struck off	Cessation of business
Coffee Store Private Limited	General wholesale trade	13 October 2005	Struck off	Cessation of business
Infoseek Communications (S) Pte Ltd	Wholesale of telecommunications equipment	13 May 2009	Struck off	Cessation of business
Pacquest Pte Ltd	Manufacture of biscuits	5 May 1999	Struck off	Cessation of business
Sugar Factory Private Limited	General wholesale trade	13 October 2015	Struck off	Cessation of business

Mr. Owi was an alternate director of the following company incorporated in Singapore, which has been struck off with details as follows:

<u>Name of company</u>	<u>Nature of Business</u>	<u>Date of dissolution</u>	<u>Means of dissolution</u>	<u>Reason of dissolution</u>
Kds Impex Pte Ltd	Trading in smokeless cigarettes	30 April 2009	Struck off	Cessation of business

Each of our Directors above confirmed that there is no wrongful act on his part leading to the above dissolution of the companies and he is not aware of any actual or potential claim that has been or will be made against him as a result of the dissolution of the companies. Save as disclosed above, the companies were solvent at the time of dissolution and/or deregistration.

Save as disclosed above, each of our Directors (i) did not hold other positions in our Company or our Group as at the Latest Practicable Date; (ii) had no other relationship with any Directors, senior management or substantial Shareholders of our Company as at the Latest Practicable Date; and (iii) did not hold any other directorship in public listed companies in the three years prior to the Latest Practicable Date. As at the Latest Practicable Date, save as disclosed in the section headed “Substantial Shareholders” and the paragraph headed “C. Further information about our Directors and substantial Shareholders” as set out in Appendix VI to this prospectus, each of our Directors did not have any interests in the Shares within the meaning of Part XV of the SFO.

DIRECTORS AND SENIOR MANAGEMENT

Save as disclosed above, none of our Directors have any interests in any business apart from business of our Group which competes or is likely to compete, either directly or indirectly, with the business of our Group. Please refer to paragraph headed “C. Further information about our Directors and substantial Shareholders” as set out in Appendix VI to this prospectus for further information about our Directors, including details of the interests of our Directors in the Shares and underlying Shares (within the meaning of Part XV of the SFO) and particulars of their service contracts and remuneration.

Except as disclosed in this prospectus, each of our Directors has confirmed that there are no other matters relating to his appointment as a Director that need to be brought to the attention of the Shareholders and there is no information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

SENIOR MANAGEMENT

The following table sets out the information in respect of our senior management (other than our Directors):

Name	Age	Position	Date of joining our Group	Main roles and responsibilities	Relationship with our Directors and other senior management (other than that through or relating to our Group)
Mr. Kong Chee Min (江志明)	52	Chief executive officer	18 March 1996	Overall management of our Group’s operations and implement strategy and growth objectives approved by our Board	N/A
Mr. Lee Kerk Chong (李世宗)	66	Executive director of optical disc business	31 March 1984	Strategic planning and overall management of the optical storage manufacturing operations of our Group	Brother of Ms. Lee Geok Ing, a member of the senior management

DIRECTORS AND SENIOR MANAGEMENT

Name	Age	Position	Date of joining our Group	Main roles and responsibilities	Relationship with our Directors and other senior management (other than that through or relating to our Group)
Mr. Bin Hee Din Tony (袁啟新)	58	Executive director of accommodation business	1 August 2011	Overall strategic planning and management of the accommodation business of our Group	Brother-in-law of Mr. Loh
Ms. Foo Ai Huey (符愛慧)	49	Chief financial officer	10 April 2000	Oversees the finance team and manages finance accounting and tax functions for our Group	N/A
Ms. Lee Geok Ing (李玉英)	56	Human resources and administration manager	31 March 1984	Human resources development and administration	Sister of Mr. Lee Kerk Chong, founder of our Group and a member of the senior management
Mr. Teo Peng Kwang (趙炳光)	57	Chief operating officer of accommodation business	1 August 2011	Day-to-day operations and expansion of our Group's accommodation business	N/A
Mr. Ho Lip Chin (何立錦)	49	Chief investment officer of accommodation business	3 January 2012	Expansion of our Group's accommodation business	N/A
Mr. Leong Siew Fatt (梁兆發)	51	Head of student accommodation business	5 March 1993	Overall management of the Groups' student accommodation business	N/A

DIRECTORS AND SENIOR MANAGEMENT

Name	Age	Position	Date of joining our Group	Main roles and responsibilities	Relationship with our Directors and other senior management (other than that through or relating to our Group)
Mr. Lim Choon Kwang (林俊光)	48	Director of security	3 October 2016	Strategic leadership to our Group on security management and business continuity	N/A
Mr. Yeo Boon Hing	64	Director of corporate research and innovation	7 July 1997	Research and identification of new business model for our Group's accommodation business	N/A

Mr. Kong Chee Min (江志明) (“Mr. Kong”), aged 52, was appointed as the chief executive officer of our Group in August 2011 and is responsible for overall management of our Group’s operations and the implementation of business strategies and the long term growth objectives approved by our Board. Mr. Kong joined our Group in March 1996 and was appointed as a member of the Board on 28 March 2000 until he stepped down on 8 May 2015.

Prior to appointment of Mr. Kong as our Group’s chief executive officer, he was the regional chief executive officer and finance director of our Group. He also assisted Mr. Lee Kerk Chong in managing and driving the strategic development and growth of the optical disc business.

Prior to joining our Group, Mr. Kong was the accountant of General Motors Overseas Distribution Corporation, a company principally engaged in the sales and distribution of motor vehicles, motor vehicles parts and accessories since April 1994. He was an audit senior of Cooper & Lybrand, an accountancy firm, from June 1991 to April 1994.

Mr. Kong obtained a degree of Bachelor of Accountancy from the National University of Singapore in July 1991. He is currently a member of the Institute of Singapore Chartered Accountants (formerly known as the Institute of Certified Public Accountants of Singapore).

Save as disclosed above, Mr. Kong does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date.

Mr. Lee Kerk Chong (李世宗) (“Mr. Lee”), aged 66, is our executive director of our Group’s optical disc business. He is primarily responsible for the strategic planning and overall management of the optical disc manufacturing operations of our Group. Mr. Lee has extensive experience in media storage industry and has been engaging in such business for over 30 years. Mr. Lee was appointed as a member of the Board on 31 March 1984 until his retirement on 28 April 2015.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Lee is the founder of our Company (formerly known as SM Summit Holdings Limited, Summit Audio Industries Pte. Ltd. and Summit Audio Enterprise Pte. Ltd.). He served as the chairman and chief executive officer from 31 March 1984 to 1 August 2011. He was responsible for the overall management of our Group's operations. Over the years, he grew the business from a single factory producing audio cassette tapes into an integrated optical storage media solutions provider in the region. Mr. Lee brings his vast entrepreneurial experience and strong management skills to our Group.

Save as disclosed above, Mr. Lee does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date. He is the brother to Ms. Lee Geok Ing, a member of the senior management.

Mr. Bin Hee Din, Tony (袁啟新) ("Mr. Bin"), aged 58, joined our Group as an executive director, accommodation business on 1 August 2011. He is primarily responsible for the strategic planning and overall management of our Group's accommodation business. Mr. Bin has more than 30 years of experience in the real estate industry. Prior to joining our Group, he worked as an Estates officer at the Housing & Development Board from 1984 to 1987. Thereafter, he was the marketing manager at Tong Eng Brothers (Pte) Ltd., a company principally engaged in property development, from July 1987 to September 1989; a vice president at United Overseas Bank, where he worked from 1989 to 1997, a commercial bank. Thereafter, he joined Societe Generale Asia (Singapore) Ltd., a financial institution, as vice president, capital market from 1997 to 1999; a chief operating officer at Heartland Retail Holdings Pte. Ltd. (formerly known as Guthrie Detico Pte. Ltd.), a company principally engaged in providing real estate services from 1999 to 2007; general manager at Guthrie Properties (S) Pte Ltd, a company principally engaged in provision of real estate services, from 2002 to 2007; and general manager at AsiaMalls Management Pte Ltd, a company principally engaged in provision of real estate services, from 2002 to 2007. He was appointed as a member of our Board on 1 August 2011 until he stepped down on 8 May 2011.

Mr Bin graduated from the National University of Singapore in June 1984 with a degree in Bachelor of Science (Estate Management).

Save as disclosed above, Mr. Bin does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date. He is the brother-in-law of Mr. Loh.

Ms. Foo Ai Huey (符愛慧) ("Ms. Foo"), aged 49, was appointed the chief financial officer of our Group in August 2011. She joined our Group as a finance manager on 10 April 2000. She oversees the finance team and manages a full spectrum of finance accounting and tax functions for our Group.

Prior to joining our Group, Ms. Foo was the senior accountant of MOH Holdings Pte. Ltd. (formerly known as Health Corporation of Singapore (HCS) Pte. Ltd.), a company principally

DIRECTORS AND SENIOR MANAGEMENT

engaged in the provision of healthcare services, from May 1996 to March 2000. She was also the senior executive officer of the internal audit department of Singapore Reinsurance Corporation Limited, a reinsurance company, from May 1992 to May 1996.

Ms. Foo obtained a degree of Bachelor of Commerce from the University of Newcastle, Australia in May 1992. She is a member of the Institute of Singapore Chartered Accountants (formerly known as the Institute of Certified Public Accountants of Singapore) since 31 August 1996, and a Certified Practising Accountant of the Australian Society of Certified Practising Accountants since 12 September 1994.

Save as disclosed above, Ms. Foo does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date.

Ms. Lee Geok Ing (李玉英) (“Ms. Lee”), aged 56, joined our Group as the senior accounts executive in March 1984 and became the human resources and administration manager in January 1995. She is responsible for our Group’s human resource development and administration. Ms. Lee has over 32 years of accounting, human resource and administrative experience based on her experience in our Group. She was appointed as a member of the Board on 11 August 1994 until she stepped down on 18 May 2007.

Prior to joining our Group, Ms. Lee’s work experience includes being the accounts executive at Yong Sing Trading Co Pte Ltd, a company principally engaged in the retail sale of household electrical appliances and equipment, from April 1979 to March 1984.

Ms. Lee obtained her GCE Ordinary Level in 1977 from Singapore-Cambridge General Certificate of Education Examination.

She is the sister of Mr. Lee Kerk Chong, founder of our Group and a member of the senior management. Save as disclosed above, Ms. Lee does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date.

Mr. Teo Peng Kwang (趙炳光) (“Mr. Teo”), aged 57, was appointed as chief operating officer of our Group’s accommodation business in August 2011. He oversees the day-to-day operations and expansion of the accommodation business. He also assists with growth and strategic planning. Mr. Teo joined in 2007 as an executive director of Centurion Dormitory (Westlite) Pte. Ltd., one of our Group’s acquired subsidiaries in 2011.

Mr. Teo has over 20 years of development and management experience in the property and workers accommodation business. He has been the vice president of Dormitory Association of Singapore Limited since July 2015 and previously was the president of the same association from October 2012 to June 2015. He also has been an independent trustee of the board of trustees for the

DIRECTORS AND SENIOR MANAGEMENT

Migrant Workers' Assistance Fund since November 2014. Prior to joining our Group, Mr. Teo was the director of Maxi Global Management Pte Ltd, a company which then provided housing services for foreign workers, from March 2009 to April 2011. He was also the director of Maxfresh Leisure Pte Ltd, a company principally engaged in the rental services of fishing boats, from August 2010 to April 2011. Mr. Teo was also the director of Intertrade (S) Enterprise Pte. Ltd., a company principally engaged in chemical trading, from January 2006 to July 2007.

Prior to 2011, Mr. Teo owned and managed various businesses in Singapore including real estate and construction business. He was a director of Westlite Toh Guan, which was involved as a workers dormitory from July 2007 to April 2011 before the Reverse Takeover. The following table summarises Mr. Teo's professional experience:

Company name	Principal business activities of the company	Last/current position held	Period of services
ISO Industry Pte. Limited	Provision of dormitory services	Director	March 2006 to February 2011
Maxi Consultancy Pte. Limited	Provision of dormitory services	Director	December 2008 to January 2010
Pointbuilt Pte. Limited	Provision of building and civil engineering works	Director	May 2008 to February 2011
Serangoon Garden Staff Apartment Pte. Limited	Provision of dormitory services	Director	March 2009 to August 2011
Swissplan Dormitory Management Pte. Limited	Provision of dormitory services	Director	September 2007 to April 2011

Save as disclosed above, Mr. Teo does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date. Mr. Teo completed primary school education in 1972 at River Valley Primary School.

Mr. Ho Lip Chin (何立錦) ("Mr. Ho"), aged 49, joined our Group in January 2012 as Director, investments before his appointment as chief investment officer of accommodation business in 2015. He is responsible for expanding our Group's accommodation business.

Mr. Ho has over 20 years of experience in the real estate and hospitality industries across the Asia Pacific. From May 2010 until joining our Group in January 2012, he was the director, real estate of Centurion Properties, where he was involved in its real estate investments and workers

DIRECTORS AND SENIOR MANAGEMENT

accommodation business. From July 2002 to prior to joining Centurion Properties in May 2010, Mr. Ho worked in a number of companies including those in hospitality and real estate industry such as HVS International Singapore, a consulting firm, as a senior associate from July 2002 to shortly before he joined Intercontinental Hotels Group (Asia Pacific) Pte. Ltd., a subsidiary of InterContinental Hotels Group which was then principally engaged in franchising hotel brands to or managing hotels on behalf of third party hotel owners, in January 2003 where his last position was director of development, Southern Asia. He was the senior vice president of investment of Pramerica Real Estate Investors (Asia) Pte. Ltd., a company principally engaged in real estate investment, from March 2008 until joining Centurion Properties in May 2010. He was a director at GE Real Estate Investments Singapore Pte. Ltd., a company principally engaged in real estate investment, from February 2007 to August 2007; an investment manager at HKR Asia-Pacific Pte Ltd, an investment holding company, from January 1996 to June 2002 and a management trainee at Shangri-La Hotel, a company principally engaged in hotel operation, from September 1994 to March 1995 and August 1989 to January 1990.

Mr. Ho obtained a degree of Bachelor of Science in Business Administration and a degree of Master of Business Administration from the University of San Francisco in August 1993 and August 1994, respectively.

Save as disclosed above, Mr. Ho does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date.

Mr. Leong Siew Fatt (梁兆發) (“Mr. Leong”), aged 51, joined our Group as an engineer in March 1993 before being promoted to the position of group technical manager in 1997 in our optical disc business. He is currently the head of student accommodation business and responsible for overall management of our Group’s student accommodation business across the United Kingdom, Australia and Singapore.

Mr. Leong has extensive technical, operational and management experience spanning over 30 years of experience. Prior to appointment of Mr. Leong as head of student accommodation business, he was responsible for the operations of our Group’s workers accommodation business in Malaysia as well as the technical and manufacturing operations of our Group’s optical disc business.

Mr. Leong obtained a degree of Bachelor of Engineering Management from the University of Western Sydney in September 2001.

Prior to joining our Group, Mr. Leong’s working experience includes being a project engineer of Tec Revox Engineering Pte Ltd, a company principally engaged in product and industrial design, from June 1992 to February 1993. He was also a regular military specialist of Singapore Armed Forces from March 1985 to March 1991.

Save as disclosed above, Mr. Leong does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date.

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Mr. Lim Choon Kwang (林俊光) (“**Mr. Lim**”), aged 48, joined our Group in October 2016 as director of security. He is responsible for providing strategic leadership to the Group on security management and business continuity.

Mr. Lim has about 20 years of experience in security operation and law enforcement prior to joining our Group. He held various positions with numerous private companies prior to joining our Group. He held various positions with numerous private companies prior to joining our Group, for instance he was the security operations manager of Apple South Asia Pte. Ltd., a company principally engaged in the manufacture and distribution of electronic products, from July 2015 to April 2016; the head of security management of SP PowerGrid Ltd, a company principally engaged in the generation, transmission and distribution of electricity from June 2011 to April 2015; the vice president of the risk management and protective security department of 重慶鈞匯商務諮詢有限公司上海分公司 (Hill & Associates (PRC) Ltd*), a company principally engaged in provision of commercial and property management consultancy services, from June 2010 to May 2011; and the deputy director of office of campus security of National University of Singapore from May 2009 to July 2010. In addition to his working experience in the private sector as mentioned above, he was also a senior police officer with the Singapore Police Force from April 1996 to May 2009.

Mr. Lim obtained a degree of Bachelor of Science in Economics from the University of London in August 1995 as an external student and a degree of master in security management from Edith Cowan University in May 2007. Save as disclosed above, Mr. Lim does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date.

Mr. Yeo Boon Hing (“**Mr. Yeo**”), aged 64, is the director of corporate research and innovation. He is responsible for research and identification of new business model for our Group’s accommodation business. He has over 20 years of sales and marketing experience and management experience.

Mr. Yeo joined Summit CD Manufacture, our subsidiary, in July 1997 as sales and marketing director and then became our Group’s regional sales and marketing director in January 2008. Prior to his current role as director of corporate research and innovation, Mr. Yeo was the chief executive officer of Summit CD Manufacture Pte. Ltd. His previous work experience include acting as a director of Calrisk Venture, a food and beverage service company, from October 1993 prior to joining our Group in July 1997 and a distribution manager of Bull HN Information Systems Pte Ltd, a company principally engaged in provision of data entry services, from January 1990 to October 1993.

Mr. Yeo graduated from the University of Oregon in June 1987 with a degree of Bachelor of Science in Finance and Marketing.

Save as disclosed above, Mr. Yeo does not have any current or past directorship in any listed companies in the last three years prior to the Latest Practicable Date.

DIRECTORS AND SENIOR MANAGEMENT

COMPANY SECRETARY

Ms. Hazel Chia Luang Chew (謝鶯秋) (“Ms. Chia”), aged 57, was appointed as company secretary of our Company on 30 January 2015. She also previously served as a company secretary of our Company from 12 January 1995 to 17 June 2005, and from 1 January 2006 to 31 July 2014. She has been a practising chartered secretary in Singapore certified by the Singapore Association of the Institute of Chartered Secretaries and Administrators since October 1991. She was also admitted as a fellow member of the Institute of Chartered Secretaries and Administrators in April 2001. Ms. Chia has over 30 years of experience in corporate secretarial practice including handling members’ voluntary liquidation and advising board of directors of listed companies in Singapore. She has also been appointed as company secretary of several companies listed on the SGX-ST. She also acts as company secretary of many private limited companies incorporated in Singapore.

<u>Company name</u>	<u>Principal business activities of the company</u>	<u>Last/current position held</u>	<u>Period of services</u>
Design Studio Group Limited (stock code: D11.SI)	Manufactures, supplies, and installs panelling products for residential property projects and provides interior fitting-out services for hospitality and commercial projects	Company secretary	May 2015 to present
Tee Land Limited (stock code: S9B.SI)	Investment holding operating as a real estate developer and investor	Company secretary	May 2013 to February 2014
Tiong Seng Holdings Limited (stock code: BFI.SI)	Operates as building construction and civil engineering contractor	Company secretary	February 2010 to July 2014
Astaka Holdings Limited (stock code: 42S.SI)	Investment holding and engages in the real estate development business	Company secretary	November 2008 to July 2014

DIRECTORS AND SENIOR MANAGEMENT

Company name	Principal business activities of the company	Last/current position held	Period of services
Mortice Limited (stock code: MORT:LSE)	Provision of guarding, safety and security services, as well as facilities and property management services, mechanical and engineering maintenance services, and technology driven solutions	Company secretary	March 2008 to July 2014
Federal International (2000) Limited (stock code: BDU.SI)	Designs, manufactures, assembles, distributes and provision of flowlines control products and services for oil and gas, petrochemical and refinery industries	Company secretary	July 2004 to June 2005 and August 2005 to July 2014
Hiap Hoe Limited (stock code: 5JK.SI)	Investment holding company developing luxury and mid-tier residential and hotel- cum-commercial properties	Company secretary	April 2003 to March 2005

Ms. Juliana Tan Beng Hwee (陳明慧) (“Ms. Tan”), aged 46, was appointed as company secretary of our Company on 1 January 2017. She also previously served as a company secretary of our Company from 1 January 2006 to 30 January 2015. She obtained an external degree of Bachelor of Science (Economics) in the specialism of management studies from the University of London and was admitted as a practising chartered secretary in Singapore certified by the Chartered Secretaries Institute of Singapore (formerly known as the Singapore Association of the Institute of Chartered Secretaries and Administrators) in September 2005. Ms. Tan has over two decades of experience in corporate secretarial practice. She has also served as company secretary for several companies listed on the SGX-ST and private limited companies incorporated in Singapore. From September 2012 to January 2015, she served as the company secretary of Tiong Seng Holdings Limited (a company listed on the main board of the SGX-ST, stock code: BFI.SI), which operates as a construction and civil engineering contractor. From May 2013 to January 2015, she served as the company secretary of Tee Land Limited (a company listed on the main board of the SGX-ST, stock code: S9B.SI), which

DIRECTORS AND SENIOR MANAGEMENT

is an investment holding company operating as a real estate developer and investor. From July 2014 to January 2015, she served as a company secretary of OEL (Holdings) Limited (a company listed on the Catalist Board of the SGX-ST, stock code: 584.SI), which engages in the property management business in Singapore.

Ms. Wong Tak Yee (黃德儀) (“Ms. Wong”), aged 60, was appointed as Hong Kong company secretary of our Company on 16 June 2017. She is a director of corporate services division of Tricor Services Limited, which is a global professional services provider specialising in integrated business corporate and investor services.

Ms. Wong has over 25 years of experience in the corporate secretarial field. She has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. As at the Latest Practicable Date, Ms. Wong was also appointed by three other listed companies as their company secretaries. She has been appointed as the company secretary of Yorkey Optical International (Cayman) Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 2788), which engages in manufacturing and sales of plastic and metallic parts and components of optical and opto-electronic products and manufacturing and sales of molds and cases since 30 March 2017. Further, she has been appointed as the joint company secretary of Health and Happiness (H&H) International Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1112), which engages in manufacturing and sales of premium pediatric nutritional and baby care products and adult nutrition supplements and skincare products, since 12 July 2010. Further, she has been the joint company secretary of Sound Global Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 967), which provides turnkey water and wastewater treatment, since 13 June 2010. From 14 October 2016 to 14 April 2017, she was appointed as the company secretary of Jiayuan International Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 2768), which engages in property development and property investment in China. She was admitted as an associate of the Institute of Chartered Secretaries and Administrators in the United Kingdom in June 1986. She was also admitted as a fellow of both the Hong Kong Institute of Chartered Secretaries (“**HKICS**”) and the Institute of Chartered Secretaries and Administrators in the United Kingdom in August 2011. She was also awarded the Practitioner’s Endorsement from HKICS for 2016/17 on 3 August 2016. Ms. Wong obtained a Master of Arts degree from The Hong Kong Polytechnic University in October 2009.

In view of Ms. Chia’s, Ms. Tan’s and Ms. Wong’s previous experience, our Directors believe that Ms. Chia, Ms. Tan and Ms. Wong have the appropriate expertise for the purposes of compliance with Rule 8.17 of the Listing Rules.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE AND LISTING RULES

Our Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group so as to achieve effective accountability. Our Company will comply with the Corporate Governance Code in Appendix 14 to the Listing Rules (the “**CG Code**”).

DIRECTORS AND SENIOR MANAGEMENT

Requirements under paragraph A3 of the CG Code

Our Company has adopted the code provisions stated in the CG Code as set forth in Appendix 14 to the Listing Rules. According to paragraph A3 of the CG Code, the Board should include a balanced composition of executive and non-executive Directors (including independent non-executive Directors) so that there is a strong independent element on the board, which can effectively exercise independent judgement.

Background

Our Board comprises six members, all of whom are non-executive Directors or independent non-executive Directors.

Reasons for deviation

Our Board was designed to be separated from the day-to-day management. Our day-to-day management is delegated to and led by our vast senior management team. Our Board is responsible for formulating high-level strategy and management guidelines in order to ensure the proper and efficient administration and management of our Group. It is also responsible for monitoring our Company's general performance. We believe that it is more efficient and a fairly good corporate governance practice to segregate these functions as there will be no conflict or possible bias when the Board monitors the results and performance of the strategies which they have devised for the management's implementation. Our Board is of the view that given the nature and scope of our Group's operations, the present Board size is appropriate for our Company and to provide for effective decision-making. Given the diverse qualifications, experience, background and profile of our non-executive and independent non-executive Directors, our Board collectively possesses core competencies in areas such as finance, legal and regulatory matters, risk management, business and management experience and industry knowledge. As such, our Board is of the opinion that the current Board members as a whole provides an appropriate balance and diversity of the relevant skills, experience and expertise for effective management of our Group. With the full support of our senior management team, the operation of our Group will be properly overseen and monitored from time to time.

In the event that all the Overlapping Directors are required to abstain from voting due to conflict and the remaining Board only comprises independent non-executive Directors, our independent non-executive Directors will vote on the relevant resolutions after having discovered the facts and understanding the underlying issues with the relevant members of senior management prior to making an informed decision. Given our vast, knowledgeable and comprehensive team of senior management members, we believe that we will be able to provide our independent non-executive Directors sufficient information so as to make informed decisions and our Board can thereby function effectively.

DIRECTORS AND SENIOR MANAGEMENT

Requirements under paragraph A.4.3 and A.5.5 of the CG Code

Paragraph A.4.3 of the CG Code provides that if an independent non-executive director serves for more than nine years, his or her further appointment should be subject to shareholders' approval and the circular to shareholders accompanying the resolution to approve his or her appointment should include the reason(s) why the board of directors believes he is still independent. Paragraph A.5.5 of the CG Code also provides that where shareholders' approval is sought to approve the appointment of any person as an independent non-executive director, the circular to shareholders accompanying the resolution to approve such appointment should contain the reason(s) why the board of directors considers such person should be elected and why the board of directors considers him or her to be independent.

Background

Mr. Gn and Mr. Mohan have been appointed as independent non-executive Directors of our Company since 17 May 2007. Therefore, as at the Latest Practicable Date, they would have been appointed as independent non-executive Directors for more than nine years which is subject to the requirements under paragraphs A.4.3 and A.5.5 of the CG Code.

Reasons for deviation

The deviation from the requirements set forth in paragraphs A.4.3 and A.5.5 of the CG Code is due to the following reasons:

- (a) all Directors are required to be elected by our Shareholders at a general meeting by way of ordinary resolution under the laws of Singapore and the Constitution. Pursuant to the Constitution, at each annual general meeting of our Company, one-third of our Directors for the time being shall retire from office by rotation and our Company may by ordinary resolution fill the office being vacated by electing the retiring Director or some other person eligible for appointment. Each Director shall be subject to retirement and rotation at least once in every three (3) years. Mr. Gn Hiang Meng and Mr. Chandra Mohan s/o Rethnam retired by rotation at the annual general meeting of our Company, held on 29 April 2016 and 26 April 2017, respectively, and was re-elected as Directors by our Shareholders at the respective annual general meeting;
- (b) there is no requirement for any circular to Shareholders to be issued in connection with the proposed appointment of any independent non-executive Directors to include the reason(s) why the Board believes he or she is still independent under the laws of Singapore; and
- (c) under paragraph 2.4 of the Singapore Code of Corporate Governance 2012, the independence of any Director who has served on the Board beyond nine years from the date of his or her first appointment should be subject to particularly rigorous review. In

DIRECTORS AND SENIOR MANAGEMENT

doing so, the Board should also take into account the need for progressive refreshing of the Board. The Board should also explain why any such Director should be considered independent. Our Company had disclosed, in our latest 2016 annual report issued on 10 April 2017, the independence review of Mr. Gn Hiang Meng and Mr. Chandra Mohan s/o Rethnam. The Nominating Committee had reviewed and confirmed that they continue to be independent after taking into consideration the following factors:

- both Mr. Gn Hiang Meng and Mr. Chandra Mohan s/o Rethnam have provided very valuable contributions to the Board through their integrity, objectivity and professionalism notwithstanding the years of service;
- both Mr. Gn Hiang Meng and Mr. Chandra Mohan s/o Rethnam have expressed succinctly and objectively their views on issues and provided relevant and invaluable input;
- both Mr. Gn Hiang Meng and Mr. Chandra Mohan s/o Rethnam have demonstrated strong independence in character and judgement in the discharge of their Directors' duties; and
- they have continued to provide overall guidance to our Company's management and in protecting our Company's assets and upholding the interests of all Shareholders, in particular, the non-controlling Shareholders; and
- each of Mr. Gn Hiang Meng and Mr. Chandra Mohan s/o Rethnam, being Nominating Committee members, had abstained from deliberation and voting in respect of the assessment on his own independence. Accordingly, the Nominating Committee had recommended to the Board that both Mr. Gn Hiang Meng and Mr. Chandra Mohan s/o Rethnam to continue to be independent Directors. After due consideration, the Board has resolved that Mr. Gn Hiang Meng and Mr. Chandra Mohan s/o Rethnam continue to be independent Directors.

Our Directors will review our corporate governance policies and compliance with the CG Code each financial year and comply with the "comply, or explain" principle in our corporate governance report which will be included in our annual reports upon the Listing.

Our Directors have attended trainings in April and June 2017 regarding the on-going obligations and duties of a director of a listed company and are fully understand such obligations and duties.

DIRECTORS AND SENIOR MANAGEMENT

MANAGEMENT PRESENCE

We have applied to the Stock Exchange for, and obtained, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules subject to certain conditions. For further details, please refer to the section headed “Waivers from strict compliance with the Listing Rules” in this prospectus.

BOARD COMMITTEES

Audit Committee

Our Group established the Audit Committee on 12 January 1995 and has adopted written terms of reference in compliance with the Singapore’s Code of Corporate Governance. The terms of reference will be further amended with effect from the Listing Date to comply with Rule 3.21 of the Listing Rules and paragraphs C.3 and D.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Listing Rules. The Audit Committee consists of three members, namely Mr. Owi Kek Hean, Mr. Gn Hiang Meng and Mr. Chandra Mohan s/o Rethnam. Mr. Gn Hiang Meng is the chairman of the Audit Committee.

The primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of our Group’s financial reporting process, internal control and risk management system, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

Remuneration Committee

Our Group established the Remuneration Committee on 26 March 2002 and has adopted written terms of reference in compliance with the Singapore’s Code of Corporate Governance. The terms of reference will be further amended with effect from the Listing Date to comply with Rule 3.25 of the Listing Rules and paragraphs B.1 and D.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Listing Rules. The Remuneration Committee consists of three members, namely Mr. Wong Kok Hoe, Mr. Gn Hiang Meng and Mr. Chandra Mohan s/o Rethnam. Mr. Chandra Mohan s/o Rethnam is the chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee include (but without limitation): (i) making recommendations to our Directors on the policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (ii) determining the terms of the specific remuneration package of our Directors and senior management; and (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by our Directors from time to time.

DIRECTORS AND SENIOR MANAGEMENT

Nominating Committee

Our Group also established the Nominating Committee on 26 March 2002 and has adopted written terms of reference in compliance with the Singapore's Code of Corporate Governance. The terms of reference will be further amended with effect from the Listing Date to comply with paragraphs A.5 and D.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Listing Rules. The Nominating Committee consists of three members, namely Mr. Owi Kek Hean, Mr. Gn Hiang Meng and Mr. Chandra Mohan s/o Rethnam. Mr. Gn Hiang Meng is the chairman of the Nominating Committee.

The primary function of the Nominating Committee is to make recommendations to the Board to fill vacancies on the Board.

COMPLIANCE ADVISER

In compliance with Rule 3A.19 of the Listing Rules, we have appointed VBG Capital as our compliance adviser to provide advisory services to our Company. It is expected that the compliance adviser will, amongst other things, advise our Company with due care and skill on the following matters:

- before the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a notifiable or connected transaction, is contemplated including shares issues and share repurchases;
- where we propose to use the proceeds from the Share Offer in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecast, estimate, or other information in this prospectus; and
- where the Stock Exchange makes an inquiry of us regarding unusual movements in the price or trading volume of our Shares.

The term of the appointment shall commence on the Listing Date and end on the date on which we distribute our annual report in respect of our financial results for the first full financial year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.

DIRECTORS AND SENIOR MANAGEMENT

RELATIONSHIP WITH OUR EMPLOYEES

During the Track Record Period, we did not experience any significant problems with employees or other labour disturbances to our operations and we did not experience any difficulties in the recruitment and retention of experienced staff. We believe we have a good working relationship with our employees.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

During the three years ended 31 December 2016 and the six months ended 30 June 2017, the aggregate amount of compensation paid (basic salary, profit sharing schemes, performance-based compensation and retirement-based contribution) by our Company to our five highest paid individuals were approximately S\$1.4 million, S\$1.6 million, S\$3.0 million and S\$1.5 million, respectively.

Our non-executive Directors and senior management are also employees of our Company and receive, in their capacity as employees of our Company, compensation in the form of salaries and other allowances and benefits in kind. Our Company reimburses our Directors and senior management for expenses which are necessarily and reasonably incurred for providing services to our Company or executing their functions in relation to the operations of our Company. Our Group has adopted the profit sharing schemes whereby certain employees are entitled to compensation based on the audited consolidated net profits of our Group.

During the three years ended 31 December 2016 and the six months ended 30 June 2017, the aggregate amount of compensation paid (basic salary, profit sharing schemes, performance-based compensation and retirement-based contribution) by our Company to our Directors were approximately S\$1.9 million, S\$2.0 million, S\$0.4 million and S\$0.2 million, respectively.

Our Directors' remuneration is determined with reference to salaries paid by comparable companies, experience, responsibilities and performance of our Group. Details of the terms of the service agreements are set out in the paragraph headed "C. Further information about our Directors and substantial Shareholders — 3. Directors' remuneration" as set out in Appendix VI to this prospectus.

DIRECTORS AND SENIOR MANAGEMENT

During the Track Record Period, no remuneration was paid by our Group to, or receivable by, our Directors or the five largest paid individuals as an inducement to join or upon joining our Group. No compensation was paid by our Group to, or receivable by, our Directors, past Directors or the five highest paid individuals for each of the Track Record Period for the loss of any office in connection with the management of the affairs of any subsidiary of our Group. Our Directors estimate that under the current proposed arrangement, the aggregate basic annual remuneration (excluding payment pursuant to any discretionary benefits or bonus or other fringe benefits) payable by our Group to our Directors will be approximately S\$0.4 million for the year ending 31 December 2017.

None of our Directors waived any emoluments for any of the last three years. Save as disclosed in the paragraph headed “Remuneration of Directors and senior management” in this section, no other payments have been paid, or are payable, by our Company or any of our subsidiaries to our Directors and the five highest paid individuals during the Track Record Period.

EMPLOYEE’S REMUNERATION AND BENEFITS

Our employees are remunerated according to their job scope and responsibilities. Our local employees are also entitled to discretionary bonus depending on their respective performance. Our foreign workers are typically employed on one year basis depending on the period of their work permits, and subject to renewal based on their performance and are remunerated according to their work skills. Our Group provides insurance coverage for our foreign workers. Please refer to the paragraph headed “Business — Insurance” in this prospectus for further information.

RETIREMENT BENEFIT SCHEME

Our Group participates in the mandatory provident fund for our employees in accordance with the Central Provident Fund (CPF) Act (which is in the context of the law of Singapore). Our Group has paid the relevant contributions in accordance with the aforesaid laws and regulations.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following completion of the Share Offer, based on the information available as at the Latest Practicable Date, other than a Director or chief executive of our Company whose interests are disclosed in the paragraph headed “C. Further information about our Directors and substantial Shareholders — 1. Disclosure of interests — (a) Interests and short positions of our Directors and the chief executive of our Company in the Shares, underlying shares and debentures of our Company and its associated corporations” as set out in Appendix VI to this prospectus, the following persons have interest and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the issued voting shares of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company or any other member of our Group:

	Direct Interest			Deemed Interest			Total Interest	
	Capacity/Nature of interests	No. of Shares	% ⁽¹⁾	Capacity/Nature of interests	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Centurion Properties ⁽²⁾⁽³⁾⁽¹⁰⁾	Beneficial owner	435,756,126	51.828%	Interest of controlled corporation	10,000,000	1.189%	445,756,126	53.017%
Centurion Global ⁽³⁾⁽⁴⁾	—	—	—	Interest of controlled corporation	445,756,126	53.017%	445,756,126	53.017%
Mr. Loh ⁽³⁾⁽⁴⁾⁽⁵⁾⁽¹¹⁾	Beneficial owner	19,216,750	2.286%	Interest of controlled corporation	445,756,126	53.017%	465,172,876	55.326%
				Interest of spouse	200,000	0.024%		—
Ms. Wong Wan Pei ⁽⁶⁾	Beneficial owner	200,000	0.024%	Interest of spouse	464,972,876	55.303%	465,172,876	55.326%
Mr. Han ⁽³⁾⁽⁴⁾⁽⁷⁾⁽¹²⁾	Beneficial owner	4,664,700	0.555%	Interest of controlled corporation	445,756,126	53.017%	458,368,326	54.517%
				Interest of spouse	7,947,500	0.945%		—
Ms. Kang Lee Cheng Susanna ⁽⁸⁾	Beneficial owner	7,947,500	0.945%	Interest of spouse	450,420,826	53.572%	458,368,326	54.517%
Mr. Teo ⁽⁹⁾	Beneficial owner	63,723,330	7.579%	—	—	—	63,723,330	7.579%

Notes:

- (1) Based on 840,778,624 Shares in issue on Listing.
- (2) Of the 435,756,126 Shares interested in by Centurion Properties, 310,000,000 Shares are registered in the name of DB Nominees (S) Pte Ltd and 125,756,126 Shares are registered in the name of Raffles Nominees (Pte.) Limited.

SUBSTANTIAL SHAREHOLDERS

- (3) Centurion Global is owned as to 50% and 50% by Mr. Loh and Mr. Han, respectively, and it is the 100% holding company of Centurion Properties. Thinkpac Limited is a wholly-owned subsidiary of Centurion Properties. Hence, under the SFO, each of Centurion Properties, Centurion Global, Mr. Loh and Mr. Han is deemed to be interested in the 10,000,000 Shares held by Thinkpac Limited.
- (4) Centurion Global is owned as to 50% and 50% by Mr. Loh and Mr. Han, respectively. Each of Centurion Global, Mr. Loh and Mr. Han is deemed to be interested in the 435,756,126 Shares held by Centurion Properties under the SFO.
- (5) Of the 19,216,750 Shares interested in by Mr. Loh, 16,716,750 Shares are registered in the name of UOB Kay Hian Private Limited and 2,500,000 Shares are registered in the name of Raffles Nominees (Pte.) Limited. Mr. Loh also has a deemed interest in 200,000 Shares held by his spouse, Ms. Wong Wan Pei.
- (6) Ms. Wong Wan Pei is the spouse of Mr. Loh and is deemed to be interested in the Shares directly and indirectly held, or interested in, by Mr. Loh by virtue of the SFO.
- (7) Of the 4,664,700 Shares interested in by Mr. Han, 3,300,000 Shares are registered in the name of Citibank Nominees Singapore Pte Ltd, 685,500 Shares are registered in the name of UOB Kay Hian Private Limited and 679,200 Shares are registered in his own name. Mr. Han also has a deemed interest in 7,947,500 Shares held by his spouse, Ms. Kang Lee Cheng Susanna, which are registered in the name of DB Nominees (S) Pte Ltd.
- (8) Ms. Kang Lee Cheng Susanna is the spouse of Mr. Han and is deemed to be interested in the Shares directly and indirectly held, or interested in, by Mr. Han by virtue of the SFO.
- (9) Of the 63,723,330 Shares interested in by Mr. Teo, 40,270,164 Shares are registered in the name of DBS Nominees Pte Ltd, 96,250 Shares are registered in the name of United Overseas Bank Nominees Pte Ltd, 16,000,000 Shares are registered in the name of DB Nominees (S) Pte Ltd and 7,356,916 Shares are registered in the name of UOB Kay Hian Private Ltd.
- (10) These Shares have been pledged to independent third party financial institution(s).
- (11) Of these Shares, 16,716,750 have been pledged to an independent third party financial institution(s).
- (12) Of these Shares, 3,985,500 have been pledged to independent third party financial institution(s).

Save as disclosed in this prospectus, we are not aware of any other person who will, immediately following completion of the Share Offer, have an interest or short position in our Shares or underlying shares of our Company which would fall to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the issued voting shares of any class of share capital carrying rights to vote in all circumstances at general meeting of any of our subsidiaries. We are not aware of any arrangement which may at a subsequent date result in a change of control of our Company.

SHARE CAPITAL

All of the issued Shares of our Company comprise fully paid ordinary shares. Our Company did not have any treasury shares as at the date of this prospectus. Pursuant to the Singapore Companies (Amendment) Act 2005, companies incorporated in Singapore no longer have an authorised share capital and there is no concept of par value in respect of issued shares.

Details of share capital immediately after the Listing:

	<u>Number of Shares</u>
Shares in issue as at the date of this prospectus	804,778,624
Shares to be issued under the Share Offer	36,000,000
Total issued Shares immediately upon Listing	840,778,624

ASSUMPTIONS

The above figure does not take into account of any Shares which may be allotted and issued by our Company pursuant to the general mandate for the allotment and issue of Shares granted to our Directors as described below.

On 22 November 2017, 19,449,600 treasury shares held by our Company were cancelled pursuant to Section 76K of the Companies Act. No application has been made to the Listing Committee for the listing of, and permission to deal in, the treasury shares. All documents of title in respect of the treasury shares were destroyed. Our Company did not have any treasury shares as at the date of this prospectus.

All Shares in issue carry the same rights among themselves, including the right to participate fully in all dividends or other distributions declared, paid or made on our Shares after the date of this prospectus. Pursuant to the Singapore Companies (Amendment) Act 2005, companies incorporated in Singapore no longer have an authorised share capital and there is no concept of par value in respect of issued shares.

SHARE ISSUE MANDATE

At the annual general meeting of our Company held on 26 April 2017, our Shareholders have passed a resolution (the “**Resolution**”) granting a general mandate (the “**Share Issue Mandate**”) to our Directors to, among of others, (i) issue Shares and/or make or grant offers, agreements or options (collectively, instruments’) that might or would require Shares to be issued; and (ii) (notwithstanding, the authority conferred by the Resolution may have ceased to be in force) issue Shares in pursuant of any Instrument made or granted by our Directors while the Resolution was in force, not exceeding (in aggregate) 50% of the total number of issued Shares (excluding treasury shares), and if not issued on a pro-rata basis to shareholders, not exceeding (in aggregate) 20% of the total number of issued Shares (excluding treasury shares) in the capital of our Company calculated in accordance with the paragraph below.

SHARE CAPITAL

For the purpose of determining the aggregate number of Shares that may be allotted and issued pursuant to the Share Issue Mandate, the percentage of issued Shares shall be based on the number of issued Shares (excluding treasury shares) in the capital of our Company at the time of passing the Resolution, after adjusting for:

- (a) new Shares arising from the conversion or exercise of convertible securities;
- (b) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of the Resolution; and
- (c) any subsequent bonus issue, consolidation or subdivision of our Shares.

The Share Issue Mandate shall, unless revoked or varied by our Company at a general meeting, continue in force until the conclusion of the next annual general meeting of our Company or the date by which the next annual general meeting of our Company is required by law to be held, whichever is earlier.

For further details of the Share Issue Mandate, please refer to the paragraph headed “A. Further information about our Company and our subsidiaries — 3. Resolution of the Shareholders passed at the general meeting of our Company held on 26 April 2017” as set out in Appendix VI to this prospectus.

Notwithstanding the above, the Listing Rules provide that a general mandate obtained from shareholders of a listed issuer in general meeting shall be subject to a restriction that the aggregate number of shares allotted or agreed to be allotted under the general mandate must not exceed the aggregate of (i) 20% of the number of issued shares of the listed issuer on the date of the resolution granting the general mandate and (ii) the number of securities repurchased by the listed issuer since the granting of the general mandate (up to 10% of the shares of the listed issuer in issue on the date of passing the resolution to grant the general mandate) provided that the shareholders of the listed issuer have separately granted a general mandate to the directors of the listed issuer to add the repurchased securities to the 20% limit. As such, our Company shall comply with the requirements of the Listing Rules in relation to the issue of general mandate upon Listing as the Listing Rules generally pose a more onerous requirement than the Singapore Listing Manual in this aspect.

SHARE PURCHASE MANDATE

Pursuant to the renewal of the Share Purchase Mandate at an annual general meeting of our Company held on 26 April 2017, our Directors have been granted a general mandate (the “**Share Purchase Mandate**”) to exercise all the powers of our Company to purchase or otherwise acquire

SHARE CAPITAL

Shares from time to time not exceeding in aggregate 10% of the total number of issued Shares (excluding treasury shares) at the date of grant of the Share Purchase Mandate, at such price or prices as may be determined by our Directors from time to time (subject to the Maximum Price as described below).

Unless revoked or reviewed by our Company in general meeting, the Share Purchase Mandate shall expire on the earlier of:

- (a) the date on which the next annual general meeting of our Company is held;
- (b) the date by which the next annual general meeting of our Company is required by law to be held; or
- (c) the date on which the purchases or acquisitions of Shares by our Company have been carried out to the full extent mandated.

“**Maximum Price**” means the purchase price (excluding brokerage, stamp duties, consolidation, applicable goods and general tax and other related expenses of the purchase or acquisition) (a) in the case of a market purchase, 105% of the average of the closing market prices of a Share for the five (5) consecutive market days, on which the Shares were transacted on the SGX-ST, before the day on which the purchase or acquisition of Shares was made, or as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action that occurs after the relevant five (5) market days period (“**Average Closing Price**”); and (b) in the case of an off-market purchase pursuant to an equal access scheme, 120% of the Average Closing Price.

The Share Purchase Mandate was made in compliance with the requirements of the Singapore Listing Manual and the Singapore Code, and in accordance with all other laws and regulations, including but not limited to the provisions of the Companies Act and the Constitution. In the event that our Company shall purchase our own Shares after the Listing, we are required to comply with the more onerous requirements under both the Listing Rules and the Singapore Listing Manual.

For further details of the Share Purchase Mandate, please refer to the paragraph headed “A. Further information about our Company and our subsidiaries — 3. Resolution of the Shareholders passed at the general meeting of our Company held on 26 April 2017” as set out in Appendix VI to this prospectus.

SHARE CAPITAL

WARRANTS

On 28 October 2013, our Company allotted and issued 75,605,231 Warrants pursuant to the issue of bonus Warrants on the basis of one Warrant for every ten existing ordinary Shares in the capital of the Company held by entitled Shareholders. Each Warrant carries the right to subscribe for one (1) new ordinary Share in the capital of our Company at an exercise price of S\$0.50 for each ordinary share. Each Warrant may be exercised at any time during the period of four years commencing on and including the date of issue of the Warrants and expiring on the date immediately preceding the fourth anniversary of the date of issue of the Warrants. As at the Latest Practicable Date, all of the Warrants expired on 27 October 2017.

RULE 9.09 OF THE LISTING RULES

Our Company has applied for and the Stock Exchange has granted a waiver from strict compliance with Rule 9.09 of the Listing Rules. Please refer to the paragraph “Waivers from strict compliance with the Listing Rules — 3. Dealing in securities by core connected persons during a listing application process (Rule 9.09)” in this prospectus for details of the waiver.

HISTORICAL TRADING PRICES AND VOLUME OF OUR SHARES ON SGX-ST

The following table sets forth the reported highs, lows, month ends and monthly averages of the closing trading prices and average daily trading volume of our Shares on SGX-ST during the Track Record Period until the Latest Practicable Date. Historical Share prices may not be indicative of the prices at which the Shares will trade following completion of the Share Offer. Please refer to the paragraph headed “Risk factors — E. Risks relating to our dual primary listing — There are different characteristics between the Singapore stock market and the Hong Kong stock market” in this prospectus in relation to the relevant risks.

SHARE CAPITAL

	Per Share (S\$)				Average daily trading volume	
	High	Low	Month end	Monthly Average	Shares ('000)	% of total issued shares
2014						
January	0.645	0.525	0.610	0.578	1,235,714	0.163%
February	0.665	0.585	0.620	0.620	1,344,150	0.0178%
March	0.710	0.610	0.710	0.646	6,648,381	0.878%
April	0.775	0.715	0.715	0.744	2,676,952	0.354%
May	0.750	0.705	0.740	0.734	1,246,600	0.165%
June	0.725	0.680	0.690	0.704	840,143	0.111%
July	0.750	0.690	0.709	0.709	1,816,000	0.240%
August	0.695	0.620	0.625	0.660	2,090,810	0.276%
September	0.610	0.520	0.525	0.561	1,564,273	0.207%
October	0.540	0.480	0.540	0.516	803,000	0.106%
November	0.575	0.525	0.560	0.551	1,076,350	0.142%
December	0.540	0.490	0.505	0.513	710,182	0.094%
2015						
January	0.605	0.525	0.595	0.558	1,593,225	0.211%
February	0.590	0.555	0.570	0.567	907,956	0.120%
March	0.565	0.520	0.525	0.541	725,955	0.096%
April	0.550	0.515	0.540	0.535	657,762	0.087%
May	0.595	0.520	0.545	0.556	1,050,300	0.139%
June	0.545	0.525	0.530	0.534	212,790	0.028%
July	0.535	0.465	0.480	0.497	701,864	0.093%
August	0.495	0.420	0.425	0.459	1,121,479	0.150%
September	0.435	0.415	0.420	0.424	622,226	0.082%
October	0.435	0.415	0.420	0.425	554,595	0.073%
November	0.430	0.400	0.400	0.413	432,415	0.057%
December	0.405	0.385	0.390	0.392	431,238	0.057%

SHARE CAPITAL

	Per Share (S\$)				Average daily trading volume	
	High	Low	Month end	Monthly Average	Shares ('000)	% of total issued shares
	2016					
January	0.385	0.355	0.355	0.371	469,165	0.062%
February	0.375	0.355	0.370	0.363	278,153	0.037%
March	0.390	0.370	0.370	0.381	391,882	0.052%
April	0.385	0.375	0.375	0.378	249,135	0.033%
May	0.390	0.370	0.375	0.378	447,619	0.059%
June	0.390	0.355	0.385	0.376	134,179	0.018%
July	0.380	0.355	0.355	0.361	407,210	0.054%
August	0.365	0.350	0.350	0.355	328,715	0.043%
September	0.355	0.345	0.355	0.350	100,885	0.013%
October	0.350	0.330	0.335	0.337	284,610	0.038%
November	0.340	0.320	0.320	0.333	141,245	0.019%
December	0.330	0.310	0.330	0.322	276,425	0.037%
2017						
January	0.355	0.340	0.355	0.350	164,910	0.022%
February	0.425	0.350	0.420	0.376	558,732	0.074%
March	0.420	0.385	0.420	0.399	494,213	0.065%
April	0.445	0.420	0.435	0.433	395,747	0.052%
May	0.475	0.430	0.470	0.449	593,667	0.078%
June	0.500	0.465	0.490	0.480	430,071	0.057%
July	0.525	0.485	0.515	0.504	406,638	0.054%
August	0.545	0.515	0.530	0.537	442,891	0.058%
September	0.530	0.485	0.505	0.507	203,860	0.025%
October	0.570	0.505	0.560	0.521	766,952	0.093%
November ⁽¹⁾	0.560	0.520	0.545	0.538	755,071	0.092%

Note 1: The figures for November 2017 are up to Latest Practicable Date only.

RATIO OF MARKET CAPITALISATION TO NET ASSET VALUE

Based on the closing price of our Shares on the SGX-ST on the Latest Practicable Date of S\$0.545 and the total Shares in issue of 804,778,624 Shares, the market capitalisation of our Company was approximately S\$438.6 million on the Latest Practicable Date. As of 30 June 2017, our Group's net asset value attributable to equity holders of our Company was approximately S\$405.5 million. The ratio of market capitalisation (based on the closing price of our Shares on the SGX-ST on the Latest Practicable Date) to our Group's net asset value attributable to equity holders of our Company as of 30 June 2017 was approximately 1.08 times.

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Prospective investors should read this section in conjunction with our audited consolidated financial statements, including the notes thereto, as set out in the Accountant's Report, the unaudited interim condensed financial information included in Appendix 1A to this prospectus and the unaudited pro forma financial information included in Appendix II to this prospectus. Our Group's consolidated financial statements have been prepared in accordance with the accounting policies which conform with IFRSs. Prospective investors should read the entire Accountant's Report and not merely rely on the information contained in this section.

The following discussion and analysis contain certain forward-looking statements that reflect the current views with respect to future events and financial performance. These statements are based on assumptions and analyses made by our Group in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors our Group believes are appropriate under the circumstances. However, whether actual outcomes and developments will meet our Group's expectations and projections depends on a number of risks and uncertainties over which our Group does not have control. Factors that may cause future results to differ materially from those projected in the forward-looking statements include those discussed in the section headed "Risk factors" and elsewhere in this prospectus.

OVERVIEW

We are one of Singapore's largest workers and student accommodation owner-operators. We develop, own and/or manage quality PBWA assets in Singapore and Malaysia since August 2011, as well as PBSA assets in the United Kingdom, Australia and Singapore since February 2014. Based on the Euromonitor Report, we ranked first among the PBWA service providers in Singapore and Malaysia in 2016 in terms of revenue receipts with a market share of approximately 11.0% and 50.0%, respectively.

As at the Latest Practicable Date, we had a strong portfolio of 21 operational accommodation assets totalling approximately 61,600 beds, as follows:

- (a) five and six PBWA assets with approximately 34,700 beds and 23,700 beds in Singapore (including 6,300 beds from Westlite Mandai Accommodation owned by our associated company which we are the operator) and Malaysia, respectively, under our Group's "Westlite" brand; and
- (b) eight PBSA assets with approximately 2,420 beds in the United Kingdom (five in Manchester, one in Liverpool, one in Bristol, and one in Newcastle), one PBSA asset with approximately 456 beds in Australia (Melbourne) and one PBSA asset with approximately 332 beds in Singapore. The accommodation in the United Kingdom and Singapore are operated under our Group's "dwell" brand.

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In July and August 2017, we entered into six conditional agreements for the proposed acquisitions of six existing PBSA assets across five states in the USA, with an aggregate capacity of approximately 2,140 beds, which we intend to have an interest of up to 30%. The proposed acquisitions are expected to be completed in the fourth quarter of 2017 and the assets will be managed by a joint venture company which will be majority owned by us. If the proposed acquisitions proceed with completion, we will have a total of approximately 5,348 beds under management across 16 operating student accommodation assets in four jurisdictions, including the United Kingdom, Australia, Singapore and the USA.

As at the Latest Practicable Date, we had a land bank consisting of six pieces of land as follows:

- (a) two pieces of land under construction, being (i) the Westlite Bukit Minyak Land, which is to be developed into a PBWA with 6,600 beds and construction is expected to be completed by June 2018; and (ii) a development site at Rundle Street on the eastern side of Adelaide, Australia, which is to be developed into a PBSA with 280 beds and construction is expected to be completed by the fourth quarter of 2018 to cater for student intake for the 2019 academic year;
- (b) three pieces of vacant land with no immediate development schedule as at the Latest Practicable Date, being the Westlite Nusajaya Land measuring approximately 30,174 sq.m., for future development of our Group's workers accommodation, a 7,220 sq.m. land in Bekasi, Jakarta, Indonesia and four plots of land totaling 4,434 sq.m. in Port Hedland at Western Australia for future development as workers/short stay accommodation; and
- (c) beneficial right over a piece of vacant land, being the Westlite Juru Land measuring approximately 26,709 sq. m., which was still pending completion of acquisition with no immediate development schedule as at the Latest Practicable Date.

In addition, we also manufacture and sell optical disc and related storage products through our wholly-owned subsidiary in Singapore, Summit CD Manufacture, but we gradually downsize our operations due to the continued weak market for physical optical disc media. Our optical disc products consist of CDs and DVDs where contents such as annual reports, software, music or video contents are replicated for our customers. As at the Latest Practicable Date, we had a small-scale production plant in Singapore, with a total site area of approximately 600 sq.m., which houses three production lines equipped with printing, packaging and inventory storage facilities.

During the Track Record Period, we derived our revenue primarily from (i) rental and service income from our workers and student accommodations and commercial spaces; and (ii) other, being the sale of goods from our optical disc business. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our total revenue was approximately S\$84.4 million, S\$104.5 million, S\$120.3 million and S\$71.3 million, respectively, of which rental and service income from

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our workers and student accommodation business represented approximately 90.5%, 95.2%, 98.2% and 98.7% of our total revenue, respectively. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our profit from core business operations amounted to approximately S\$31.9 million, S\$35.7 million, S\$38.3 million and S\$28.5 million, respectively. The increase in our profit from core business operations during the Track Record Period was primarily due to our Group's continual expansion of our workers and student accommodation portfolio to approximately 61,600 beds (including 6,300 beds from Westlite Mandai Accommodation owned by our associated Company which we are the operator) as at the Latest Practicable Date from approximately 40,400 beds as at 31 December 2014. For further details, please refer to the paragraph headed "Review of historical results of operations" in this section.

BASIS OF PREPARATION OF THE FINANCIAL INFORMATION

We are a holding company incorporated in the Republic of Singapore. We were first listed on Sesdaq of SGX-ST in January 1995 and subsequently transferred to the main board of SGX-ST in October 1998. Please refer to the section headed "History and corporate structure" in this prospectus.

We have prepared our financial information in accordance with the IFRSs on a historical cost basis, except for investment properties and financial instruments that are measured at fair values, as disclosed in the accounting policies in the Accountant's Report as set out in Appendix I to this prospectus. Our Company's functional currency is the Singapore dollar. The results and financial position of all our Group entities that have a functional currency different from the presentation currency are translated into the presentation currency, based on the accounting policies as set out in the Accountant's Report as set out in Appendix I to this prospectus.

Our financial information incorporates the financial information of the entities controlled by our Group. Our Group controls an entity when we are exposed to, or have rights to variable returns from our involvement with the entity and has the ability to affect those returns through our power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Non-controlling interests in subsidiaries are presented separately from our equity therein.

All intra-group transactions and balances have been eliminated on consolidation.

KEY FACTORS AFFECTING THE RESULTS OF OUR OPERATIONS AND FINANCIAL CONDITION

Our financial conditions, results of operations and period to period comparability of our financial results have been and will continue to be affected by a number of factors, including those discussed below.

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Change in overall economic conditions

For the three years ended 31 December 2016 and the six months ended 30 June 2017, rental income from our workers and student accommodation was our mainstream revenue, representing approximately 90.5%, 95.2%, 98.2% and 98.7% of our total revenue, respectively. Our customers for the workers accommodation business comprise mainly companies from various industries, including the construction, marine, engineering, services, oil and gas and manufacturing industries in Singapore and Malaysia. Our revenue is dependent on the general economic conditions, factors and risks that may affect our customers, such as disposable income per household, GDP growth in Singapore, Malaysia, Australia, the United Kingdom, foreign worker and student population demographics. Any change of the economic condition in the future, may cause material and adverse impact on our Group's business and financial performance if our customers reduce the number of foreign workers hired or the number of students (especially overseas students) is reduced.

Change in relevant local government's or foreign governments' policy affecting foreign worker

Our Group provides housing for foreign workers employed in Singapore and Malaysia. For the three years ended 31 December 2016 and the six months ended 30 June 2017, the workers accommodation business contributed to approximately 73.3%, 69.0%, 71.4% and 72.7% of our Group's total revenue, respectively. The workers accommodation industry is dependent on the presence of a certain transient population of foreign workers in Singapore and Malaysia, which is subject to the policies (including those governing foreign worker levies and the granting of work permits) imposed by the governmental bodies in the two countries. Any change in such policies which increases the foreign worker levies payable by companies employing foreign workers in Singapore and Malaysia or which reduces the number of work permits granted to foreign workers on reduce the ratio of foreign workers to domestic workers could result in a reduction of foreign workers in Singapore and Malaysia. In addition, the employers of these foreign workers may be affected by policies of immigration and other authorities of the different countries where the foreign workers come from. Any future changes to the policies of the immigration department of any country that restricts the export of labour may adversely affect the number of foreigners of that nationality who are employed to work.

Change in relevant foreign governments' policies affecting overseas students

During the Track Record Period, our Group operated student accommodation business in Melbourne of Australia, Manchester, Liverpool, Bristol and Newcastle of the United Kingdom and Singapore, with a total of approximately 3,200 beds as at the Latest Practicable Date. The student accommodation industry is dependent on the presence of a certain population of overseas students in Australia, the United Kingdom and Singapore, and is also subject to the policies (including, without limitation, those policies governing immigration, academic fees, student loans and the granting of student permits or visas) imposed by the governmental bodies in these countries. Any change in

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immigration policies, policies affecting the subsidies in respect of academic fees or student loans, or policies which reduces the number of student permits or visas granted to foreign students could result in a reduction of overseas students in these countries. As a result of any of the above situations, our business, profitability, financial conditions and results of our operations could be adversely affected.

Competition

We are one of the Singapore's largest workers and student accommodation owner-operators. We develop, own and/or manage quality PBWA assets in Singapore and Malaysia since August 2011, as well as PBSA assets in the United Kingdom, Australia and Singapore since February 2014. As of the Latest Practicable Date, we had a strong portfolio of 21 operational accommodation assets totalling approximately 61,600 beds (including 6,300 beds from Westlite Mandai Accommodation owned by our associated company which we are the operator). Our workers accommodation assets are located near the industrial areas where our customers are located such as Tuas, Jalan Papan, Woodlands and Toh Guan in Singapore and Johor Technology Park, Senai, Tampoi, Pasir Gudang and Tebrau in Johor, Malaysia. On the other hand, our student accommodations are located in the established education precincts of Manchester, Liverpool, Newcastle and Bristol which are within walking distance or close proximity to renown universities in these locations. There is no assurance that there will not be other worker or student accommodation operators which will commence similar student accommodation leasing business near our student accommodations in these areas. Should other workers accommodation and/or student accommodation open near where we operate, we will face increased competition.

Fluctuations in investment property value

As of 31 December 2014, 2015 and 2016 and 30 June 2017, our investment properties had a value of approximately S\$684.4 million, S\$891.5 million, S\$927.4 million and S\$941.0 million, respectively. The value of our investment properties are affected by the construction of new investment properties as well as fair value changes due to factors such as government regulations, the supply of and demand for comparable properties, the rate of economic growth, interest rates, inflation, political and economic developments in Singapore, the United Kingdom, Australia, Malaysia and applicable zoning or tax laws.

The increase in the value of our investment properties during the Track Record Period was primarily as a result of (i) the additional workers accommodation, being Westlite Tampoi Accommodation, Westlite Senai II Accommodation and Westlite Woodlands Accommodation, which have commenced commercial use in January 2015, January 2016 and July 2015, respectively, and ASPRI-Westlite Papan Accommodation which commenced operation in May 2016; (ii) the refurbishment of RMIT Village completed in January 2015, the refurbishment of dwell Manchester

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Student Village completed in the fourth quarter of 2016 and the refurbishment of dwell Selegie which commenced operation in September 2015, as well as the refurbishment of Westlite Tebrau Accommodation completed in the fourth quarter of 2016; and (iii) the acquisition of the Braemar Portfolio which was completed in July 2016.

In addition, the annual revaluation of our investment properties has resulted in and may continue to result in fluctuations in profit before tax. For the year ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2017, we recorded net fair value gains or (losses) on our investment properties and assets held for sale of approximately S\$40.3 million, S\$3.6 million, S\$(3.1) million and S\$1.7 million, respectively.

The amount of revaluation adjustments has been, and may continue to be, significantly affected by the prevailing property market conditions and may be subject to market fluctuations. It is uncertain that the fair value of our properties will increase in the future. For more details, please refer to the paragraph headed “Risk factors — A. Risks relating to our business — IV. General risks relating to our Group — Our profitability may be affected by fluctuations in value of our investment properties.

Fluctuation in direct costs

Our key costs of sales in accommodation business are (i) employee compensation; (ii) rental expenses on operating leases; and (iii) utilities costs. We manage cost fluctuations by buffering for inflation and possible cost increases during each financial year in determining our rental charges. Notwithstanding our management of costs, any material fluctuation in our cost of services may adversely impact our financial performance.

The following sensitivity analysis illustrates the impact of hypothetical fluctuations of (i) employee compensation; (ii) rental expenses on operating leases; and (iii) utilities costs (being the major components of our cost of sales) on our profit before and after taxation during the Track Record Period. The hypothetical fluctuation rates for employee compensation are set at 3.0% and 5.0% which correspond to the approximate minimum and maximum percentage changes in annual wages as stated in the National Wage Council Guidelines of Singapore from 2014 to 2016 and they are considered reasonable for the purpose of this sensitivity analysis. The hypothetical fluctuation rates for rental expense on operating leases are set at 6.0% and 19.0%, which were derived from the historical fluctuations of our rental expense on operating leases up to the year ended 31 December 2017 and they are considered reasonable for the purpose of this sensitivity analysis. The hypothetical fluctuation rates for utilities costs are set at 4.0% and 16.0%. The approximate minimum and maximum annual percentage changes in the historical fluctuations from 2014 to 2016 as stated in the statistics of the services providers in Singapore and the United Kingdom and are considered reasonable for the purpose of this sensitivity analysis.

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**Hypothetical fluctuations in
our employee compensation**

-3.0% -5.0% +3.0% +5.0%

S\$'000 S\$'000 S\$'000 S\$'000

**Increase/(decrease) in profit
from core business before taxation**

(Note 1)

Year ended 31 December 2014	407	679	(407)	(679)
Year ended 31 December 2015	422	703	(422)	(703)
Year ended 31 December 2016	508	847	(508)	(847)
Six months ended 30 June 2017	250	417	(250)	(417)

**Hypothetical fluctuations in
our employee compensation**

-3.0% -5.0% +3.0% +5.0%

S\$'000 S\$'000 S\$'000 S\$'000

**Increase/(decrease) in profit
from core business after taxation**

(Note 2)

Year ended 31 December 2014	332	553	(332)	(553)
Year ended 31 December 2015	316	526	(316)	(526)
Year ended 31 December 2016	409	682	(409)	(682)
Six months ended 30 June 2017	205	342	(205)	(342)

**Hypothetical fluctuations in
our rental expense on
operating leases**

-6.0% -19.0% +6.0% +19.0%

S\$'000 S\$'000 S\$'000 S\$'000

**Increase/(decrease) in profit
from core business before taxation**

(Note 1)

Year ended 31 December 2014	186	589	(186)	(589)
Year ended 31 December 2015	288	911	(288)	(911)
Year ended 31 December 2016	423	1,338	(423)	(1,338)
Six months ended 30 June 2017	230	727	(230)	(727)

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**Hypothetical fluctuations in
our rental expense on
operating leases**

-6.0% -19.0% +6.0% +19.0%

S\$'000 *S\$'000* *S\$'000* *S\$'000*

**Increase/(decrease) in profit
from core business after taxation**

(Note 2)

Year ended 31 December 2014	151	478	(151)	(478)
Year ended 31 December 2015	216	683	(216)	(683)
Year ended 31 December 2016	340	1,077	(340)	(1,077)
Six months ended 30 June 2017	188	597	(188)	(597)

**Hypothetical fluctuations in
our utilities costs**

-4.0% -16.0% +4.0% +16.0%

S\$'000 *S\$'000* *S\$'000* *S\$'000*

**Increase/(decrease) in profit
from core business before taxation**

(Note 1)

Year ended 31 December 2014	184	738	(184)	(738)
Year ended 31 December 2015	240	961	(240)	(961)
Year ended 31 December 2016	260	1,039	(260)	(1,039)
Six months ended 30 June 2017	146	586	(146)	(586)

**Hypothetical fluctuations in
our utilities costs**

-4.0% -16.0% +4.0% +16.0%

S\$'000 *S\$'000* *S\$'000* *S\$'000*

**Increase/(decrease) in profit
from core business after taxation**

(Note 2)

Year ended 31 December 2014	150	600	(150)	(600)
Year ended 31 December 2015	180	720	(180)	(720)
Year ended 31 December 2016	209	837	(209)	(837)
Six months ended 30 June 2017	120	481	(120)	(481)

Notes:

1. Our profit from core business before taxation was approximately S\$37.6 million, S\$43.9 million, S\$45.4 million and S\$34.1 million for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively.
2. Our profit from core business operations was approximately S\$31.9 million, S\$35.7 million, S\$38.3 million and S\$28.5 million for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively.

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CRITICAL ACCOUNTING POLICIES AND ESTIMATE

The financial information of our Group has been prepared in accordance with accounting policies which conform with IFRSs. The significant accounting policies adopted by our Group are set forth in details in note 2 to the Accountant's Report set out in Appendix I to this prospectus.

Some of the accounting policies involve judgments, estimates, and assumptions made by our management. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Further information regarding the key judgements made in applying our accounting policies are set forth in note 4 to the Accountant's Report set out in Appendix I to this prospectus.

IMPACT OF THE ADOPTION OF IFRS 16

We plan to apply IFRS 16 from the accounting year beginning 1 January 2019.

As at 30 June 2017, our Group's future aggregate minimum lease payments under non-cancellable operating leases contracted for but not recognised as liabilities amounted to approximately S\$61.3 million, which were not recognised in the consolidated balance sheets. We expect the implementation of IFRS 16 will require the recognition of such leases in the form of right-to-use asset and lease liabilities, initially at discounted present value of the future operating lease commitments which will have a material impact to our consolidated statements of financial position. The expected impact on our consolidated statements of profit or loss will primarily be the recognition of depreciation for the right-to-use asset and interest expense on the lease liability instead of rental expenses which, on a lease-by-lease basis, will result in higher total expense being recognised in the initial years of the lease and even out throughout the remaining term of the lease. Nevertheless, it is expected that there will be no material impact on the total expenses to be recognised by us over the entire lease period and our total net profit over the lease period is not expected to be materially affected. The adoption of IFRS 16 would not affect our total cash flows in respect of the leases. We will continue to assess the specific magnitude of the adoption of IFRS 16 to the relevant financial statement areas and will conduct a more detailed assessment on the impact as information become available closer to the planned initial date of the adoption of 1 January 2019.

Please refer to the paragraph headed "Risk factors — IV. General risks relating to our Group — The application of IFRS 16 on our operating lease commitments may materially affect our financial performance" in this prospectus for relevant risk as a result of the adoption of IFRS 16.

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SUMMARY OF RESULTS OF OPERATIONS

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income during the Track Record Period.

Consolidated income statements

	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000 <i>(unaudited)</i>	S\$'000
Continuing operations					
Revenue	84,443	104,538	120,288	57,371	71,269
Cost of sales	(28,659)	(35,718)	(41,885)	(19,108)	(21,662)
Gross profit	55,784	68,820	78,403	38,263	49,607
Other income and gains	864	1,543	2,041	416	785
Net fair value gains/(losses) on investment properties and assets held for sale	40,308	3,550	(3,121)	—	1,743
Expenses					
— Distribution expenses	(1,175)	(1,470)	(1,313)	(691)	(480)
— Administrative expenses	(14,502)	(20,241)	(18,166)	(7,975)	(11,578)
— Finance expenses	(8,889)	(15,940)	(21,383)	(10,815)	(10,048)
Share of profit of associated companies and joint ventures	45,332	5,986	5,398	2,780	1,468
Profit before income tax	117,722	42,248	41,859	21,978	31,497
Income tax expense	(6,503)	(8,269)	(7,048)	(4,204)	(8,258)
Profit from continuing operations <i>(note)</i>	111,219	33,979	34,811	17,774	23,239
Discontinued operations					
Loss from discontinued operations	(69)	—	—	—	—
Total profit	111,150	33,979	34,811	17,774	23,239
Profit attributable to:					
Equity holders of the Company	111,200	34,129	28,707	18,222	19,770
Non-controlling interests	(50)	(150)	6,104	(448)	3,469
	111,150	33,979	34,811	17,774	23,239
Earnings per share for profit from continuing and discontinued operations attributable to equity holders of the Company					
Basic earnings per share					
— From continuing operations (cents)	14.71	4.52	3.86	2.44	2.67
— From discontinued operations (cents)	(0.01)	—	—	—	—
Diluted earnings per share					
— From continuing operations (cents)	14.43	4.52	3.86	2.44	2.67
— From discontinued operations (cents)	(0.01)	—	—	—	—

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	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000 <i>(unaudited)</i>	S\$'000
Total profit	111,150	33,979	34,811	17,774	23,239
Other comprehensive loss:					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Available-for-sale financial assets					
— Fair value (losses)/gains	(207)	(118)	(22)	(18)	(25)
— Reclassification	153	—	—	—	—
Currency translation losses arising from consolidation <i>(note 1)</i>	(5,517)	(8,981)	(18,936)	(16,494)	1,633
Other comprehensive loss, net of tax	(5,571)	(9,099)	(18,958)	(16,512)	1,608
Total comprehensive income	<u>105,579</u>	<u>24,880</u>	<u>15,853</u>	<u>1,262</u>	<u>24,847</u>
Total comprehensive income attributable to:					
Equity holders of the Company	105,629	25,030	9,749	1,710	21,378
Non-controlling interests	(50)	(150)	6,104	(448)	3,469
	<u>105,579</u>	<u>24,880</u>	<u>15,853</u>	<u>1,262</u>	<u>24,847</u>

Note 1:

Currency translation losses arising from consolidation arise as the Group has investments in subsidiaries in different geographical locations with different functional currencies. The Group's functional and presentation currency is SGD. The incorporation of the results and financial position of a foreign operation with those of the reporting entity follows normal consolidation procedures, such as the elimination of intragroup balances and intragroup transactions of a subsidiary. However, an intragroup monetary asset (or liability), whether short-term or long-term, cannot be eliminated against the corresponding intragroup liability (or asset) without showing the results of currency fluctuations in the consolidated financial statements. Accordingly, in the consolidated financial statements of the reporting entity, such an exchange difference is recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of the foreign operation. See accounting policy 2.22(c) in the Accountant's Report on currency translation policy.

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Note 2:

	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Profit from continuing operations	111,219	33,979	34,811	17,774	23,239
Adjusted for:				<i>(unaudited)</i>	
— Fair value (gains)/loss on investment properties, including those of associated companies	(62,808)	(3,193)	3,551	—	(482)
— Provide/(write back) deferred tax arising from fair value gains	831	122	(81)	—	2,656
— Share of profit from associated company from one-off sale of development properties	(17,293)	—	—	—	—
— Write down of investment in associated company	—	4,800	—	—	—
— Listing expenses	—	—	—	—	3,089
Profit from core business operations	31,949	35,708	38,281	17,774	28,502
Profit attributable to equity holders of the Company	111,200	34,129	28,707	18,222	19,770
Adjusted for:					
— Fair value (gains)/loss on investment properties attributable to equity holders	(62,808)	(3,119)	9,879	—	600
— Provide/(write back) deferred tax arising from fair value gains	831	122	(81)	—	2,656
— Share of profit from associated company from one-off sale of development properties	(17,293)	—	—	—	—
— Write down of investment in associated company	—	4,800	—	—	—
— Listing expenses	—	—	—	—	3,089
Profit from core business operations attributable to equity holders of the Company	31,930	35,932	38,505	18,222	26,115

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PRINCIPAL COMPONENTS OF CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Revenue

During the Track Record Period, our revenue was generated primarily from (i) rental and service income from our workers and student accommodations; and (ii) sale of goods from our optical disc business. Our revenue increased from approximately S\$84.4 million for the year ended 31 December 2014 to approximately S\$104.5 million for the year ended 31 December 2015 and further increased to approximately S\$120.3 million for the year ended 31 December 2016, representing an increase of approximately 23.8% and 15.1%, respectively. Our revenue increased from approximately S\$57.4 million for the six months ended 30 June 2016 to approximately S\$71.3 million for the six months ended 30 June 2017, representing a period-to-period increase of approximately 24.2%. The following table sets forth the breakdown of our revenue by business segment and geographical location during the Track Record Period:

	For the year ended 31 December						For the six months ended 30 June			
	2014		2015		2016		2016		2017	
	<i>S\$'000</i>	%	<i>S\$'000</i>	%	<i>S\$'000</i>	%	<i>S\$'000</i>	%	<i>S\$'000</i>	%
							<i>(unaudited)</i>			
Rental and service income										
<i>Workers accommodation</i>										
Singapore	56,160	66.5	64,478	61.7	78,877	65.6	36,521	63.7	48,050	67.4
Malaysia	5,749	6.8	7,620	7.3	6,947	5.8	3,223	5.6	3,762	5.3
	61,909	73.3	72,098	69.0	85,824	71.4	39,744	69.3	51,812	72.7
<i>Student accommodation</i>										
United Kingdom	6,443	7.6	19,321	18.5	20,598	17.1	10,823	18.9	12,529	17.6
Australia	8,108	9.6	7,731	7.4	8,502	7.1	4,145	7.2	4,215	5.9
Singapore	—	—	322	0.3	3,176	2.6	1,266	2.2	1,792	2.5
	14,551	17.2	27,374	26.2	32,276	26.8	16,234	28.3	18,536	26.0
Sale of goods										
<i>Optical disc business</i>										
Singapore	5,090	6.0	3,318	3.2	2,045	1.7	1,250	2.2	921	1.3
Others	2,893	3.5	1,748	1.6	143	0.1	143	0.2	—	—
	7,983	9.5	5,066	4.8	2,188	1.8	1,393	2.4	921	1.3
Total	84,443	100.0	104,538	100.0	120,288	100.0	57,371	100.0	71,269	100.0

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The following table sets forth the breakdown of our revenue from continuing operations by geographical location during the Track Record Period:

	For the year ended 31 December						For the six months ended 30 June			
	2014		2015		2016		2016		2017	
	<i>S\$'000</i>	%	<i>S\$'000</i>	%	<i>S\$'000</i>	%	<i>S\$'000</i>	%	<i>S\$'000</i>	%
							<i>(unaudited)</i>			
Singapore	61,250	72.5	68,118	65.2	84,098	69.9	39,037	68.0	50,763	71.2
United Kingdom	6,443	7.6	19,321	18.5	20,598	17.1	10,823	18.9	12,529	17.6
Australia	8,108	9.6	7,731	7.4	8,502	7.1	4,145	7.2	4,215	5.9
Malaysia	5,749	6.8	7,620	7.3	6,947	5.8	3,223	5.6	3,762	5.3
Others	2,893	3.5	1,748	1.6	143	0.1	143	0.3	—	—
Total	84,443	100.0	104,538	100.0	120,288	100.0	57,371	100.0	71,269	100.0

The following table sets forth the breakdown of the number of beds of our accommodation business that we operated by business segment and geographical location during the Track Record Period:

	As at 31 December						As at 30 June			
	2014		2015		2016		2017			
	<i>Number of beds</i>	%	<i>Number of beds</i>	%	<i>Number of beds</i>	%	<i>Number of beds</i>	%	<i>Number of beds</i>	%
Workers accommodation										
Singapore	23,500	58.2	27,600	55.1	34,700	54.9	34,700	56.3		
Malaysia	14,500	35.9	19,800	39.6	25,300	40.0	23,700	38.5		
	38,000	94.1	47,400	94.7	60,000	94.9	58,400	94.8		
Student accommodation										
United Kingdom	1,906	4.8	1,901	3.8	2,420	3.8	2,420	4.0		
Australia	456	1.1	456	0.9	456	0.7	456	0.7		
Singapore	—	—	315	0.6	332	0.6	332	0.5		
	2,362	5.9	2,672	5.3	3,208	5.1	3,208	5.2		
Total	40,362	100.0	50,072	100.0	63,208	100.0	61,608	100.0		

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The following table sets forth the range of rental rates of our accommodation business by business segment and geographical location during the Track Record Period:

	For the year ended 31 December			For the six months ended 30 June
	2014	2015	2016	2017
Workers accommodation (unit rate per Unit per month)				
Singapore	S\$3,300–S\$6,800	S\$2,760–S\$7,040	S\$2,640–S\$7,040	S\$2,400–S\$7,920
Malaysia	RM1,265–RM5,935	RM1,349–RM6,183	RM1,494–RM2,690	RM1,566–RM2,737
			<i>(note 1)</i>	
Student accommodation (unit rate per bed per week)				
United Kingdom	£88–£158	£88–£210	£85–£212	£86–£220
Australia	A\$285	A\$276–A\$431	A\$285–A\$450	A\$290–A\$470
Singapore	N/A <i>(note 2)</i>	S\$200–S\$388	S\$100–S\$413	S\$113–S\$388

Notes:

- The upper range of the monthly rental rate for workers accommodation in Malaysia is reduced since the year ended 31 December 2016 due to configuration per Unit of Westlite Tebrau Accommodation had changed from average 65 persons per Unit to 17 persons per Unit.
- The student accommodation had not commenced operations.

Revenue from our rental income depends primarily on the rental rates that our workers and student accommodation are able to command, the number of workers employed in Singapore and Malaysia or students enrolled in the universities near our accommodation assets, as the case may be, and to a lesser extent, the lease-out rate that we are able to retain from our commercial leases at the workers and student accommodation. In particular, rental and service income from our accommodation business represented approximately 90.5%, 95.2%, 98.2% and 98.7% of our revenue for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. We charge different rental rates after assessing (i) the location and condition of the relevant workers accommodation assets; and (ii) the location, condition, room size and room type of the relevant student accommodation assets. During the Track Record Period, our average rental rate per bed at the relevant geographical locations remained relatively stable.

For the three years ended 31 December 2016 and the six months ended 30 June 2017, a large portion of our revenue was derived from Singapore, where our workers accommodation business in Singapore accounted for approximately 66.5%, 61.7%, 65.6% and 67.4% of our revenue from

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continuing operations respectively. We have a total of approximately 23,500, 27,600, 34,700 and 34,700 beds for our workers accommodation in Singapore, which represented approximately 61.8%, 58.2%, 57.8% and 59.4% of our total beds from our workers accommodation business as at 31 December 2014, 2015 and 2016 and 30 June 2017, respectively.

We also generate revenue from the sales of optical disc manufactured by us. Contribution to our revenue from this business segment has deteriorated during the Track Record Period due to weak market demand for physical optical disc media, the cessation of operations of our Australian plant and Indonesian plant in April 2014 and December 2015, respectively. Revenue from our optical disc business represented approximately 9.5%, 4.8%, 1.8% and 1.3% of our revenue for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively.

Cost of sales

For the three years ended 31 December 2016 and the six months ended 30 June 2017, our Group's cost of sales amounted to approximately S\$28.7 million, S\$35.7 million, S\$41.9 million and S\$21.7 million, accounted for approximately 33.9%, 34.2%, 34.8% and 30.4% of our Group's revenue, respectively. During the Track Record Period, our Group's cost of sales consisted primarily of employee compensation, depreciation of property, plant and equipment and amortisation of intangible asset, property tax, rental expense on property leases, utilities, repairs and maintenance as well as purchase of raw materials and consumables for our optical disc business. The following table shows a breakdown of our Group's cost of sales by major expense items during the Track Record Period:

	For the year ended 31 December			For the six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				<i>(unaudited)</i>	
Purchase of raw materials and consumables	2,561	1,675	541	295	351
Changes in inventories	(19)	262	278	238	(21)
Depreciation of property, plant and equipment and amortisation of intangible asset	6,673	7,004	7,645	3,803	2,333
Property tax	1,341	3,307	4,227	1,912	3,387
Employee compensation	4,943	5,625	6,435	2,866	3,201
Rental expense on operating leases	2,026	3,682	5,994	2,583	3,524
Utilities	4,550	5,957	6,449	2,825	3,633
Repairs and maintenance	1,925	4,008	4,752	1,853	1,852
Insurance	248	447	454	200	225
Security and card system expenses	604	729	1,262	801	965
Transportation expenses	259	258	31	17	36
Legal and professional fees	12	15	32	20	22
Others	3,536	2,749	3,785	1,695	2,154
Total	28,659	35,718	41,885	19,108	21,662

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We incurred higher costs for operating our student accommodation business as compared to that for our worker accommodation business during the Track Record Period, which was mainly attributable to (i) higher utility costs as we bore such expenses for the student tenants whereas the utility costs for worker accommodation were mostly borne by the tenants; (ii) higher repair and maintenance costs as there was turnaround costs for maintenance work for each academic year for our student accommodation assets; (iii) higher staff costs for our student accommodation business as compared to that of our worker accommodation; and (iv) higher rental expenses for the lease of our student accommodation asset in Singapore. The higher costs for our student accommodation business was offset by the higher property tax expenses for our workers accommodation business.

Gross profit

Our gross profit and gross profit margin are dependent on various factors, including the rental rates charged and occupancy rate during the relevant financial year. As such, our gross profit margin achieved in a financial year is not an accurate indicator of our gross profit margin that may be achieved in subsequent financial years.

Our gross profit was approximately S\$55.8 million, S\$68.8 million, S\$78.4 million and S\$49.6 million for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our Group recorded gross profit margin on workers accommodation segment of approximately 70.1%, 70.3%, 69.9% and 73.5%, respectively. During the same years and period under review, our gross margin on student accommodation segment was approximately 67.7%, 60.6%, 55.3% and 60.5% respectively. The following table sets forth the gross profit and gross profit margin by business segments for the Track Record Period:

	For the year ended 31 December								
	2014			2015			2016		
	Revenue recognised	Gross profit	Gross profit margin	Revenue recognised	Gross profit	Gross profit margin	Revenue recognised	Gross profit	Gross profit margin
	<i>S\$'000</i>	<i>S\$'000</i>	<i>Approximate %</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>Approximate %</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>Approximate %</i>
Workers accommodation	61,909	43,396	70.1	72,098	50,671	70.3	85,824	59,982	69.9
Student accommodation	14,551	9,845	67.7	27,374	16,598	60.6	32,276	17,852	55.3
Optical disc business	7,983	2,543	31.9	5,066	1,551	30.6	2,188	569	26.0
Total	84,443	55,784	66.1	104,538	68,820	65.8	120,288	78,403	65.2

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For the six months ended 30 June

	2016			2017		
	Revenue recognised	Gross profit	Gross profit margin	Revenue recognised	Gross profit	Gross profit margin
	<i>S\$'000</i> <i>(unaudited)</i>	<i>S\$'000</i> <i>(unaudited)</i>	<i>Approximate</i> %	<i>S\$'000</i>	<i>S\$'000</i>	<i>Approximate</i> %
Workers accommodation	39,744	28,028	70.5	51,812	38,080	73.5
Student accommodation	16,234	9,833	60.6	18,536	11,223	60.5
Optical disc business	1,393	402	28.9	921	304	33.0
Total	57,371	38,263	66.7	71,269	49,607	69.6

Other income and gains

Our other income and gains primarily comprised (i) rental income; (ii) interest income; (iii) dividend income; and (iv) other gains or losses such as foreign currency exchange gain or loss, gain on disposal of plant and equipment, reversal of impairment of property, plant and equipment and government grants. Rental income was the rental income derived from renting out our other investment properties mainly in the PRC and Indonesia. Interest income related to interests from bank deposits. Dividend income mainly related to dividend received from investment in listed debt securities. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our other income and gains was approximately S\$0.9 million, S\$1.5 million, S\$2.0 million and S\$0.8 million, respectively. The following table sets forth a breakdown of our other income and gains:

	For the year ended 31 December			For the six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				<i>(unaudited)</i>	
Rental income	305	316	351	211	169
Interest income	352	857	1,371	791	346
Dividend income	111	111	115	55	50
Other gains/(losses)	96	259	204	(641)	220
	864	1,543	2,041	416	785

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Distribution expenses

Our distribution expenses primarily consisted of employee compensation and advertising and promotion expenses. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our distribution expenses were approximately S\$1.2 million, S\$1.5 million, S\$1.3 million and S\$0.5 million, represented approximately 1.4%, 1.4%, 1.1% and 0.7% of our total revenue, respectively.

The following table sets forth a breakdown of our distribution expenses during the Track Record Period:

	For the year ended 31 December			For the six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				<i>(unaudited)</i>	
Employee compensation	681	796	694	390	207
Transportation expenses	16	10	8	2	2
Advertising and promotion expenses	276	520	450	218	201
Insurance	4	3	3	3	1
Depreciation of property, plant and equipment	9	8	8	4	—
Utilities	2	1	—	—	—
Repairs and maintenance	23	25	19	11	6
Others	164	107	131	63	63
	1,175	1,470	1,313	691	480

Employee compensation was the largest component of our distribution expenses, which were approximately S\$0.7 million, S\$0.8 million, S\$0.7 million and S\$0.2 million, representing approximately 58.0%, 54.1%, 52.9% and 43.1% of our total distribution expenses for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. The advertising and promotion expenses were incurred in relation to the sales and promotional activities for our workers and student accommodation. The advertising and promotion expenses were approximately S\$0.3 million, S\$0.5 million, S\$0.5 million and S\$0.2 million, representing approximately 23.5%, 35.4%, 34.3% and 41.9% of our total distribution expenses for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively.

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Administrative expenses

Our administrative expenses primarily consisted of employee compensation, legal and professional fees, rental expense on operating leases, listing expenses, repairs and maintenance and transportation expenses. Other administrative expenses included staff welfare, management fee, refreshment expenses and training and recruitment expenses. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our administrative expenses were approximately S\$14.5 million, S\$20.2 million, S\$18.2 million and S\$11.6 million, respectively, represented approximately 17.2%, 19.4%, 15.1% and 16.2% of our total revenue, respectively.

The following table sets forth a breakdown of our administrative expenses during the Track Record Period:

	For the year ended 31 December			For the six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				<i>(unaudited)</i>	
Employee compensation	7,951	7,629	9,813	4,561	4,930
Legal and professional fees	1,932	2,150	2,595	706	771
Listing expenses	—	—	—	—	3,089
Advertising and promotion expenses	299	254	467	138	161
Allowance/(write back) for impairment of trade and other receivables	204	(39)	126	117	110
Insurance	155	—	100	66	75
Depreciation of property, plant and equipment	185	218	328	120	186
Property tax	42	64	54	29	27
Rental expense on operating leases	1,072	1,115	1,048	558	301
Utilities	58	46	47	25	28
Repairs and maintenance	321	240	267	126	152
Transportation expenses	570	706	781	359	446
Write off of investment in an associate company	—	4,800	—	—	—
Auditors' remuneration	401	424	454	231	247
Others	1,312	2,634	2,086	939	1,055
	14,502	20,241	18,166	7,975	11,578

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Employee compensation was the largest component of our administrative expenses, which were approximately S\$8.0 million, S\$7.6 million, S\$9.8 million and S\$4.9 million, representing approximately 54.8%, 37.7%, 54.0% and 42.6% of our administrative expenses for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. Our legal and professional fees were mainly related to the legal fees for the acquisition and loan documentation of the additional workers and student accommodation assets as well as one-off professional fee and expenses incurred in the evaluation of the proposed establishment of a workers accommodation real estate investment trust for the year ended 31 December 2015. Rental expenses on operating leases are largely rental charges paid for our office premises in Singapore. For the six months ended 30 June 2017, it included the listing expenses incurred to date in preparation for the Company's listing in Stock Exchange of Hong Kong.

Finance expenses

Our finance expenses primarily consisted of interest expense for bank borrowings, finance lease liabilities, associated company and non-controlling interest. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our finance expenses were approximately S\$8.9 million, S\$15.9 million, S\$21.4 million and S\$10.0 million, represented approximately 10.5%, 15.2%, 17.8% and 14.1% of our total revenue, respectively.

The following table sets forth a breakdown of our finance expenses during the Track Record Period:

	For the year ended 31 December			For the six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				<i>(unaudited)</i>	
Interest expense:					
Bank borrowings	11,498	18,775	21,565	11,756	9,372
Finance lease liabilities	1	—	1	—	1
Associated company	—	749	1,489	823	599
Non-controlling interest	—	—	92	—	76
Less: Borrowing costs capitalised in investment properties <i>(Note)</i>	(2,610)	(3,584)	(1,764)	(1,764)	—
Finance expenses recognised in profit or loss	8,889	15,940	21,383	10,815	10,048

Note: Borrowing costs on general financing were capitalised at a rate of approximately 0.60%, 0.53%, 0.27% and nil for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively.

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Interest expense on bank borrowings, which were approximately S\$11.5 million, S\$18.8 million, S\$21.6 million and S\$9.4 million for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively, was the largest component of our finance expenses. Interest expense paid to the associated company and interest paid to non-controlling interest was relating to funding obtained to finance one of our subsidiaries.

Share of profit of associated companies and joint ventures

Our Group has 45% interest in each of Lian Beng-Centurion and Westlite Mandai, being companies incorporated in Singapore and engaged in the business of property development and owner of a workers' dormitory and provision of dormitory accommodation services, respectively. In addition, our Group also has 25% and 49% interests in each of Sherford (M) Sdn. Bhd. and Oriental Amber Sdn. Bhd., being companies incorporated in Malaysia and engaged in the business of property investment and provision of dormitory accommodation, management and services, respectively. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our share of profit in associated companies and joint ventures were approximately S\$45.3 million, S\$6.0 million, S\$5.4 million and S\$1.5 million, respectively. The fluctuations in the share of profits were largely due to the fair value gain or loss arising its investment property and one-off gain on sale of development projects in associated company and joint ventures.

Due to the change in contractual agreement with effect from 2 January 2015, Lian Beng-Centurion and Westlite Mandai are re-classified from joint ventures to associated companies of our Group. Associated companies are entities over which our Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Joint ventures are entities over which our Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities. Investments in associated companies and joint ventures of our Group are accounted for using the equity method of accounting less impairment losses, if any. Dividends received or receivable from our associated companies and joint ventures are recognised as a reduction of the carrying amount of the investments. Please refer to note 2.3(c) of the Accountant's Report in Appendix I to this prospectus for details of the basis and accounting treatment in recognition of our investment in our associated companies and joint ventures.

Net fair value gains/(losses) on investment properties

Net fair value gains/(losses) on investment properties consisted of changes in the fair value of investment properties. Investment properties primarily comprised our leasehold or freehold land and buildings for workers and student accommodation assets held for long-term rental yields or for capital appreciation or both, and are not occupied by us. Investment properties also included properties that

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are being constructed or developed for future use as investment properties. For the three years ended 31 December 2016 and the six months ended 30 June 2017, our net fair value gains/(losses) on investment properties and assets held for sale were approximately S\$40.3 million, S\$3.6 million, S\$(3.1) million and S\$1.7 million, respectively.

Income tax expenses

We are subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of our Group are domiciled and operated.

For our operations based in Singapore, we were liable to Singapore income tax at the rate of 17% on the Group's estimated assessable profits for the Track Record Period. For our operations in the United Kingdom, Australia and Malaysia, our subsidiaries were subject to the United Kingdom, Australia and Malaysia income tax at the rate of 20.0%, 30.0% and 24.0%, respectively, on their estimated assessable profits for the Track Record Period.

Our effective tax rates were approximately 5.5%, 19.6%, 16.8% and 26.2% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. The low effective tax rate of approximately 5.5% for the year ended 31 December 2014 was partly due to the share of profit of associated companies and joint ventures, net of tax. The high effective tax rate of approximately 26.2% for the six months ended 30 June 2017 was mainly due to non-deductible listing expense and provision of deferred tax for the fair value gain on investment properties.

Effective tax rates after excluding the provision of deferred tax liability for capital gains tax, as well as the share of profits of associated companies and joint ventures and the net fair value gains/(losses) on investment properties from profit before income tax, were approximately 18.6%, 25.1%, 19.5% and 17.9% for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. Income not subject to tax relates primarily to the fair value gains of the investment properties while expenses not deductible relate to interest expense and listing expense.

During the Track Record Period and up to the Latest Practicable Date, our Directors confirm that we have made all required tax filings in all relevant jurisdictions and paid all tax liabilities that have become due and we are not subject to any dispute or potential dispute with any tax authorities.

Loss from discontinued operations

For the three years ended 31 December 2016 and the six months ended 30 June 2017, our loss from discontinued operations were approximately S\$69,000, nil, nil and nil, respectively. Our loss from discontinued operations was attributable to the loss from cessation of the operations of our Australian plant for the optical disc segment in April 2014.

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REVIEW OF HISTORICAL RESULTS OF OPERATIONS

Period to period comparison of results of operations

Year ended 31 December 2015 compared to year ended 31 December 2014

Revenue

Our revenue increased by approximately 23.8% from approximately S\$84.4 million for the year ended 31 December 2014 to approximately S\$104.5 million for the year ended 31 December 2015. The increase was primarily attributable to our Group's expansion of our workers and student accommodation portfolio to approximately 50,100 beds as at 31 December 2015, up from approximately 40,400 beds as at 31 December 2014.

Revenue from our accommodation business recorded an approximately 30.1% increase for the year ended 31 December 2015 as compared to that for the year ended 31 December 2014 which was mainly attributable to our successful expansion into the student accommodation business, expanded bed capacity in the workers accommodation portfolio in particular the commencement of business operations of Westlite Woodlands Accommodation in July 2015. Our Group's accommodation business continued to be our key revenue driver, accounting approximately 95.2% of our total revenue for the year ended 31 December 2015, with the remaining 4.8% from our optical disc business.

Revenue from our Group's workers accommodation business continued to contribute a significant amount of our Group's revenue, accounting for approximately 69.0% of our total revenue for the year ended 31 December 2015. Revenue from our workers accommodation business grew approximately 16.5% from approximately S\$61.9 million for the year ended 31 December 2014 to approximately S\$72.1 million for the year ended 31 December 2015, which was mainly due to the business commencement of Westlite Woodlands Accommodation in July 2015 and Westlite Tampoi Accommodation in January 2015 in Singapore and Malaysia, respectively, coupled with higher occupancy in our existing Singapore workers accommodation portfolio. In particular, revenue from our workers accommodation business in Malaysia increased by approximately 32.5% from approximately S\$5.7 million for the year ended 31 December 2014 to approximately S\$7.6 million for the year ended 31 December 2015 and the gross profit margin also increased from approximately 59.4% for the year ended 31 December 2014 to approximately 63.7% for the year ended 31 December 2015, which was mainly due to the commencement of operations of Westlite Tampoi Accommodation in January 2015, which added approximately 5,300 beds to our workers accommodation asset portfolio in Malaysia that has a high occupancy rate of approximately 83.0%.

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As part of our Group's diversification strategy, we expanded into the student accommodation business in the year ended 31 December 2014, resulting in more balanced revenue contribution across the segments in the year ended 31 December 2015. With full year revenue contributions from four student accommodation assets in the United Kingdom which commenced operation in September 2014 and one student accommodation asset in Australia which was acquired in February 2014, this segment accounted for approximately S\$27.4 million or approximately 26.2% of our Group's revenue for the year ended 31 December 2015, recording a year-on-year increase of approximately 88.1% from approximately S\$14.6 million for the year ended 31 December 2014. Revenue from our student accommodation business in Australia decreased by approximately 4.6% from approximately S\$8.1 million for the year ended 31 December 2014 to approximately S\$7.7 million for the year ended 31 December 2015 despite the increase in gross profit margin from approximately 66.0% for the year ended 31 December 2014 to approximately 68.6% and an increase in the range of unit rate per bed per week. Such slightly decrease in revenue was mainly due to the partial temporary closure of some rooms as a result of refurbishment of the RMIT Village during the summer vacation in January 2015 and February 2015.

Revenue from the optical disc business accounted for approximately 4.8% of our Group's total revenue for the year ended 31 December 2015, recording an approximately 36.5% decline from approximately S\$8.0 million for the year ended 31 December 2014 to approximately S\$5.1 million for the year ended 31 December 2015, which was mainly due to continued weak market demand for physical optical disc media and the cessation of manufacturing operations on 31 December 2015.

Cost of sales

Our cost of sales increased by approximately S\$7.1 million or 24.6%, from approximately S\$28.7 million for the year ended 31 December 2014 to approximately S\$35.7 million for the year ended 31 December 2015, which was consistent with the increase in the revenue. Such increase was mainly due to (i) the increase in property tax of approximately S\$2.0 million mainly due to increase in annual value of Westlite Toh Guan Accommodation as well as the commencement of operations of our new Westlite Woodlands Accommodation in July 2015; (ii) the increase in rental expense on operating leases of approximately S\$1.7 million incurred as a result of the leasing of dwell Selegie from the SLA; (iii) the increase in utilities charges of approximately S\$1.4 million due to the full year operations of our student accommodations in the United Kingdom in 2015; (iv) the increase in employee compensation of approximately S\$0.7 million as a result of the increase in the number of employees for our workers and student accommodation in Singapore and Malaysia, as well as the student accommodations in the United Kingdom; (v) the increase in depreciation of property, plant and equipment and amortisation of intangible assets of approximately S\$0.3 million which was mainly contributed by the student accommodations including S\$0.1 million from dwell Selegie and S\$0.1 million from student accommodations in the United Kingdom; and (vi) the increase in repairs and maintenance of approximately S\$2.1 million mainly due to the full year operation for the UK portfolio in 2015 versus only 4 months in 2014.

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On the other hand, the purchase of raw materials and consumables decreased by approximately 34.6% which was in line with the decline in revenue from our Group's optical disc business.

Gross profit and gross profit margin

Our gross profit increased by approximately S\$13.0 million or 23.4%, from approximately S\$55.8 million for the year ended 31 December 2014 to approximately S\$68.8 million for the year ended 31 December 2015, which was mainly contributed to the revenue derived from the newly launched Westlite Woodlands Accommodation and the full year operations of our student accommodations in the United Kingdom in 2015. Our gross profit margin remained relatively stable at approximately 66.1% and 65.8% for the year ended 31 December 2014 and 2015, respectively.

Our Group recorded a gross profit margin of workers accommodation segment at approximately 70.1% and 70.3% for the years ended 31 December 2014 and 2015, respectively. The stable gross profit margin is attributable to the net effect of (i) the ramping up of occupancy of Westlite Woodlands Accommodation which started operation in July 2015; and (ii) the improved occupancy rate of Westlite Toh Guan Accommodation and Westlite Tuas Accommodation for the year ended 31 December 2015.

Our Group recorded a gross profit margin of student accommodation segment of approximately 67.7% and 60.6% for the years ended 31 December 2014 and 2015, respectively. The gross profit margin for student accommodation segment for the year ended 31 December 2015 decreased due to (i) the initial start up and ramping up of the occupancy of dwell Selegie which started operations in September 2015; and (ii) there was no idle costs incurred in the year ended 31 December 2014 as the LIMA Portfolio commenced operation in September 2014 when summer holidays period already ended. Summer holiday period in the United Kingdom is from July till mid of September each year. As there was no summer holiday period in the year ended 31 December 2014, the gross profit margin was higher at approximately 69.8% as compared to the year ended 31 December 2015 of approximately 66.4%. The decline in gross profit margin for the year ended 31 December 2015 was due to the full year operating expenses incurred with only approximately 10 months of rental revenue and lower revenue generated during the two-months summer holidays.

For the two years end 31 December 2014 and 2015, our Group recorded a gross profit margin of optical disc segment of approximately 31.9% and 30.6%, respectively. The gross margins for optical disc segment for the year ended 31 December 2015 decreased due to continued weak demand from customers for physical optical disc media.

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Other income and gains

Our other income and gains increased by approximately S\$0.7 million or 78.6%, from approximately S\$0.9 million for the year ended 31 December 2014 to approximately S\$1.5 million for the year ended 31 December 2015, which was primarily due to increase in (i) interest income from short-term bank deposits by approximately S\$0.5 million; and (ii) other gains of S\$0.2 million, which was mainly due to the absence of one-off reclassification of fair value reserve to profit and loss statement in 2015.

Distribution expenses

Distribution expenses increased by approximately S\$0.3 million or 25.1% from approximately S\$1.2 million for the year ended 31 December 2014 to approximately S\$1.5 million for the year ended 31 December 2015. The increase was primarily due to (i) the increase in employee compensation of approximately S\$0.1 million due to the student accommodations business in the United Kingdom operated full year in 2015; and (ii) the increase in advertising and promotion expenses of approximately S\$0.2 million because of promotion exercise to increase awareness of our workers accommodations such as Westlite Woodlands Accommodation and ASPRI-Westlite Papan Accommodation in Singapore and student accommodations in the United Kingdom.

Administrative expenses

Administrative expenses increased by approximately S\$5.7 million or 39.6% from approximately S\$14.5 million for the year ended 31 December 2014 to approximately S\$20.2 million for the year ended 31 December 2015. The increase was primarily due to (i) the one-off write off of approximately S\$4.8 million in investments in an associated company, Lian Beng-Centurion in 2015 as a result of a re-assessment on the carrying value of the investments in an associated company. The reason for the impairment of the associated company was due to the excess of the carrying value over the Group's share of the net assets (adjusted for fair value of underlying properties). The goodwill relates to excess of the fair value of the consideration paid when we acquired 45% interest in the associate. In accordance with IAS, the goodwill has to be assessed for impairment on an annual basis. However, given that our investment properties are valued at fair value, our management considered that such goodwill was no longer required; (ii) the increase in management fees of approximately S\$0.2 million because of management fee paid to the operator we engaged to manage our student accommodation in the United Kingdom (we terminated such management service in about September 2015); (iii) the increase in legal and professional fees of approximately S\$0.2 million which was largely due to the one-off professional fee and expenses incurred in the evaluation of the proposed establishment of a workers accommodation real estate investment trust; and (iv) the increase in transportation expenses of approximately S\$0.1 million because of the travelling expenses incurred as a result of the expansion of overseas business portfolio.

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Finance expenses

Finance expenses increased by approximately S\$7.1 million or 79.3% from approximately S\$8.9 million for the year ended 31 December 2014 to approximately S\$15.9 million for the year ended 31 December 2015. The increase was primarily due to the increase in total borrowings from approximately S\$432.8 million to approximately S\$671.6 million including the S\$65 million MTN issued in July 2015.

Share of profit of associated companies and joint ventures

Share of profit of associated companies and joint ventures decreased by approximately S\$39.3 million or 86.8% from approximately S\$45.3 million for the year ended 31 December 2014 to approximately S\$6.0 million for the year ended 31 December 2015. The decrease was primarily due to the net fair value gain of approximately S\$22.5 million and a one-off gain of approximately S\$17.3 million from sale of the jointly-owned industry development M-Space for the year ended 31 December 2014.

Net fair value gains/(losses) on investment properties and assets held for sale

Net fair value gains on investment properties and assets held for sale decreased by approximately S\$36.7 million or 91.1% from approximately S\$40.3 million for the year ended 31 December 2014 to approximately S\$3.6 million for the year ended 31 December 2015. The decrease was primarily due to reduction in fair value gain of Westlite Toh Guan's investment properties, from approximately S\$33.1 million for the year ended 31 December 2014 to a fair value loss of approximately S\$5,000 for the year ended 31 December 2015.

Income tax expenses

Income tax expenses increased by approximately S\$1.8 million or 27.2% from approximately S\$6.5 million for the year ended 31 December 2014 to approximately S\$8.3 million for the year ended 31 December 2015. The increase in our income tax expenses was mainly due to the higher amount of MTN which were not tax deductible in 2015 and higher profit after adjusting for the fair value gains and share of profit of associated companies and joint ventures. The low effective tax rate of approximately 5.5% for the year ended 31 December 2014 was partly due to share of profit of associated companies and joint ventures, net of tax. For other reconciliation items, please refer to note 12 to the Accountant's Report as set out in Appendix I to this prospectus.

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Loss on discontinued operations

For the year ended 31 December 2014, we recorded a loss from discontinued operations of S\$69,000 carried through our subsidiaries in Australia, Summit Technology Australia Pty Ltd and its subsidiary, Summit Printing (Australia) Pty Ltd. (comprising our Group's optical disc segment in Australia).

Profit for the year

Our profit for the year decreased by approximately S\$77.2 million or 69.4%, from approximately S\$111.2 million for the year ended 31 December 2014 to approximately S\$34.0 million for the year ended 31 December 2015. This was mainly attributable to (i) the decrease in share in profit of associated companies and joint ventures of approximately S\$39.3 million; and (ii) the decrease in net fair value gains on investment properties and assets held for sale of approximately S\$36.8 million as discussed above.

Excluding the one-off items and fair value gain from investment properties, our Group's profit from core business operations recorded a growth of approximately 11.8% from approximately S\$31.9 million for the year ended 31 December 2014 to approximately S\$35.7 million for the year ended 31 December 2015. Our Group's accommodation business contributed substantially to the overall net profit while the optical disc business contributed a net profit of approximately S\$0.4 million for the year ended 31 December 2015.

Profit margin from core business

Our profit margin decreased from approximately 37.8% for the year ended 31 December 2014 to approximately 34.2% for the year ended 31 December 2015 mainly due to (i) the ramping up of Westlite Woodlands Accommodation and dwell Selegie; (ii) professional fee and expenses incurred in the evaluation of the proposed establishment of a workers accommodation real estate investment trust; and (iii) additional interest cost incurred in relation to the S\$65.0 million MTN issued in July 2015.

Year ended 31 December 2016 compared to year ended 31 December 2015

Revenue

Our revenue increased by approximately 15.1% from approximately S\$104.5 million for the year ended 31 December 2015 to approximately S\$120.3 million for the year ended 31 December 2016. The increase was largely driven by the continual expansion of our accommodation business and

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increase in portfolio to approximately 63,200 beds (including 6,300 beds from Westlite Mandai Accommodation owned by our associated Company which we are the operator) as at 31 December 2016 from approximately 50,100 beds as at 31 December 2015.

Revenue from our accommodation business recorded an approximately 18.7% increase in revenue, mainly attributed to higher occupancy rate from Westlite Woodlands Accommodation, and dwell Selegie due to their full year operation for the year ended 31 December 2016; and revenue contributed from ASPRI-Westlite Papan and the Braemar Portfolio which started to contribute revenue in May 2016 and July 2016 respectively. Our Group's accommodation business continued to be our key revenue driver, making up approximately 98.2% of our total revenue for the year ended 31 December 2016, with the remaining 1.8% from our optical disc business.

Revenue from our Group's workers accommodation business continued to contribute to a significant amount of our Group's revenue, accounting for approximately 71.4% of our total revenue for the year ended 31 December 2016. Revenue from our workers accommodation business grew by approximately 19.0% from approximately S\$72.1 million for the year ended 31 December 2015 to approximately S\$85.8 million for the year ended 31 December 2016, which was mainly due to higher revenue contribution from Westlite Woodlands Accommodation due to its full year of operation and ASPRI-Westlite Papan Accommodation which started operating in May 2016. However, revenue from our Group's workers accommodation business in Malaysia decreased by approximately 8.8% from approximately S\$7.6 million for the year ended 31 December 2015 to approximately S\$6.9 million for the year ended 31 December 2016 mainly due to the hiring freeze implemented by the Malaysian government which resulted in a decrease in the number of foreign workers in Malaysia during 2016, despite the commencement of operations of Westlite Senai II Accommodation which added approximately 5,900 beds and enjoyed an occupancy rate of approximately 73.0%. Such hiring freeze was subsequently lifted by the Malaysian government in May 2016 for foreign workers working in the manufacturing, construction, plantation and furniture-making industries, which were facing a major shortage of workers.

As part of our Group's diversification strategy, we further expanded our student accommodation business in the United Kingdom in 2016. With revenue contributed from the new Braemar Portfolio in the United Kingdom which were acquired in July 2016, the student accommodation segment accounted for approximately S\$32.3 million or approximately 26.8% of our Group's revenue for the year ended 31 December 2016, recording a year-on-year increase of approximately 17.9% from approximately S\$27.4 million for the year ended 31 December 2015.

Revenue from the optical disc business accounted for approximately 1.8% of our Group's total revenue for the year ended 31 December 2016, recording an approximately 56.8% decline from approximately \$5.1 million for the year ended 31 December 2015 to approximately S\$2.2 million for the year ended 31 December 2016 due to continued weak market demand for physical optical disc and cessation of operation of Indonesian plant.

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Cost of sales

Our cost of sales increased by approximately S\$6.2 million or 17.3%, from approximately S\$35.7 million for the year ended 31 December 2015 to approximately S\$41.9 million for the year ended 31 December 2016, which was consistent with the increase in the revenue. Such increase was mainly due to (i) the increase in rental expense on operating leases of approximately S\$2.3 million mainly due to the full year operation of dwell Selegie in 2016 as well as the rental expenses in relation to ASPRI-Westlite Papan Accommodation; (ii) the increase in employee compensation of approximately S\$0.8 million mainly due to the increase in the number of employees who were involved in the new workers and student accommodation including ASPRI-Westlite Papan Accommodation, Westlite Senai II Accommodation and the Braemar Portfolio; (iii) the increase in utilities charges of approximately S\$0.5 million due to the newly-opened workers accommodation, ASPRI-Westlite Papan Accommodation in Singapore and the Braemar Portfolio which was acquired in 2016; (iv) the increase in property tax of approximately S\$0.9 million mainly due to the full year operation of Westlite Woodlands and the commencement of operations of ASPRI-Westlite Papan in 2016; and (v) the increase in total depreciation and amortisation of approximately S\$0.6 million because of the acquisition of the Braemar Portfolio, commencement of operations of ASPRI-Westlite Papan Accommodation, as well as Westlite Woodlands Accommodation and dwell Selegie in 2016.

On the other hand, the purchase of raw materials and consumables decreased by approximately 67.8% which was in line with the decline in revenue from our Group's optical disc business.

Gross profit and gross profit margin

Our gross profit increased by approximately S\$9.6 million or 13.9%, from approximately S\$68.8 million for the year ended 31 December 2015 to approximately S\$78.4 million for the year ended 31 December 2016 due to the additional revenue contribution from workers accommodations such as Westlite Woodlands Accommodation and ASPRI-Westlite Papan Accommodation, as well as the student accommodations in Singapore and the United Kingdom. Our gross profit margin remained relatively stable at approximately 65.8% and 65.2% for the two years ended 31 December 2016, respectively.

The gross profit margin for workers accommodation segment was approximately 70.3% and 69.9% for the two years ended 31 December 2016, respectively. The gross profit margin decreased for the year ended 31 December 2016 due to the ramping up of ASPRI-Westlite Papan Accommodation.

Our Group recorded a gross profit margin of student accommodation segment of approximately 60.6% and 55.3% for the two years ended 31 December 2016, respectively. The gross profit margin for student accommodation segment for the year ended 31 December 2016 decreased due to (i) lower gross profit margin for dwell Selegie as compared to our student accommodation in the United

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Kingdom and Australia; (ii) the acquisition of the Braemar Portfolio which started operation during the summer holidays that generated lower revenue (being approximately four months of revenue from academic year) with similar level of cost of operation (being six months of costs incurred) as compared to other months during the year, which resulted in the decrease in gross profit margin of the student accommodation business in the United Kingdom from approximately 66.4% during the year ended 31 December 2015 to approximately 60.4% during the year ended 31 December 2016.

For the two years ended 31 December 2016, our Group recorded a gross profit margin of optical disc segment of approximately 30.6% and 26.0%, respectively. The gross profit for optical disc segment for the year ended 31 December 2016 decreased due to continued weak demand from customers for physical optical disc media.

Other income and gains

Our other income and gains increased by approximately S\$0.5 million or 32.3%, from approximately S\$1.5 million for the year ended 31 December 2015 to approximately S\$2.0 million for the year ended 31 December 2016, which was primarily due to the increase in interest income from short-term bank deposits by approximately S\$0.5 million.

Distribution expenses

Distribution expenses decreased by approximately S\$0.2 million or 10.7% from approximately S\$1.5 million for the year ended 31 December 2015 to approximately S\$1.3 million for the year ended 31 December 2016. The decrease was primarily due to the decrease in employee compensation as a result of the scaling down the optical discs business in Singapore and cessation of manufacturing operations of our Indonesian plant.

Administrative expenses

Administrative expenses decreased by approximately S\$2.1 million or 10.3% from approximately S\$20.2 million for the year ended 31 December 2015 to approximately S\$18.2 million for the year ended 31 December 2016. The decrease was primarily due to (i) the decrease in management fees of approximately S\$0.3 million; and (ii) the one-off write off of investment in our associate company, Lian Beng-Centurion, for a sum of approximately S\$4.8 million for the year ended 31 December 2015. Such decrease was partially offset by the increase in (i) employee compensation of approximately S\$2.2 million as a result of the new recruits for our additional workers and student accommodation assets in Singapore, Malaysia and the United Kingdom; (ii) legal and professional fees of approximately S\$0.4 million largely due to the incidental expenses incurred for project development and acquisition; and (iii) advertising and promotion expenses of approximately S\$0.2 million due to the launch of our new brand “dwell” for our nine student accommodation business in the United Kingdom and Singapore.

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Finance expenses

Finance expenses increased by approximately S\$5.4 million or 34.1% from approximately S\$15.9 million for the year ended 31 December 2015 to approximately S\$21.4 million for the year ended 31 December 2016. The increase was primarily due to the increase in bank borrowings from approximately S\$444.2 million as at 31 December 2015 to approximately S\$539.3 million as at 31 December 2016 as a result of the additional interest costs for financing the expanded accommodation businesses such as ASPRI-Westlite Papan Accommodation and Westlite Woodlands Accommodation. Such increase in cost was partially offset by the interest cost saved from the redemption of the S\$100 million multicurrency medium term notes in October 2016.

Share of profit of associated companies

Share of profit of associated companies decreased by approximately S\$0.6 million or 9.8% from approximately S\$6.0 million for the year ended 31 December 2015 to approximately S\$5.4 million for the year ended 31 December 2016. The decrease was primarily due to increase in property tax incurred by Westlite Mandai Accommodation in 2016.

Net fair value gains/(losses) on investment properties and assets held for sale

Net fair value gains on investment properties and assets held for sale decreased by approximately S\$6.7 million or 187.9% from approximately S\$3.6 million for the year ended 31 December 2015 to net fair value losses of approximately S\$3.1 million for the year ended 31 December 2016. The decrease was primarily due to the reduction of bed capacity of Westlite Toh Guan Accommodation which was partially offset by fair value gains of our Group's student accommodation assets and ASPRI-Westlite Papan Accommodation which commenced operations in May 2016.

Income tax expenses

Income tax expenses decreased by approximately S\$1.2 million or 14.8%, from approximately S\$8.3 million for the year ended 31 December 2015 to approximately S\$7.0 million for the year ended 31 December 2016. The decrease in our income tax expense was largely due to (i) reduction in provision for capital gain tax on accommodation assets in Malaysia; and (ii) increase in tax incentive claimed by the workers accommodations in Singapore in 2016.

Loss on discontinued operations

Our Group did not record any loss on discontinued operations in the years ended 31 December 2015 and 31 December 2016.

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We have not separately disclosed the financial results of PT Digital Media Technology as “discontinued operations” given that PT Digital Media Technology’s operation is a part of the Asia segment of the optical disc business in which the Singapore optical disc business is still operating. Thus, the results of PT Digital Media Technology’s operation did not meet the conditions to be classified as “discontinued operations” in accordance with IFRS 5.

Profit for the year

Our profit for the year increased by approximately S\$0.8 million or 2.4%, from approximately S\$34.0 million for the year ended 31 December 2015 to approximately S\$34.8 million for the year ended 31 December 2016. This was mainly attributable to the increase in revenue of approximately S\$15.8 million as discussed above. Excluding the one-off items in the form of fair value gains and losses for the two years ended 31 December 2016, and the one-off write off of investment in our associated company, Lian Beng-Centurion, of approximately S\$4.8 million for the year ended 31 December 2015, our Group’s profit from core business operations recorded a growth of approximately 7.2% from approximately S\$35.7 million for the year ended 31 December 2015 to approximately S\$38.3 million for the year ended 31 December 2016. Our Group’s accommodation business contributed substantially to the overall net profit.

Profit margin from core business

Due to the combined effect of the above reasons, our profit margin decreased from approximately 34.2% for the year ended 31 December 2015 to approximately 31.8% for the year ended 31 December 2016.

Six months ended 30 June 2017 compared to six months ended 30 June 2016

Revenue

Our revenue increased by approximately 24.2% from approximately S\$57.4 million for the six months ended 30 June 2016 to approximately S\$71.3 million for the six months ended 30 June 2017. The increase was primarily attributable to the improved performance of our Group’s workers accommodation business in Singapore, in particular with the new workers accommodation asset ASPRI-Westlite Papan Accommodation.

Revenue from our accommodation business recorded an approximately 25.7% increase for the six months ended 30 June 2017 as compared to the six months ended 30 June 2016 which was mainly due to the improved performance of our Group’s workers and student accommodation business in Singapore, Malaysia, and the United Kingdom as set out below.

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Revenue from our Group's workers accommodation business continued to contribute a significant amount of our Group's revenue, accounted for approximately 72.7% of our total revenue for the six months ended 30 June 2017. Revenue from our workers accommodation business grew by approximately 30.4% from approximately S\$39.7 million for the six months ended 30 June 2016 to approximately S\$51.8 million for the six months ended 30 June 2017, which was mainly due to better occupancy of Westlite Woodlands Accommodation and ASPRI-Westlite Papan Accommodation. Revenue from our Group's workers accommodation business in Malaysia increased by approximately 16.7% from approximately S\$3.2 million for the six months ended 30 June 2016 to approximately S\$3.8 million for the six months ended 30 June 2017 mainly due to (i) the ramping up of occupancy of Westlite Senai II Accommodation which started operation in January 2016; and (ii) offset by the decrease in the total number of beds available in our operational workers accommodation by approximately 1,600 beds due to the cessation of operation of Westlite Desa Cemerlang Accommodation in January 2017.

Our student accommodation segment accounted for approximately S\$18.5 million or approximately 26.0% of our Group's revenue for the six months ended 30 June 2017, recording a period-on-period increase of approximately 14.2% from approximately S\$16.2 million for the six months ended 30 June 2016. The increase was largely contributed by the Braemar Portfolio which we acquired in July 2016.

Revenue from the optical disc business accounted for approximately 1.3% of our Group's total revenue for the six months ended 30 June 2017, recorded an approximately 33.9% decline from approximately S\$1.4 million for the six months ended 30 June 2016 to approximately S\$0.9 million for the six months ended 30 June 2017 due to continued weak market demand for physical optical disc.

Cost of sales

Our cost of sales increased by approximately S\$2.6 million or 13.4%, from approximately S\$19.1 million for the six months ended 30 June 2016 to approximately S\$21.7 million for the six months ended 30 June 2017, which was consistent with the increase in the revenue. Such increase was mainly due to (i) increase in property tax of approximately S\$1.5 million largely due to additional property tax incurred for ASPRI-Westlite Papan which commenced operation in May 2016 as well as an increase in land tax payable in respect of RMIT Village; (ii) the increase in rental expenses on operating lease of approximately S\$0.7 million due to the increase in additional rental expenses on ASPRI-Westlite Papan that commenced operation in May 2016; (iii) the increase in utilities of approximately S\$0.8 million largely attributable to ASPRI-Westlite Papan which commenced operation in May 2016; and (iv) the increase in employee compensation of approximately S\$0.3 million mainly due to increase in headcounts for ASPRI-Westlite Papan and the Braemar Portfolio and offset by reduction in depreciation and amortisation by approximately S\$1.5 million. The amortisation relating to the intangible assets on favourable lease ("Intangible Asset") in Westlite Tuas

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Accommodation reduced by approximately S\$1.6 million. As at 31 December 2016, an intangible asset balance of four months were left to be amortised in 2017. With the extension of the lease for Westlite Tuas Accommodation by nine months beyond April 2017, the remaining Intangible Asset balance was spread and amortised from January 2017 till the lease expires in January 2018.

Gross profit and gross profit margin

Our gross profit increased by approximately S\$11.3 million or 29.6%, from approximately S\$38.3 million for the six months ended 30 June 2016 to approximately S\$49.6 million for the six months ended 30 June 2017, which was in line with the increase in our Group's revenue. Our gross profit margin increased from approximately 66.7% for the six months ended 30 June 2016 to 69.6% for the six months ended 30 June 2017.

For the six months ended 30 June 2016 and 2017, our Group recorded gross profit margin of workers accommodation segment of approximately 70.5% and 73.5%, respectively. The gross profit for workers accommodation segment for six months ended 30 June 2017 increased mainly due to lower amortisation charge by S\$1.6 million on the favourable lease agreement of Westlite Tuas Accommodation arising from the extension of its lease.

Our Group recorded a gross profit margin of student accommodation segment of approximately 60.6% and 60.5% for the six months ended 30 June 2016 and 2017 respectively. The gross profit margin for student accommodation segment for the six months ended 30 June 2017 has slightly decreased mainly due to the increase in land tax expenses in Australia arising from the higher land value. The gross profit margin for our student accommodation business in the United Kingdom remained relatively stable at approximately 69.7% during the six months ended 30 June 2017 as compared to approximately 68.3% during the six months ended 30 June 2016.

For the six months ended 30 June 2016 and 2017, our Group recorded a gross profit margin of optical disc business segment of approximately 28.9% and 33.0%, respectively. The gross profit margins for optical disc business segment for the six months ended 30 June 2017 increased mainly due to the reduction in operating cost arising from the restructuring of the business to improve its profitability.

Other income and gains

Our other income and gains increased by approximately S\$0.4 million from approximately S\$0.4 million for the six months ended 30 June 2016 to approximately S\$0.8 million for the six months ended 30 June 2017, which was primarily due to currency exchange gain of approximately S\$22,000 for the six months ended 30 June 2017 as compared to a loss of S\$0.9 million for the six months ended 30 June 2016. This is offset by the reduction in interest income generated from short term deposits of approximately S\$0.4 million due to reduction in our Group's cash and bank balances.

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Distribution expenses

Distribution expenses decreased by approximately S\$0.2 million or 30.5% from approximately S\$0.7 million for the six months ended 30 June 2016 to approximately S\$0.5 million for the six months ended 30 June 2017. The decrease was primarily due to reduction in sales personnel in optical disc business as a result of downsizing of the business.

Administrative expenses

Administrative expenses increased by approximately S\$3.6 million or 45.2% from approximately S\$8.0 million for the six months ended 30 June 2016 to approximately S\$11.6 million for the six months ended 30 June 2017. The increase was primarily due to (i) the listing expenses incurred up till 30 June 2017 of approximately S\$3.1 million; and (ii) increased in employee compensation of approximately S\$0.4 million mainly due to increase in headcount associated with the expansion of our business.

Finance expenses

Finance expenses decreased by approximately S\$0.8 million or 7.1% from approximately S\$10.8 million for the six months ended 30 June 2016 to approximately S\$10.0 million for the six months ended 30 June 2017. The decrease was primarily due to the full redemption of the MTN series 1 of S\$100 million in October 2016, which was offset by the additional interest costs for financing expanded accommodation business, particularly ASPRI-Westlite Papan and the Braemar Portfolio as well as the new issue of MTN series 3 of S\$85 million during the second quarter of 2017.

Share of profit of associated companies and joint ventures

Share of profit of associated companies and joint ventures decreased by approximately S\$1.3 million from approximately S\$2.8 million for the six months ended 30 June 2016 to approximately S\$1.5 million for the six months ended 30 June 2017. The decrease was primarily due to fair value loss in Westlite Mandai Accommodation of S\$1.3 million.

Income tax expenses

Income tax expenses increased by approximately S\$4.1 million from approximately S\$4.2 million for the six months ended 30 June 2016 to approximately S\$8.3 million for the six months ended 30 June 2017. The increase was largely due to the provision of deferred tax for the cumulative fair value gain on investment properties in Australia amounted to approximately S\$1.8 million. Such provision of deferred income tax in respect of prior years' fair value gains on investment properties in the six months ended 30 June 2017 was due to our management's decision to adopt a more conservative approach after considering the review report prepared by our tax advisers who were

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appointed to conduct a tax review of our Group in preparation for the Listing. The current more conservative approach assumes the possibility of divestment by way of a direct disposal of assets rather than disposal of shares. Pursuant to such an approach, the capital gains is subject to a 30% withholding tax and any capital loss will not be available for set-off against the capital gains. In comparison, for the year ended 31 December 2016, our Group computed our tax based on the assumption that in the event of a divestment either, (i) we would divest our investment properties in Australia by selling the shares at holding company level, which would have no Australian tax implication; or (ii) we would divest the relevant properties by selling the units in the trusts holding the properties, which fair value losses can be offset against the fair value gains at the holding company level provided the disposal occurs at the same time, and potential withholding tax liability would be approximately A\$0.4 million (equivalent to approximately S\$0.4 million), which we consider immaterial and therefore no tax provision was provided. As at the Latest Practicable Date, our Group did not have any plan to dispose the relevant investment properties in Australia.

The high effective tax rate of 26.2% for the six months ended 30 June 2017 was mainly due to non-deductible listing expense and provision of deferred tax for the fair value gain on investment properties. For other reconciliation items, please refer to note 12 to the Accountant's Report as set out in Appendix I to this prospectus.

Profit for the year

Due to above combined reasons, our profit for the year increased by approximately S\$5.5 million or 30.7%, from approximately S\$17.8 million for the six months ended 30 June 2016 to approximately S\$23.2 million for the six months ended 30 June 2017.

Excluding the listing expenses, fair value gains and deferred tax on fair value gains, our Group's profit from core business operations recorded a growth of approximately 60.4% from approximately S\$17.8 million for the six months ended 30 June 2016 to approximately S\$28.5 million for the six months ended 30 June 2017. Our Group's accommodation business contributed substantially to the overall net profit while the optical disc business contributed a net profit of approximately S\$0.5 million for the six months ended 30 June 2017.

Profit margin from core business

Our profit margin increased from approximately 31.0% for the six months ended 30 June 2016 to approximately 40.0% for the six months ended 30 June 2017, which was mainly due to the improved performances of our workers accommodation business in Singapore, particularly from Westlite Woodlands and ASPRI-Westlite Papan; and reduction in amortisation charge on Westlite Tuas.

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LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period, we principally financed our working capital and other liquidity requirements through the cash flow from operations and banking facilities. Our primary uses of cash have been, and are expected to be financing activities and working capital. Upon completion of the Share Offer, our source of funds will be a combination of internally generated funds and banking facilities. We currently expect that there will not be any material change in the sources and uses of cash within our Group.

We believe we have sufficient cash flows to meet our current and future liability obligations. We had net cash inflows generated from operating activities of approximately S\$69.5 million for the year ended 31 December 2016 and a cash balance of approximately S\$81.9 million as of 30 June 2017. Our net current assets as of 30 June 2017 amounted to approximately S\$14.1 million.

Cash flow

The following table sets forth a summary of our consolidated statement of cash flows during the Track Record Period:

	For the year ended 31 December			For the six months ended
				30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Net cash provided by operating activities	53,544	54,071	69,521	31,931
Net cash used in investing activities	(268,111)	(190,860)	(84,570)	(16,708)
Net cash provided by/(used in) financing activities	230,303	213,117	(37,909)	(13,652)
Net increase/(decrease) in cash and cash equivalents held	15,736	76,328	(52,958)	1,571
Cash and cash equivalents at the beginning of the year/period	43,558	59,116	134,388	80,219
Effect of currency translation on cash and cash equivalents	(178)	(1,056)	(1,211)	115
Cash and cash equivalents at the end of the year/period <i>(note)</i>	59,116	134,388	80,219	81,905

Note: For the purpose of presenting the consolidated statement of cash flows, it has excluded the short-term bank deposits charged as security to bank of approximately S\$4.0 million, S\$4.0 million, S\$2.3 million and S\$2.5 million for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively.

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Net cash provided by operating activities

Net cash provided by operating activities primarily consisted of profit before income tax adjusted for non-cash items, such as depreciation and amortisation, fair value gain or loss on investment properties, interest income, dividend income, finance expenses, share of profit of associated companies and joint ventures and allowance for or write-back of impairment of trade and other receivables. Our cash outflow used in operations was principally for trade payables and working capital needs.

For the year ended 31 December 2014, we had net cash provided by operating activities of approximately S\$53.5 million. The net cash from operating activities was mainly attributable to our profit after income tax of approximately S\$111.2 million, which was adjusted primarily for (i) depreciation and amortisation of approximately S\$6.9 million; (ii) fair value gain on investment properties of approximately S\$40.3 million, (iii) finance expenses of approximately S\$8.9 million; and (iv) share of profit of associated companies and joint ventures of approximately S\$45.3 million.

For the year ended 31 December 2015, we had net cash provided by operating activities of approximately S\$54.1 million. The net cash from operating activities was mainly attributable to our profit after income tax of approximately S\$34.0 million, which was adjusted primarily for (i) depreciation and amortisation of approximately S\$7.2 million; (ii) fair value gain on investment properties of approximately S\$3.6 million; (iii) finance expenses of approximately S\$15.9 million; (iv) share of profit of associated companies and joint ventures of approximately S\$6.0 million; and (v) write off of investment in an associated company of approximately S\$4.8 million.

For the year ended 31 December 2016, we had net cash provided by operating activities of approximately S\$69.5 million. The net cash from operating activities was mainly attributable to our profit after income tax of approximately S\$34.8 million, which was adjusted primarily for (i) depreciation and amortisation of approximately S\$8.0 million; (ii) fair value loss on investment properties of approximately S\$3.1 million; (iii) finance expenses of approximately S\$21.4 million; and (iv) share of profit of associated companies of approximately S\$5.4 million.

For the six months ended 30 June 2017, we had net cash provided by operating activities of approximately S\$31.9 million. The net cash from operating activities was mainly attributable to our profit after income tax of approximately S\$23.2 million, which was adjusted primarily for (i) depreciation and amortisation of approximately S\$2.5 million; (ii) fair value gain on investment properties and assets held for sale of approximately S\$1.7 million; (iii) finance expenses of approximately S\$10.0 million; and (iv) share of profit of associated companies and joint ventures of approximately S\$1.5 million.

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Net cash used in investing activities

Our cash used in investing activities were primarily for purchases of property, plant and equipment, additions to investment properties and deposits paid for acquisition of investment property.

For the year ended 31 December 2014, our net cash used in investing activities was approximately S\$268.1 million, which was mainly due to the purchase of additional investment properties of approximately S\$269.3 million, purchase of property, plant and equipment of approximately S\$2.4 million and deposits paid for acquisition of investment property of S\$9.8 million, offset by the dividends received from associated companies/joint ventures of approximately S\$13.5 million.

For the year ended 31 December 2015, our net cash used in investing activities was approximately S\$190.9 million, which was mainly due to the purchase of additional investment properties of approximately S\$188.0 million, purchase of property, plant and equipment of approximately S\$5.8 million and deposits paid for acquisition of investment property of S\$2.2 million, offset by the dividends received from associated companies of approximately S\$4.1 million.

For the year ended 31 December 2016, our net cash used in investing activities was approximately S\$84.6 million, which was mainly due to the purchase of additional investment properties of approximately S\$94.9 million, purchase of property, plant and equipment of approximately S\$4.5 million, offset by the dividends received from associated companies of approximately S\$11.1 million.

For the six months ended 30 June 2017, our net cash used in investing activities was approximately S\$16.7 million, which was mainly due to the purchases of property, plant and equipment of approximately S\$1.6 million, purchase of available-for-sale financial assets of approximately S\$5.9 million, and additions to investment properties of approximately S\$10.4 million, offset by the interest received of approximately S\$0.3 million and dividends received from associated companies of approximately of S\$0.9 million.

Net cash provided by/(used in) financing activities

Our cash provided by in financing activities was principally due to proceeds from borrowings and cash provided by non-controlling interest and associated company while our cash used in financing activities is principally due to repayment of borrowings, interest paid on borrowings, dividends paid to equity holders of our Company.

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For the year ended 31 December 2014, our net cash provided by financing activities was approximately S\$230.3 million, which was primarily due to (i) proceeds from borrowings of approximately S\$273.7 million; (ii) cash provided by non-controlling interest of approximately S\$5.1 million; and (iii) proceeds from exercise of Warrants of approximately S\$0.4 million. Our main cash outflow was (i) repayment of borrowings of approximately S\$32.2 million; (ii) interest paid of approximately S\$8.4 million; and (iii) dividends paid to equity holders of our Company of approximately S\$8.3 million.

For the year ended 31 December 2015, our net cash provided by financing activities was approximately S\$213.1 million, which was primarily due to (i) proceeds from borrowings of approximately S\$206.4 million; and (ii) cash provided by an associated company of approximately S\$56.2 million. Our main cash outflow was due to (i) acquisition of additional interest in a subsidiary of S\$85,000; (ii) repayment of borrowings of approximately S\$22.9 million; (iii) purchase of treasury shares of approximately S\$2.1 million; (iv) interest paid of approximately S\$13.0 million; and (iv) dividends paid to equity holders of our Company of approximately S\$11.4 million.

For the year ended 31 December 2016, our net cash used in financing activities was approximately S\$37.9 million, which was primarily due to (i) repayment of borrowings and loan from associated company of S\$142.4 million; (ii) purchase of treasury shares of S\$4.4 million; (iii) interest paid of approximately S\$21.2 million; (iv) dividends paid to equity holders of the Company of approximately S\$14.9 million; and (iv) repurchase of medium term notes of S\$0.3 million. Our main cash inflow was proceeds from borrowings of approximately S\$140.3 million and cash provided by non-controlling interest of approximately S\$4.9 million.

For the six months ended 30 June 2017, our net cash used in financing activities was approximately S\$13.7 million, which was primarily due to (i) the repayment of borrowing and loan from associated company of approximately S\$84.9 million; (ii) the interest paid of approximately S\$8.3 million; (iii) listing expenses paid of approximately S\$0.2 million; and (iv) dividend paid to equity holders of our Group of approximately S\$7.4 million. The main cash inflow was proceeds from borrowings of approximately S\$86.8 million and cash provided by non-controlling interest of approximately S\$1.5 million.

WORKING CAPITAL

Our Directors are of the opinion that, taking into account the financial resources available to our Group including the internally generated funds and the available banking facilities, our Group has sufficient working capital for its present requirement for at least the next 12 months from the date of this prospectus.

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NET CURRENT ASSETS

Our current assets consisted primarily of cash and bank balances, trade and other receivables, inventories, other assets, available-for-sale financial assets and assets held for sale. Our current liabilities consisted primarily of trade and other payables, current income tax liabilities, borrowings and other liabilities. Our net current assets had been significantly affected by reclassification of non-current liabilities to current liabilities in respect of borrowings as at 31 December 2015. As at 31 December 2014, 2015 and 2016 and 30 September 2017, our net current assets/(liabilities) was approximately S\$11.5 million, S\$(52.7) million, S\$6.2 million and S\$(34.5) million, respectively.

The table below sets out our net current assets, current liabilities and selected items of the consolidated balance sheets as at the respective dates indicated:

	As at 31 December			As at 30 June	As at 30 September
	2014	2015	2016	2017	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
					<i>(unaudited)</i>
Current assets					
Cash and bank balances	63,144	138,435	82,545	84,406	101,637
Trade and other receivables	4,993	5,413	7,835	9,427	8,902
Inventories	643	381	103	124	93
Other assets	13,666	3,863	3,802	4,115	11,088
Available-for-sale financial assets	—	—	2,174	7,999	12,166
Assets held for sale	—	—	7,375	6,741	6,744
	82,446	148,092	103,834	112,812	140,630
Current liabilities					
Trade and other payables	39,232	54,473	47,247	45,018	54,959
Current income tax liabilities	7,064	9,454	10,478	10,813	9,982
Borrowings	24,692	136,749	39,604	42,551	109,867
Other liabilities	—	113	286	323	325
	70,988	200,789	97,615	98,705	175,133
Net current assets/(liabilities)	11,458	(52,697)	6,219	14,107	(34,503)

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Our net current assets/(liabilities) decreased from approximately S\$11.5 million as at 31 December 2014 to approximately S\$(52.7) million as at 31 December 2015. The decrease of net current assets of approximately S\$64.2 million was primarily due to (i) the reclassification of notes payable of approximately S\$99.1 million from non-current liabilities to current liabilities as the amount was due for repayment in October 2016; and (ii) the increase in trade and other payables of approximately S\$15.2 million which was mainly due to the accrued construction costs incurred for the ASPRI — Westlite Papan Accommodation; and (iii) the increase in current income tax liabilities of approximately S\$2.4 million due to increase in chargeable income in the year ended 2015. These are offset by an increase in cash and bank balances of approximately S\$75.3 million largely due to the issue of the S\$65.0 million MTN in July 2015 as well as net cash generated from operations.

Our net current assets/(liabilities) increased from approximately S\$(52.7) million as at 31 December 2015 to approximately S\$6.2 million as at 31 December 2016. The increase of net current assets of approximately S\$58.9 million was primarily due to (i) decrease in current borrowings of approximately S\$97.1 million due to redemption of the S\$100 million notes payable in October 2016; (ii) reclassification of available-for-sale financial assets from non-current assets to current assets of approximately S\$2.2 million; and (iii) the reclassification from investment properties and property, plant and equipment to assets held for sale of approximately S\$7.4 million.

As at 30 June 2017, our net current assets increased to approximately S\$14.1 million. The increase of approximately S\$7.9 million was primarily due to the increase in cash inflow from operations.

Our Group was in a net current liabilities position of S\$34.5 million as at 30 September 2017 due to the reclassification of notes payable of approximately S\$65 million maturing in July 2018 from non-current liabilities to current liabilities. Our Group intends to seek refinancing of the S\$65 million MTN notes by tapping the debt capital markets before its maturity in July 2018. Nonetheless, our Group has sufficient cash resources and banking facilities (in aggregate of approximately S\$235.0 million) available to meet the financing needs of our current liabilities.

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INDEBTEDNESS

The table below sets out the indebtedness of our Group as at the respective dates indicated.

	As at 31 December			As at 30 June	As at 30 September
	2014	2015	2016	2017	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i> <i>(unaudited)</i>
Indebtedness					
Non-current					
Bank borrowings	304,836	413,440	501,313	418,486	414,044
Finance lease liabilities	—	10	34	21	15
Loan from non-controlling interests	4,120	—	4,900	6,370	6,370
Loan from an associated company	—	56,855	50,080	48,357	47,496
Notes payables	99,125	64,539	64,467	148,959	84,438
	408,081	534,844	620,794	622,193	552,363
Current					
Bank borrowings	23,379	30,805	38,007	39,953	42,406
Loan from an associated company	—	3,445	—	—	—
Loan from external parties	—	—	—	—	—
Finance lease liabilities	—	6	26	52	43
Notes payables	—	99,616	—	—	64,606
Interest payable	1,313	2,877	1,571	2,546	2,812
	24,692	136,749	39,604	42,551	109,867
Total borrowings	432,773	671,593	660,398	664,744	662,230

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Unutilised banking facilities

The table below summarises the details of our banking and other facilities as at 30 September 2017:

	Facility guaranteed	Utilisation	Un-utilised
Term loan/bank loans	761,005,000	630,921,000	130,084,000
Bank overdraft	3,300,000	—	3,300,000
Grand total	764,305,000	630,921,000	133,384,000
		<i>(note)</i>	

Note:

The difference between the total borrowing of approximately S\$662.2 million and utilisation of term loan/bank loans of approximately S\$630.9 million as at 30 September 2017 was due to the borrowings which were not included in the banking facilities (including finance lease liabilities (current and non-current), loan from non-controlling interests, loan from an associate company, loan from external parties, notes payables and interest payable) in an aggregate amount of approximately S\$205.8 million which was offset by the repayment of bank borrowings of approximately S\$174.5 million.

As at 30 September 2017, the latest practicable date for the purpose of indebtedness statement for this prospectus, we had outstanding borrowings including loan from associated company of approximately S\$47.5 million, notes payable of approximately S\$149.0 million and finance lease liabilities of approximately S\$58.0 thousand.

As at 31 December 2014, 2015 and 2016, 30 June 2017 and 30 September 2017, there were balances of loan from an associated company of approximately nil, S\$60.3 million, S\$50.1 million, S\$48.4 million and S\$47.5 million were calculated on the floating rates with reference to Singapore Interbank Offer Rate and the carrying amounts of the non-current borrowings approximated their fair values. Such loan is unsecured and with fixed repayment terms.

As at 31 December 2014, 2015 and 2016, 30 June 2017 and 30 September 2017, there were balances of notes payables of approximately S\$99.1 million, S\$164.2 million, S\$64.5 million, S\$149.0 million and S\$149.0 million. In 2014, our Company has updated its S\$300.0 million MTN programme established on 6 September 2013 and increased the maximum aggregate principal amount of notes that may be issued under the MTN from S\$300.0 million to S\$500.0 million with effect from 29 October 2014. In 2015, our Company issued MTN series 2 amounting to S\$65.0 million. The notes bear a fixed rate of 5.25% per annum payable semi-annually in arrear and have a tenure of 3 years. In October 2016, our Company fully redeemed the S\$100.0 million MTN series 1 on its maturity date. Our Company issued MTN series 3 amounting to S\$65.0 million and S\$20 million in April 2017 and May 2017, respectively. The MTN bear a fixed rate of 5.25% per annum payable semi-annually in arrear with a tenure of three years. The notes are redeemable at the option of our Company on each

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interest payment date, starting from 12 April 2019. In the event that our Company does not exercise the option to redeem the MTN, the MTN will bear interest at a fixed rate of 7.75% for the period from, and including, 12 April 2019, but excluding, 12 April 2020.

As at the Latest Practicable Date, we had no material covenants relating to our outstanding debts, save for the details set out herein are the relevant financial covenants, amongst others, (i) the consolidated total equity shall not at any time be less than S\$200.0 million; and (ii) the ratio of consolidated net borrowings to consolidated total equity shall not at any time be more than 2.5:1.

Our Group raises borrowings to finance the acquisitions of accommodation assets and fulfil working capital requirements. We expect to repay the borrowings through our cash flows generated from operating activities and financing activities.

During the Track Record Period, our Group settled our debt obligations in a timely manner and did not breach any financial bank covenants.

Bank borrowings

Set out below is the maturity profile of our bank borrowings as at the respective dates indicated, and ignoring the effect of any repayment on demand clauses.

	As at 31 December			As at 30 June	As at 30 September
	2014	2015	2016	2017	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
					<i>(unaudited)</i>
Indebtedness by due date					
Not later than one year	23,379	30,805	38,007	39,953	42,406
Between one to five years	138,432	181,382	200,596	187,024	188,289
After five years	166,404	232,058	300,717	231,462	225,755
	328,215	444,245	539,320	458,439	456,450

The bank borrowings represent bank loans raised for acquisition and expansion of our accommodation assets.

As at 31 December 2014, 2015 and 2016, 30 June 2017 and 30 September 2017, there were balances of bank borrowings of approximately S\$328.2 million, S\$444.2 million, S\$539.3 million, S\$458.4 million and S\$456.5 million, which included secured liabilities of S\$328.2 million, S\$444.2

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million, S\$539.3 million, S\$458.4 million and S\$456.5 million. The interest on the bank borrowings are calculated based on their floating rates. The carrying amounts of the non-current borrowings approximated their fair values. These bank borrowings are secured over certain bank deposits and certain investment properties of our Group.

As at 31 December 2014, 2015 and 2016, 30 June 2017 and 30 September 2017, our Group's banking facilities were secured by:

- (i) the pledge of our Group's deposits of approximately S\$4.0 million, S\$4.0 million, S\$2.3 million, S\$2.5 million and S\$2.5 million, respectively;
- (ii) the mortgage of the investment properties and assets held for sale of our Group with carrying values amounted to approximately S\$644.9 million, S\$872.5 million, S\$927.6 million, S\$934.3 million and S\$944.6 million, respectively; and
- (iii) corporate guarantees from our Company amounting to approximately S\$455.3 million, S\$511.3 million, S\$560.7 million, S\$478.3 million and S\$574.0 million, respectively.

For details, please refer to Notes 15, 24 and 36(d) of the Accountant's Report set out in Appendix I to this prospectus.

The bank borrowings classified as non-current liabilities amounted to approximately S\$304.8 million, S\$413.4 million, S\$501.3 million, S\$418.5 million and S\$414.0 million as at 31 December 2014, 2015 and 2016, 30 June 2017 and 30 September 2017, respectively, and the bank borrowings classified as current liabilities (including current portion due for repayment within one year) amounted to approximately S\$23.4 million, S\$30.8 million, S\$38.0 million, S\$40.0 million and S\$42.4 million, respectively.

The terms of our term loans and mortgage loans ranged on average at 11 years.

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Finance lease obligations

The following table sets forth our present values of minimum lease payments under our finance lease obligations as of the dates indicated:

	As at 31 December			As at 30 June	As at 30 September
	2014	2015	2016	2017	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
					<i>(unaudited)</i>
Not later than one year	—	6	26	52	43
Between one to five years	—	10	34	21	15
	—	16	60	73	58

The above finance leases are secured on certain property, plant and equipment purchased under finance lease of our Group.

Contingent liabilities

As at 30 September 2017 (being the latest practicable date for the preparation of the indebtedness statement in this prospectus), our Group had contingent liabilities in respect of (i) corporate guarantees in favour of financial institutions in respect of facilities granted to associated companies amounting to approximately S\$77.0 million; and (ii) corporate guarantees in favour of financial institutions in respect of facilities granted to subsidiaries, associated companies and joint venture amounting to approximately S\$574.0 million. For details of our corporate guarantees, please see the paragraph headed “Commitments — Corporate guarantees” in this section.

Save for the aforesaid or as otherwise disclosed in this prospectus, our Group did not have any outstanding loan capital issued or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptance or acceptable credits, debentures, mortgages, charges, finance leases, hire purchase commitments, guarantee or any other material contingent liabilities as at 30 September 2017 (being the latest practicable date for the preparation of the indebtedness statement in this prospectus).

Our Directors confirmed that we had neither experienced any difficulties in obtaining banking facilities or repaying, nor breached any major covenant or restriction of our bank loans or other bank facilities during the Track Record Period.

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COMMITMENTS

Capital commitments

The following table sets forth our commitments in respect of acquisition of property, plant and equipment as well as investment properties contracted for at the balance sheet date but not recognised in the financial statement:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Property, plant and equipment	136	35	199	5
Investment properties	137,598	41,073	23,720	99,268
	<u>137,734</u>	<u>41,108</u>	<u>23,919</u>	<u>99,273</u>

We plan to fund such capital commitments with cash flows from our operating activities, internal resources as well as debt financing including drawdowns from our unutilised banking facilities, and additional banking facilities that we plan to secure nearer to the date of disbursement of capital.

Operating lease arrangements

Where our Group is a lessee

Our Group leases various buildings under non-cancellable operating lease agreements. The leases have varying terms and renewal rights. The future aggregate minimum lease payments under non-cancellable operating lease contracted for at the reporting date but not recognised as liabilities, are as follows:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Not later than one year	3,124	6,778	5,822	6,570
Between one and five years	3,689	19,103	19,399	19,137
Later than five years	—	42,543	37,941	35,640
	<u>6,813</u>	<u>68,424</u>	<u>63,162</u>	<u>61,347</u>

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Where our Group is a lessor

Our Group leases out investment properties and derives operating lease income commitments. The lease rental income terms are negotiated for an average term of 12 months. The future minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Not later than one year	54,933	66,469	76,813	64,947
Between one and five years	4,739	9,910	16,421	22,730
	<u>59,672</u>	<u>76,379</u>	<u>93,234</u>	<u>87,677</u>

Corporate guarantees

Our Group has provided corporate guarantees in favour of financial institutions in respect of facilities granted to associated companies and a joint venture amounting to approximately S\$47.4 million, S\$87.0 million, S\$79.6 million and S\$77.9 million, during the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively. The amount of the guaranteed loans drawn down by associated companies and a joint venture amounted to approximately S\$46.4 million S\$83.1 million, S\$79.6 million and S\$77.9 million as at 31 December 2014, 2015 and 2016 and 30 June 2017, respectively.

Our Company has provided corporate guarantees in favour of financial institutions in respect of facilities granted to subsidiaries, associated companies and joint venture amounting to approximately S\$455.3 million, S\$511.3 million, S\$560.7 million and S\$488.7 million, respectively, for the three years ended 31 December 2016 and the six months ended 30 June 2017. The amount of the guaranteed loans drawn down by the subsidiaries, associated companies and joint venture amounted to approximately S\$367.8 million, S\$478.1 million, S\$556.6 million and S\$474.4 million as at 31 December 2014, 2015 and 2016 and 30 June 2017, respectively.

Continuing financial support

Our Company has provided an undertaking to provide continuing financial support to certain subsidiaries, to enable the subsidiaries to meet their obligations as and when they fall due.

CAPITAL EXPENDITURES

For the year ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2017, our Group's capital expenditures principally consisted of expenditures on (i) property, plant and

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equipment in the amounts of approximately S\$2.4 million, S\$6.0 million, S\$4.5 million and S\$1.6 million, respectively; and (ii) investment properties in the amounts of approximately S\$278.0 million, S\$214.0 million, S\$79.6 million and S\$10.1 million, respectively.

Our Group expects the capital expenditure for the three years ending 31 December 2017, 2018 and 2019 to be approximately S\$53.3 million, S\$72.5 million and nil, respectively. The capital expenditures of our Group during the three years ending 31 December 2019 principally consist of additions to investment properties which includes asset enhancements on existing properties, and development in relation to the enhancement works of the RMIT Village, development of the workers accommodation asset on the Westlite Bukit Minyak Land and completion of dwell Adelaide. The sources of funding will be a combination of bank borrowings, internal resources of our Company and proceeds from the Share Offer.

All outstanding projects on hand, include asset upgrading and refurbishments for our Group's assets, are expected to complete in the year ending 31 December 2018. As at the date of the prospectus, our Group had no major development plans and hence no material capital expenditure beyond 2018.

OFF-BALANCE SHEET TRANSACTIONS

Except for the commitments set forth above, we have not entered into any material off-balance sheet transactions or arrangements.

FINANCIAL INSTRUMENTS

Except as otherwise disclosed, we have not entered into any other financial instruments for hedging purposes.

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SELECTED ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Trade and other receivables

Our trade receivables and other receivables (net of provision for impairment) as at 31 December 2014, 2015 and 2016 and 30 June 2017 were approximately S\$5.0 million, S\$5.4 million, S\$7.8 million and S\$9.4 million, respectively, of which a breakdown is set out below:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables — non-related parties	5,066	3,931	4,712	4,290
Less: allowance for impairment	(1,180)	(976)	(1,033)	(813)
	3,886	2,955	3,679	3,477
Receivables from subsidiaries				
— trade	—	—	—	—
— non-trade	—	—	—	—
Receivables from joint ventures				
— trade	206	—	—	—
— non-trade	69	—	—	—
Receivables from associated companies				
— trade	—	220	242	413
— non-trade	—	711	958	956
	275	931	1,200	1,369
Less: allowance for impairment	—	—	—	—
	275	931	1,200	1,369
Other receivables	832	1,527	2,956	4,581
	4,993	5,413	7,835	9,427

Trade and other receivables

Our trade receivables primarily consisted of the trade receivables from non-related parties i.e. customers. Our other receivables primarily consisted of (i) withholding tax to be refunded from the tax authority; and (ii) receivables in the year ended 31 December 2016 consisted of government funding on the project costs over MOM licensing for our workers accommodation in Singapore of which approximately 80% of the costs can be claimed back from the government. The non-trade receivables from associated companies and joint ventures are without fixed terms of repayment, unsecured, interest-free and repayable on demand.

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Our trade receivables (net of allowance for impairment) decreased from approximately S\$3.9 million as at 31 December 2014 to approximately S\$3.0 million as at 31 December 2015 and increased to approximately S\$3.7 million as at 31 December 2016, which was mainly due to the new workers accommodation, ASPRI-Westlite Papan which commenced business in 2016. Our trade receivables remained stable at approximately S\$3.5 million as at 30 June 2017.

The majority of our Group's sales are on cash terms. The remaining overdue amounts, were mainly due to some customers requesting for a delay in payment and we allow them for deferred settlement of up to 30 days (for workers and student accommodation) or up to 90 days (for commercial tenants of student accommodations and optical disc business), as the case may be, after considering the requesting customer's rental deposit balance, payment history and financial situation, in order to maintain long term relationships with the customers.

The ageing analysis of trade receivables based on invoice date is as follows:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Up to 3 months	3,730	2,745	3,429	2,823
3 to 6 months	392	302	339	616
Over 6 months	944	884	944	851
	5,066	3,931	4,712	4,290

As at 31 December 2014, 2015 and 2016 and 30 June 2017, approximately S\$2.1 million, S\$1.5 million, S\$1.4 million and S\$2.1 million of our trade receivables were past due but not impaired, respectively, representing approximately 54.5%, 49.9%, 39.4% and 59.0% of our trade receivables (net of provision for impairment), respectively. Based on our experience, our Directors are of the view that no impairment allowance is necessary in respect of these overdue balances as there has not been significant change in credit quality of our customers and the balances are considered fully recoverable.

As at the Latest Practicable Date, out of the \$4.3 million trade receivables as at 30 June 2017, (i) S\$3.6 million or 84.5% had been settled; and (ii) S\$0.7 million has been recorded as allowance for impairment as at 30 June 2017.

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Breakdown of loans to associated companies, which are classified as non-current assets, as follows:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Loans to an associated company	604	—	—	—
	604	—	—	—

As at the Latest Practicable Date, there was no loan granted to our associated company.

The table below sets forth a summary trade and other receivable turnover days during the Track Record Period:

	For the year ended 31 December			For the six months ended 30 June
	2014	2015	2016	2017
	Trade receivable turnover (day) ^(note)	16.8	10.3	11.2

Note: Trade receivables turnover days for the period is derived by dividing the closing balances of the trade receivables (net of allowance for impairment) for the relevant period by revenue and multiplying by 365 days for the year ended 31 December 2014, 2015 and 2016 and 180 days for the six months ended 30 June 2017, respectively. The trade receivable turnover days exclude other receivable.

Our trade receivable turnover days were approximately 16.8 days, 10.3 days, 11.2 days and 8.8 days for the year ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2017, respectively. The trade receivable turnover days decreased during the Track Record Period was primarily due to more stringent implementation of collection policy in accommodation businesses, therefore the collection period has reduced.

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Trade and other payables

Trade and other payables as at 31 December 2014, 2015 and 2016 and 30 June 2017 were approximately S\$39.2 million, S\$54.5 million, S\$47.2 million and S\$45.0 million, respectively, of which a breakdown is set out below:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Trade payables	2,880	2,076	1,947	2,200
Non-trade payables to associated companies	—	751	1,789	2,388
Advanced rental	4,375	5,337	5,214	1,905
Deferred income	40	67	176	2,262
Deposits received	11,709	12,765	17,341	16,518
Accruals for operating expenses	10,828	8,366	11,622	12,081
Accrued construction costs payable	8,729	23,869	7,165	5,551
Other payables	671	1,242	1,993	2,113
	39,232	54,473	47,247	45,018

Trade payables

Our trade payables mainly comprised payables to utilities, suppliers of consumables and services.

Our trade payables decreased from approximately S\$2.9 million to S\$2.1 million as at 31 December 2015 as compared to that as at 31 December 2014, which was mainly due to the cessation of the optical disc business in Indonesia and scaling back of the optical disc business in Singapore.

Our trade payables remained fairly constant in the range of S\$1.9 million to S\$2.2 million as at 31 December 2015, 31 December 2016 and 30 June 2017.

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The ageing analysis of trade payables as at the reporting dates is as follows:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Up to 3 months	2,323	1,495	1,587	1,755
3 to 6 months	48	61	21	67
Over 6 months	509	520	339	378
	2,880	2,076	1,947	2,200

Trade payables that are aged over 3 months were mainly due to liabilities recognised but under negotiation with suppliers over payment or goods/services delivered. Our trade payables were due according to the terms on the relevant contracts. In general, our suppliers grant us a credit term of cash terms of up to 30 days and we settle our payment by cheque or bank transfer. As at the Latest Practicable Date, approximately S\$1.8 million or 82.8% of our trade payables outstanding as at 30 June 2017 had been settled.

The following table sets out the trade payables turnover days during the Track Record Period:

	For the year ended 31 December			For the six months ended 30 June
	2014	2015	2016	2017
	Trade payables turnover (day) <i>(note)</i>	61.7	32.8	25.6

Note: Trade payables turnover days for the period is derived by dividing the closing balances of trade payables for the relevant period by cost of sales less depreciation of property, plant and equipment and amortisation of intangible asset and employee compensation and multiplying by 365 days for the year ended 31 December 2014, 2015 and 2016 and 180 days for the six months ended 30 June 2017, respectively.

Our trade payables turnover days was approximately 61.7 days, 32.8 days and 25.6 days and 24.6 days for the year ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2017, respectively. The decrease was mainly due to the scaling back of the optical disc business.

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Other payables

Our other payables mainly comprised accrued construction costs, advanced rental, deposits received and accruals for operating expenses such as audit fee, tax fee and other operating expenses.

Our other payables increased from approximately S\$36.4 million as at 31 December 2014 to S\$52.4 million as at 31 December 2015. The increase was mainly due to the increase in accrued construction costs payables, attributed by the building construction of ASPRI-Westlite Papan Accommodation. And our other payables decreased to S\$45.3 million as at 31 December 2016, which was mainly due to the reduction in accrued construction costs payable attributed by the building construction of ASPRI-Westlite Papan Accommodation which was completed in May 2016, and offset against an increase in rental deposits received arising mostly from the increased occupancy of Westlite Woodlands and the new ASPRI-Westlite Papan Accommodation and Braemar Portfolio. As at 30 June 2017, our other payables decreased to approximately S\$42.8 million, which is mainly due to reduction in accrued construction costs payable of approximately S\$1.6 million which was paid in year 2017.

Investment properties

Our investment properties include properties that are held for long-term rental yields and/or for capital appreciation and land under operating leases that are held for long-term capital appreciation or for a currently indeterminate use. Investment properties include properties that are being constructed or developed for future use as investment properties. We classified properties which were held to earn rentals or for capital appreciation (or both) as investment properties based on criteria set out in IAS 40 “Investment Property”. Properties such as the Westlite Tuas Accommodation which were operating assets and incurred related operating expenses were classified as investment properties and included in note 24 to the Accountant’s Report in Appendix I even though no value attached as set out in the Property Valuation Report. On the other hand, properties owned by associated companies (such as the Westlite Nusajaya Land and the Westlite Mandai Accommodation) were excluded as investment properties to our Group since they were not consolidated into our Group’s financial statements while the Property Valuation Report included all assets held by our Group and our associated companies. Please refer to note 2.6 to the Accountant’s Report in Appendix I for the accounting policy for investment properties that are held for long-term rental yields or for capital appreciation (or both).

Our investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest and best use basis. Changes in fair values are recognised in profit or loss. Accordingly, the book value of our investment properties (including charged assets) for each financial year are the same as their market value.

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Our investment properties as at 31 December 2014, 2015 and 2016 and 30 June 2017 were approximately S\$684.4 million, S\$891.5 million, S\$927.4 million and S\$941.0 million, respectively. A breakdown on movement on our investment properties during the Track Record Period is as follows:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Beginning of the financial year/period	368,712	684,437	891,471	927,406
Acquisition of subsidiaries	3,962	—	—	—
Currency translation differences	(6,623)	(10,475)	(32,432)	2,514
Additions to investment properties	278,078	213,959	79,644	10,100
Over provision of construction costs	—	—	(2,202)	(1,360)
Net fair value gains/(losses) recognised in profit or loss	40,308	3,550	(3,121)	2,345
Transferred to assets held for sale	—	—	(5,954)	—
End of the financial year/period	<u>684,437</u>	<u>891,471</u>	<u>927,406</u>	<u>941,005</u>

Our investment properties increased by approximately S\$207.0 million or 30.2% from approximately S\$684.4 million as at 31 December 2014 to approximately S\$891.5 million as at 31 December 2015 mainly due to the acquisition and development of accommodation projects in Singapore, Malaysia, Australia and the United Kingdom as well as S\$3.6 million net fair value gain for the year.

Our investment properties increased by approximately S\$35.9 million or 4.0% from approximately S\$891.5 million as at 31 December 2015 to approximately S\$927.4 million as at 31 December 2016 mainly due to the additions to investment properties of approximately S\$36.6 million attributable to the acquisition of the Braemar Portfolio. Such increase was offset by the investment properties transferred to asset held for sale of approximately S\$6.0 million. Assets held for sale includes the accommodations as described below as part of our asset rationalisation exercise.

Our investment properties increased by approximately S\$13.6 million or 1.5% from approximately S\$927.4 million as at 31 December 2016 to approximately S\$941.0 million as at 30 June 2017 mainly due to the additions to investment properties of approximately S\$10.1 million, gain in currency translation differences of approximately S\$2.5 million and net fair value gains recognised in profit or loss of approximately S\$2.3 million.

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As part of our asset rationalisation exercise implemented in November 2016, we intended to dispose our Group's non-core assets including certain investment properties and property, plant and equipment, which were reclassified for sale and will remain in assets held for sale until the completion of the sale. The sales are expected to be completed within one year from the Latest Practicable Date in order to generate more funds for funding other investments and working capital. We have reclassified (i) three investment properties being the Westlite Desa Cemerlang Accommodation, the Westlite Tampoi Land and Beechwood House; and (ii) an industrial factory building and marketing office in Indonesia which were previously property, plant and equipment, and reclassified into assets held for sale due to the following reasons:

- the decision to sell the Westlite Desa Cemerlang Accommodation was due to the significant reduction in demand from our manufacturing customers in the vicinity resulting from the change in surrounding area from a manufacturing area to a residential cum commercial area, with many manufacturing plants moving out of the area;
- Westlite Tampoi Land was an idle land as at the Latest Practicable Date with no immediate development schedule. Our Directors believe that we will be able to better utilise the resources to generate more funds for funding future investments and working capital by disposing the Westlite Tampoi Land;
- Beechwood property was a strata subdivided property. As at the Latest Practicable Date, our Group did not own the entire building where the Beechwood property is located as some units belong to individual investors. As this asset was acquired as part of the Braemar Portfolio and we do not consider it to be an ideal asset for our Group for our long term investment purpose, we decided to sell the units owned by our Group; and
- the industrial factory building and marketing office in Indonesia were acquired and used for our optical disc business in Indonesia, which ceased in late 2015. Given that we no longer require such assets in view of cessation of our optical disc business in Indonesia, we will be able to generate more fund by disposing such assets for other investment purposes.

As at the Latest Practicable Date, none of the assets had been sold. Accordingly, we had not discharged any of the loans or charges on the Westlite Desa Cemerlang Accommodation, Westlite Tampoi Land and the Beechwood property. We intend to repay the loans when these assets are disposed of. The assets in Indonesia were free from encumbrances as at the Latest Practicable Date as we did not borrow any bank loan for such assets. We will redeem the charged assets from the bank when we dispose of the relevant assets. Our Directors believed that there will not be any financial impact on our Group if the relevant charges have been discharged as we will only sell these assets above its book values in such a way that there will be sufficient funds to repay the relevant loans.

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Intangible assets

Our intangible assets as at 31 December 2014, 2015 and 2016 and 30 June 2017 were approximately S\$11.7 million, S\$6.8 million, S\$1.9 million and S\$1.0 million, respectively, of which a breakdown is set out below:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Composition:				
Goodwill arising on consolidation	207	207	207	207
Favourable lease agreement	11,527	6,588	1,649	749
	11,734	6,795	1,856	956

Goodwill arising on consolidation

Goodwill represents the excess of the cost of an acquisition over the fair value of our Group's share of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiaries, joint ventures and associated companies at the date of acquisition. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses. The movement on goodwill arising on consolidation is set out below:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
<i>Cost</i>				
Beginning and end of the year/period	13,238	13,238	13,238	13,238
<i>Accumulated impairment</i>				
Beginning and end of the year/period	13,031	13,031	13,031	13,031
Net book value	207	207	207	207

As at 31 December 2014, 2015 and 2016 and 30 June 2017, the net book value of goodwill arising on consolidation was approximately S\$0.2 million. Our Group recorded accumulated impairment on goodwill arising on consolidation of approximately S\$13.0 million as at 31 December 2014, 2015 and 2016 and 30 June 2017. Such goodwill arose as a result of the Reverse Takeover due to the increase in share price of our Company between the date of signing of the relevant sale and

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purchase agreement and the completion date of the Reverse Takeover. A determination of the recoverable amount of the optical disc business segment subsequent to the Reverse Takeover revealed a shortfall of approximately \$13.0 million in future cash flows to support the purchase consideration paid of approximately \$53.6 million. Based on the market conditions of the optical disc manufacturing industry, a significant pressure was felt on the demand of the products as a result of the expected decline in the optical disc manufacturing industry. Accordingly, an impairment charge of approximately \$13.0 million was recorded in the year ended 31 December 2011 against goodwill and was included within “other expense” in the then consolidated income statement.

Favourable lease agreement

The favourable lease agreement arose from our acquisition of Westlite Tuas in February 2012. The incremental cash flows derived between the contracted rate from the existing lease agreement held by Westlite Tuas and the prevailing market rental rate represents the rental savings, and hence, favourable lease agreement arisen. Favourable lease agreement acquired was initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. As at 31 December 2014, 2015 and 2016 and 30 June 2017, the net book value of favourable lease agreement was approximately S\$11.5 million, S\$6.6 million, S\$1.6 million and S\$0.7 million respectively. The movement on favourable lease agreement is set out below:

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Cost</i>				
Beginning and end of the year/period	25,521	25,521	25,521	25,521
<i>Accumulated amortisation</i>				
Beginning of the year/period	9,055	13,994	18,933	23,872
Amortisation charge	4,939	4,939	4,939	900
End of the year/period	<u>13,994</u>	<u>18,933</u>	<u>23,872</u>	<u>24,772</u>
<i>Net book value</i>	<u>11,527</u>	<u>6,588</u>	<u>1,649</u>	<u>749</u>

Save as disclosed above, our Directors confirmed that no other assets in the relevant cash-generating unit were impaired.

Investments in subsidiaries

Our Company recognised investment in subsidiaries of approximately S\$18.8 million, S\$17.4 million, S\$17.0 million and S\$16.9 million for the three years ended 31 December 2016 and the six months ended 30 June 2017, respectively.

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The additions of investments in subsidiaries for the year ended 31 December 2014 represented the additional capital injected into Centurion Overseas Investments Pte Ltd (“COI”), which is an investment holding company of the investments in Australia and the United Kingdom. COI was incorporated in 2013 with minimal share capital and the additional capital was injected to facilitate its operation.

The subsidiaries that were impaired during the Track Record Period are principally engaged in the optical disc business, and the recoverable amounts/net worth of these subsidiaries were assessed to be lower than the respective investment carrying amounts. This resulted in the impairment of subsidiaries in accordance with the Group’s accounting policy as disclosed in note 2.10(b) of the Accountant’s Report in Appendix I to this prospectus that an impairment loss is recorded when the recoverable amount is lower than its carrying amount.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios during the Track Record Period and should be read in conjunction with the Accountant’s Report as set out in Appendix I to this prospectus:

	As at/For the year ended 31 December			As at/For the six months ended 30 June
	2014	2015	2016	2017
	Current ratio (<i>times</i>) (<i>Note 1</i>)	1.2	0.7	1.1
Quick ratio (<i>times</i>) (<i>Note 2</i>)	1.2	0.7	1.1	1.1
Net gearing ratio (<i>Note 4</i>)	94.4%	132.3%	144.7%	139.6%
Gearing ratio (<i>Note 3</i>)	110.5%	166.7%	165.3%	159.9%
Return on total assets (<i>Note 5</i>)	3.7%	3.1%	3.4%	5.1%
Return on equity (<i>Note 6</i>)	8.2%	8.9%	9.8%	12.9%
Interest coverage ratio (<i>times</i>) (<i>Note 7</i>)	5.2	3.8	3.1	4.4

Notes:

1. Current ratio is calculated based on the total current assets divided by the total current liabilities as at the respective period.
2. Quick ratio is calculated as current assets minus inventories, then divided by current liabilities as at the respective period.
3. Gearing ratio is calculated as total debt divided by total equity as at the respective period end.
4. Net gearing ratio is calculated as net debt divided by total equity as at the respective period end. Net debt is calculated as borrowings less cash and bank balances. In the Accountant’s Report, net gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings less cash and bank balances. Total capital is calculated as borrowings plus net assets of our Group. The net gearing ratios as at 31 December 2014, 2015, 2016 and 30 June 2017 were approximately 44.8%, 49.6%, 54.5%, 53.7% as per the Accountant’s Report, respectively.

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5. Return on total assets is calculated by the profit from core business operations for the year/period, which is annualised by multiplying half-year results by 2 if applicable, divided by the ending total assets as at the respective year/period end.
6. Return on equity is calculated by the profit from core business operations attributable to equity holders for the year/period, which is annualised by multiplying half-year results by 2 if applicable, divided by the shareholders' equity as at the respective year/period end.
7. Interest coverage is calculated as profit before finance costs and income tax derived from core business operations divided by finance costs for the respective year/period.

Current ratio

Our Group's current ratio decreased from approximately 1.2 times as at 31 December 2014 to approximately 0.7 times as at 31 December 2015. Such decrease was mainly due to the one-off reclassification of notes payable of approximately S\$99.1 million from non-current liabilities to current liability in the year ended 31 December 2015 as the amount was due in October 2016. Our Group's current ratio increased from approximately 0.7 times as at 31 December 2015 to approximately 1.1 times as at 31 December 2016, respectively. Such increase was mainly due to the redemption of the notes payable in October 2016. Our current ratio as at 30 June 2017 remained at approximately 1.1 times.

Quick ratio

Our Group's quick ratio was the same as our current ratio as we did not maintain substantial amount of inventories during the Track Record Period.

Net gearing ratio

Our net gearing ratio increased from approximately 94.4% as at 31 December 2014 to approximately 132.3% as at 31 December 2015, mainly due to the increase in (i) bank borrowings for the funding of expansion in workers and student accommodation businesses in Singapore and overseas; and (ii) the increase in borrowings due to notes issued amounting to S\$65.0 million.

Our net gearing ratio increased to approximately 144.7% as at 31 December 2016 as compared to that as at 31 December 2015 mainly as a result of the reduction in cash and bank balances used for the redemption of the MTN in October 2016. Our net gearing ratio as at 30 June 2017 decreased to approximately 139.6% due to the increase in equity and an increase in cash and bank balances.

Gearing ratio

Our gearing ratio increased from 110.5% to 166.7% mainly due to increase in bank borrowings and MTN issued in 2015 as explained in net gearing ratio above. It has decreased to 165.3% as at 31 December 2016 due to the redemption of the MTN in October 2016, and further reduced to 159.9% as at 30 June 2017 due to loan repayment when due.

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Based on the review of our Group's credit and other business risks, our Directors considered that the current gearing ratio of our Group of approximately 159.9% and a net gearing ratio of 139.6% as at 30 June 2017 is acceptable as it is lower than the strictest covenant that our Group is subject to under the MTN and covenant of all those banks that imposed such covenant on us of a net gearing ratio of not exceeding 250%.

Refinancing risk is mitigated as our Group's funding policy for investments is to commit long term bank loans to match long term nature of our investments. The typical bank loans taken up for investments is between 10 to 15 years with fixed and pre-determined debt repayments, matching the incoming cash flows over the loan period. As at 30 June 2017, our Group's had an average bank maturity profile of approximately 11 years.

The unsecured debts raised from the debt capital market have a maturity date of 3 years. Our Group intends to refinance the debt upon maturity through the issuance of new bonds under our Group's MTN Programme which still has a facility up to S\$350 million. Our Group has successfully tapped the debt capital market for S\$250 million over four different occasions during the Track Record Period. In addition, we have set aside banking facilities to repay the debts upon maturity to mitigate any refinancing risk due to the poor market conditions where raising debt becomes uncondusive. Our Group can also refinance certain assets which has a lower gearing, due to consistent debt repayments, where the proceeds from the refinancing could be used to repay the debt upon maturity.

We understand that there is a limit to the level of leverage using debts to finance our growth strategy based on our Group's existing equity and balance sheet. Over the longer term, it is our intention to reduce the gearing risk and undertake a more asset light strategy. This includes entering into joint venture where our Group will take up small equity stake in the joint venture and provides management services to joint venture and earning a fee income. We also intend to recycle our capital in due course by selling down a proportion of our interest in cash generating investment properties to potential investor through a private or listed vehicle. This will invariably reduce our gearing and liquidity risk.

Return on total assets

Our return on the total assets has remained relatively stable for the three years ended 31 December 2016 and the six months ended 30 June 2017, which was approximately 3.7%, 3.1%, 3.4% and 5.1%, respectively.

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Return on equity

Our return on the equity has remained relatively stable for the three years ended 31 December 2016 and the six months ended 30 June 2017, which was approximately 8.2%, 8.9%, 9.8% and 12.9%, respectively.

Interest coverage ratio

Our interest coverage ratio decreased for the three years ended 31 December 2016 from approximately 5.2 times to 3.8 times, and then to 3.1 times, respectively. It increased to approximately 4.4 times for the six months ended 30 June 2017 due to better performance.

RELATED PARTY TRANSACTIONS

During the Track Record Period, we had entered into certain related party transactions, details of which are set out in Note 37 to the Accountant's Report as set out in Appendix I to this prospectus in addition to the transactions details elsewhere in this prospectus.

The following table sets forth the related party transactions during the Track Record Period:

	For the year ended 31 December			For the six months ended 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Sales to associated companies	6	—	—	—
Services provided to immediate holding corporation	2	10	10	5
Services provided to associated companies/joint ventures	647	738	682	330
Purchases from associated companies	—	155	—	—
Purchases from a company which a director has an interest	5	—	4	18
Interest charged by associated company	—	749	1,489	599

During the Track Record Period, amongst others, our Group (i) provided workers accommodation management services to Westlite Mandai where our Group received management service fees of approximately S\$0.6 million, S\$0.7 million, S\$0.7 million and S\$0.3 million, respectively during the three years ended 31 December 2016 and the six months ended 30 June 2017; and (ii) obtained an interest bearing loans from Lian Beng-Centurion amounting to approximately S\$60.3 million during the year ended 31 December 2015 where our Group incurred interest charged by the associated company of approximately nil, S\$0.7 million, S\$1.5 million and S\$0.6 million

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during the three years ended 31 December 2016 and the six months ended 30 June 2017. The other related party transactions which were trade in nature were not significant.

Our Directors are of the view that the related party transactions were conducted at arm's length and on normal commercial terms, and would not distort our results of operations over the Track Record Period or make our historical results over the Track Record Period not reflective of our expectations for our future performance.

FINANCIAL AND CAPITAL RISK MANAGEMENT

Our Group is exposed to certain market and financial risks including currency risk, price risk, cash flow and fair value interest rate risks, credit risk, liquidity risk and capital risk in the normal course of business. For further details of our financial risk management, please refer to the paragraph headed "Business — Risk management" and Note 3 to the Accountant's Report as set out in Appendix I to this prospectus.

We manage our capital to ensure that we will be able to continue as a going concern while maximising the return to shareholders through the optimisation of debt and equity balance. Our management reviews our Group's capital structure from time to time and, as part of the review, considers the cost of capital and the risks associated with each class of capital. Depending on our capital structure and needs from time to time, we may balance our overall capital structure through the payment of dividends, the issues of new shares and/or new debts.

LISTING EXPENSES

The total expenses for the Listing (including underwriting fees and commission payable) are estimated to be approximately S\$7.3 million (or HK\$40.9 million), of which approximately S\$1.5 million (or HK\$8.4 million) is directly attributable to the issue of the Offer Shares in the Share Offer and to be accounted for as a deduction from equity (none had been accounted for as at 30 June 2017) and approximately S\$5.8 million (or HK\$32.5 million) is to be charged as administrative expenses to our consolidated statements of comprehensive income for the year ending 31 December 2017. The recognition of listing expenses is expected to affect our financial results for the year ending 31 December 2017. The estimated listing-related expenses of our Group are subject to adjustments based on the actual amount of expenses incurred by our Company upon the completion of the Listing.

UNAUDITED PRO FORMA STATEMENT ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following is an illustrative and pro forma statement of adjusted consolidated net tangible assets of our Group which has been prepared in accordance with Rule 4.29 of the Listing Rules and on the basis of the notes set out below for the purpose of illustrating the effect of the Share Offer on the consolidated net tangible assets of our Group attributable to the equity holders of our Company as at 30 June 2017 as if Share Offer had taken place on 30 June 2017.

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This unaudited pro forma statement of adjusted consolidated net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Share Offer been completed as at 30 June 2016 or at any future date.

	Audited consolidated net tangible assets of our Group attributable to the equity holders of our Company as at 30 June 2017	Estimated net proceeds from the Share Offer	Unaudited pro forma adjusted consolidated net tangible assets of our Group attributable to equity holders of our Company	Unaudited pro forma adjusted consolidated net tangible assets per Share	Unaudited pro forma adjusted consolidated net tangible assets per Share
	<i>S\$'000</i> <i>(Note 1)</i>	<i>S\$'000</i> <i>(Note 2)</i>	<i>S\$'000</i>	<i>S\$</i> <i>(Note 3)</i>	<i>HK\$</i> <i>(Note 4)</i>
Based on an Offer Price of HK\$3.00 per Share	404,502	15,133	419,635	0.54	3.04
Based on an Offer Price of HK\$3.30 per Share	404,502	16,946	421,448	0.54	3.05

Notes:

1. The audited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 June 2017 is extracted from the Accountant's Report set out in Appendix I to this prospectus which is based on the audited consolidated net assets of the Group attributable to the equity holders of the Company as at 30 June 2017 of S\$405,458,000 less intangible assets of S\$956,000.
2. The estimated net proceeds from the Share Offer are based on the Offer Price of HK\$3.00 and HK\$3.30 per Share respectively, after deduction of relevant estimated underwriting fees and other related fees and expenses payable by the Group (excluding approximately S\$3,089,000 listing-related expenses which have been accounted for in the consolidated income statement up to 30 June 2017).
3. The unaudited pro forma adjusted consolidated net tangible assets per share is arrived at after the adjustments as described in note 2 above and is based on that approximately 773,424,000 shares were in issue immediately after the Listing excluding the shares issued pursuant to conversion of warrants between 1 July 2017 to the Latest Practicable Date (assuming that the Share Offer had been completed on 30 June 2017).
4. For the purpose of this unaudited pro forma adjusted consolidated net tangible assets per share, the amounts stated in Singapore dollars are converted into Hong Kong dollar at a rate of S\$1.00 to HK\$5.60. No representation is made that Singapore dollars has been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.
5. No adjustments have been made to the unaudited pro forma adjusted net tangible assets of the Group to reflect any trading result or other transactions of the Group entered into subsequent to 30 June 2017. In particular, the unaudited pro forma net adjusted tangible assets of our Group has not taken into account (i) the cash dividend of approximately S\$7,957,000 declared on 7 August 2017 and paid on 15 September 2017 and (ii) the net proceeds of approximately S\$33,677,000 from exercise of warrants at an exercise price of S\$0.50 per share, which resulted in approximately

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67,355,000 of the Company's shares being issued, during the period from 1 July 2017 to the Latest Practicable Date. The unaudited pro forma net tangible assets per Share would have been HK\$2.97 (equivalent to S\$0.53) per Share based on the Offer Price of HK\$3.00 and HK\$2.98 (equivalent to S\$0.53) per Share based on the Offer Price of HK\$3.30, respectively, if the dividend of approximately S\$7,957,000 and net proceeds for exercise of warrants of approximately S\$33,677,000 had been accounted for based on 840,779,000 Shares in issue.

DIVIDEND

Dividends declared and paid for the three years ended 31 December 2016 and the six months ended 30 June 2017 was approximately S\$11.4 million, S\$11.3 million, S\$14.8 million and S\$8.0 million, respectively, which has been fully settled in cash from internal resources of our Group.

On 26 April 2017, our Company approved a cash dividend of 1.0 cent per Share amounting to a total of approximately S\$7,399,000 at our Company's shareholders meeting. The dividend has been paid on 19 May 2017. On 7 August 2017, our Company declared an interim dividend of S\$1.0 cent per Share relating to the financial year 2017 amounting to approximately S\$8.0 million. The dividend has been fully settled in cash from operating activities of our Group on 15 September 2017.

Our Directors intend to maintain a balance between reserving sufficient capital to grow our business and reward our Shareholders. After completion of the Share Offer, our Shareholders will be entitled to receive dividends when declared by our Company. The declaration of future dividends will be subject to our earnings, cash flow, financial condition, capital requirements, statutory reserve requirements and any other factors our Directors may consider relevant. The amount of dividend will be determined upon the completion of financial audit and will refer to the distributable profits stated on the audited financial report. As a result, there can be no assurance that any particular dividend amount or any dividend at all, will be declared and paid in the future. The dividend distribution records in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by our Company in the future. Currently, we do not have any dividend policy.

DISTRIBUTABLE RESERVES

As at 30 June 2017, our Group's distributable reserves were approximately S\$259.8 million and our Company's distributable reserve was approximately S\$8.0 million. For further details on our other reserves which may be distributable, please refer to Note 34 to the Accountant's Report.

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RECONCILIATION OF APPRAISED PROPERTY VALUE WITH NET BOOK VALUE

Knight Frank Petty Limited, an independent valuer, has valued our properties as at 30 September 2017. For further details on the valuation, please refer to Appendix III Property valuation report in this prospectus. The reconciliation of the unaudited net book value and the valuation as required under Rule 5.07 of the Listing Rules is set out below:

	<i>S\$'000</i>
Audited net book value of the subject properties held by our Group as at 30 June 2017	941,005
Add: Exchange translation gain as regards the subject properties	3,693
Add: Addition of properties	7,146
Less: Disposal of properties	—
Less: Fair value loss of properties	(1,479)
	950,365
Unaudited net book value of the subject properties as at 30 September 2017 . .	<u>950,365</u>
 Items excluding from book value:	
Assets being classified as assets held for sale.	9,080
Assets being classified as property, plant and equipment	707
Security building in ASPRI-Westlite Papan not included (under construction) .	(202)
Others (exchange translation etc)	30
	959,980
Valuation of the subject properties as at 30 September 2017 set out in Appendix III to this prospectus	<u>(Note)</u>

Note:

Valuation of the subject properties as at 30 September 2017 set out in Appendix III to this prospectus is derived as follows (excluding property interests held by the associated companies and taking into account the interest attributable to the Group):

Property interest	Market Value in Existing State Attributable to the Group as at 30 September 2017	Exchange rate
Group I	AUD80,980,000	1.0645
Group II	GBP120,800,000	1.8194
Group III	GBP1,110,000	1.8194
Group IV	SGD566,000,000	1.0000
Group V	RP36,582,000,000	0.0001
Group VI	RP14,450,000,000	0.00010075
Group VII	RM165,660,000	0.3214
Group VIII	RM2,200,000	0.3214
Group IX	N/A	0.3214
Group X	RM51,600,000	0.3214
Group XI	RM16,000,000	0.3214
Group XII	RMB25,300,000	0.2038

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DISCLOSURE UNDER CHAPTER 13 OF THE LISTING RULES

Except as otherwise disclosed in this prospectus, we confirm that, as at the Latest Practicable date, we were not aware of any circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

REPORTING STANDARDS OF OUR COMPANY'S FINANCIAL STATEMENTS

Since our Company is listed on the Main Board of SGX, our Company's annual financial statements are prepared in accordance with Singapore Financial Reporting Standards (the "SFRS") and audited by PwC LLP, Singapore since the financial year ended 31 December 1995.

For the proposed Share Offer, our Company has prepared a set of financial statements for each of the three years ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2017 in accordance with IFRS and engaged PwC LLP, Singapore to audit these IFRS financial statements in accordance with International Standards of Auditing. Our Company has engaged PwC Hong Kong to act as our Company's reporting accountant in connection with the Share Offer. The financial information is prepared by our Company for inclusion in the prospectus based on these IFRS financial statements and the Listing Rules and audited by PwC Hong Kong.

After the Listing, the Company will prepare its consolidated financial statements in accordance with IFRS and would include in its subsequent annual reports.

PricewaterhouseCoopers LLP Singapore will be the auditor of the Group subsequent to the listing in Hong Kong, and conduct audit in accordance with International Standards on Auditing under Rule 19.21.

Our Company believes that PricewaterhouseCoopers LLP Singapore is a firm of certified accountants acceptable to the Stock Exchange in accordance with the requirements of Rule 19.20(2) of the Listing Rules on the grounds that:

PricewaterhouseCoopers LLP Singapore is the member firm of certified the network of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity. PricewaterhouseCoopers LLP Singapore is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (Cap 163A) of the laws of the Republic of Singapore.

PricewaterhouseCoopers LLP Singapore is subject to the independent oversight and regulation of the Accounting and Corporate Regulatory Authority ("ACRA"), which is a statutory board of the Government of Singapore and the national regulator of business entities and public accountants in Singapore. ACRA is also a founding member of the International Forum of Independent Audit Regulators ("IFIAR") and has representative on the IFIAR's Advisory Council.

The partner in PricewaterhouseCoopers LLP, Singapore who signs the statutory audit report of the Company is a registered public accountant with the Accounting and Corporate Regulatory Authority ("ACRA") and is also a practising member of the Institute of Singapore Chartered Accountants ("ISCA").

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RECENT DEVELOPMENT

As far as we are aware, our industry remained relatively stable after the Track Record Period and up to the Latest Practicable Date. There was no material adverse change in the general economic and market conditions in Singapore, the United Kingdom, Australia and Malaysia or the industry in which we operate that had affected or would affect our business operations or financial condition materially and adversely. As part of our asset rationalisation exercise, Westlite Desa Cemerlang Accommodation ceased operations in January 2017 and the property was held for sale as at the Latest Practicable Date. In May 2017, we commenced an asset enhancement programme for the development of a new wing at RMIT Village, which will add approximately 34.8% of its current bed capacity to approximately 620 beds and is expected to be completed in the fourth quarter of 2018. In July and August 2017, we entered into six agreements for the proposed acquisitions of six existing PBSA assets, across five states in the USA, including Auburn, Alabama; Tallahassee, Florida; Madison, Wisconsin and College Station, Texas; and New Haven, Connecticut with an aggregate capacity of approximately 2,140 beds. Please refer to “Our business — A. Our accommodation business — 2. Student accommodation business — (d) Proposed acquisition of student accommodation business in the USA” for further details. It is also contemplated that our Group will enter into a joint venture with a partner which is an established student accommodation manager in the USA to manage the operations of these assets after completion.

From 1 July 2017 and up to the date of this prospectus, we did not experience any significant drop in revenue or increase in cost of sales or other costs as there were no significant changes to the general business model of our Group and economic environment. On 22 November 2017, 19,449,600 treasury shares held by our Company were cancelled pursuant to Section 76K of the Companies Act.

Prospective investors should note that the financial performance of our Group for the year ending 31 December 2017 is expected to be affected by the non-recurrent expenses in relation to the Share Offer. Prospective investors are specifically warned that, given the aforesaid expenses, our Group’s financial performance for the year ending 31 December 2017 may not be comparable to that of the previous years.

Performance review for the third quarter of 2017

Please also refer to Appendix IA to this prospectus for the results of our Group for the nine months ended 30 September 2017, which have been reviewed by PricewaterhouseCoopers, our reporting accountant, in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by Independent Auditor of the Entity”.

Our Group’s revenue for the quarter ended 30 September 2017 rose by approximately 15%, or S\$4.1 million, to approximately S\$32.3 million year-on-year. The growth was largely contributed by ASPRI-Westlite Papan Accommodation, which obtained its temporary occupation permit in May 2016, and has since achieved an average occupancy of approximately 95% in the third quarter of 2017. In addition, Westlite Woodlands Accommodation and the six operating workers accommodation assets in Malaysia reported stronger occupancy of approximately 99% and 86%, respectively, which also contributed to our Group’s revenue growth in the third quarter of 2017

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Our Group's gross profit in the third quarter of 2017 increased by approximately 29% from approximately S\$16.9 million to approximately S\$21.8 million year-on-year, in line with the increase in revenue, while cost of sales was slightly lower due to the reduced amortisation from Westlite Tuas Accommodation. Westlite Tuas Accommodation's lease was expected to expire on 30 April 2017 and hence, the intangible assets on favourable lease in Westlite Tuas Accommodation was substantially amortised by 30 April 2017.

The net profit after tax derived from our Group's operations for the third quarter of 2017 was approximately S\$7.4 million, a year-on-year increase of 4%, or approximately S\$0.3 million.

Our Group registered an increase of approximately 21% in revenue, from approximately S\$85.5 million in the nine months ended 30 September 2016 to approximately S\$103.5 million in the corresponding period in 2017.

The growth was largely attributed to the improved performance of our Group's worker accommodation assets in Singapore, particularly the newer workers accommodation assets such as Westlite Woodlands Accommodation and ASPRI-Westlite Papan Accommodation. Our Group also recorded higher occupancy for its workers accommodation assets in Malaysia due to the relaxing of foreign workers hiring freeze, as well as contributions from the Braemar Portfolio which were acquired in the third quarter of 2016.

Gross profit for our Group for the nine months ended 30 September 2017 improved by approximately 29%, or approximately S\$16.2 million, year-on-year on the back of the revenue growth from the expansion of our Group's accommodation business and reduced amortisation cost of Westlite Tuas Accommodation.

The net profit after tax derived from our Group's operations for the nine months ended 30 September 2017 was approximately S\$30.6 million, a year-on-year growth of approximately 23%, or approximately S\$5.7 million.

Excluding the listing expenses, fair value loss and deferred tax on fair value gains, our Group's profit from core business operation recorded a growth of approximately 55.4% from approximately S\$24.9 million for the nine months ended 30 September 2016 to approximately S\$38.7 million for the nine months ended 30 September 2017.

NO MATERIAL ADVERSE CHANGE

Our Directors confirmed that, save for the non-recurring listing expenses, the declaration of interim dividend and the cancellation of the treasury shares held by our Company as disclosed above, up to the date of this prospectus, there had been no material adverse change in the financial or trading position of our Group since 30 June 2017 (being the date of which our Group's latest audited consolidated financial statements were made up as set out in the Accountant's Report as set out in Appendix I to this prospectus) and there has been no occurrence of any event since 30 June 2017 which would materially affect the information shown in the Accountant's Report as set out in Appendix I to this prospectus.

FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

Please refer to the paragraph headed “Business — Business strategies” in this prospectus for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that the aggregate net proceeds from the Share Offer to be received by us, after deducting underwriting commissions and estimated expenses paid and payable by us in connection with the Share Offer, will be approximately HK\$72.5 million (or S\$13.0 million), assuming an Offer Price of HK\$3.15 per Offer Share, being the mid-point of the proposed Offer Price range of HK\$3.00 to HK\$3.30. Our Directors intend to apply the net proceeds from the Share Offer as follows:

- (i) approximately HK\$65.3 million (or S\$11.7 million), or approximately 90% of the estimated net proceeds to be received by us, will be used for the development of the new student accommodation with 280 beds in Adelaide, Australia with a cost totalling approximately AUD45.5 million. The proceeds will form part of the development costs, which is expected to complete in the fourth quarter of 2018. The rest of the development costs will be financed by our internal funds and bank borrowings; and
- (ii) approximately HK\$7.2 million (or S\$1.3 million), or approximately 10% of the estimated net proceeds to be received by us, for use as our general working capital.

If the Offer Price is fixed at the high-end of the indicative Offer Price range, being HK\$3.30 per Share, the net proceeds we receive from the Share Offer will increase by approximately HK\$5.1 million. We intend to apply the additional net proceeds for the above purposes on a pro-rata basis. If the Offer Price is set at the low-end of the indicative Offer Price range, being HK\$3.00 per Share, the net proceeds we receive from the Share Offer will decrease by approximately HK\$5.1 million. We intend to reduce the net proceeds for the above purposes on a pro-rata basis.

To the extent that the net proceeds are not immediately applied to the above purposes and to the extent permitted by applicable laws and regulations, we intend to deposit the net proceeds into short term demand deposits with authorised financial institutions and/or licensed banks in Singapore or Hong Kong.

REASONS FOR DUAL PRIMARY LISTING AND THE SHARE OFFER

Our Company was first listed on Sesdaq of SGX-ST on 26 January 1995 and subsequently transferred its listing to the main board of SGX-ST on 28 October 1998. Based on the closing price of our Shares on SGX-ST on the Latest Practicable Date of S\$0.545 and the total Shares in issue of 804,778,624 Shares, the market capitalisation of our Company was approximately S\$438.6 million on the Latest Practicable Date. As of 30 June 2017, our Group’s net asset value attributable to equity holders of our Company was approximately S\$405.5 million. The ratio of market capitalisation (based on the closing price of our Shares on the SGX-ST on the Latest Practicable Date) to our

FUTURE PLANS AND USE OF PROCEEDS

Group's net asset value attributable to equity holders of our Company as of 30 June 2017 was approximately 1.08 times. While our Directors consider that it is important to maintain the listing on the main board of SGX-ST, they also consider that it would be desirable and beneficial for our Company to have a dual primary listing of our Shares in both Singapore and Hong Kong as they believe that the stock markets in Singapore and Hong Kong attract different investors. The dual listing is likely to provide our Company with ready access to two different equity markets if any opportunity arises. Our Directors also believe that seeking the dual primary listing on the Stock Exchange will enable our Company to promote its brand recognition and presence in the international market. Further, listing on the Stock Exchange would also enhance our Company's profile in Hong Kong, facilitate investment by Hong Kong and PRC based investors, enable our Company to gain access to Hong Kong's capital markets and benefit our Company by exposing it to a wider range of private and institutional investors. Our Directors consider that this is important for the potential future growth and long term development of our Company, as our Company continually explores and assesses various opportunities, including the expansion of our workers and student accommodation business into other countries in the future.

Our Directors have previously considered the possibility of a proposed real estate investment trust listing in Singapore (the "**Proposed REIT Listing**"). On 16 January 2015, our Company announced on SGXNET that it was exploring a proposed transaction involving the establishment of a real estate investment trust (the "**Proposed REIT**") and injection of some of the workers accommodation assets of the Company into the Proposed REIT.

A pre-clearance letter was submitted by the joint issue managers in February 2015 to seek certain waivers and confirmations from the SGX-ST, including a confirmation that the Proposed REIT Listing is not a chain listing under the Singapore Listing Manual. Further to consultations with the SGX-ST, it was of the view that the Proposed REIT Listing is a chain listing under the Singapore Listing Manual on the basis that the business segments of the Company and the Proposed REIT are not distinct and separate and that each distinct business cannot meet the requirements for a main board listing on the SGX-ST on an ongoing basis.

Accordingly, our Company announced on 20 March 2015 that further to consultations with the SGX-ST, the Proposed REIT Listing would be considered a chain listing under the Singapore Listing Manual and that our Company decided to defer and reconsider the Proposed REIT Listing at a later stage.

Given that the dual primary listing of our Shares in both Singapore and Hong Kong involve the same assets and business, rather than distinct and separate assets and business for the Proposed REIT Listing, our Directors confirmed that the comments made by the SGX-ST in respect of the Proposed REIT Listing were not relevant in the context of the Listing, and there were no comments raised by SGX-ST in relation to the Proposed REIT Listing that would affect the Listing in Hong Kong. Our Directors further confirmed that as at the Latest Practicable Date, our Company had no plans in the short to medium term to resume the Proposed REIT Listing.

UNDERWRITING

PUBLIC OFFER UNDERWRITERS

UOB Kay Hian (Hong Kong) Limited

Pacific Foundation Securities Limited

VBG Capital Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Public Offer

Public Offer Underwriting Agreement

Pursuant to the Public Offer Underwriting Agreement, our Company is initially offering for subscription by the public in Hong Kong of 6,000,000 Public Offer Shares at the Offer Price under the Public Offer, on and subject to the terms and conditions set forth in this prospectus and the Application Forms. The Public Offer Underwriters have agreed, on and subject to the terms and conditions in the Public Offer Underwriting Agreement, to procure subscribers for, or failing which they shall subscribe for, the Public Offer Shares.

The Public Offer Underwriting Agreement is subject to various conditions, which include, without limitation:

- (a) the Listing Committee granting listing of, and permission to deal in, our Shares in issue and to be issued as mentioned in this prospectus; and
- (b) the Placing Underwriting Agreement having been executed, becoming unconditional and not having been terminated.

Grounds for termination

The obligations of the Public Offer Underwriters to subscribe for, or procure subscribers for, the Public Offer Shares under the Public Offer Underwriting Agreement are subject to termination. The Joint Global Coordinators (for themselves and on behalf of the Public Offer Underwriters) may in their absolute discretion terminate the Public Offer Underwriting Agreement with immediate effect by written notice to our Company at any time at or before 8:00 a.m. (Hong Kong time) on the Listing Date if:

- (i) there shall develop, occur, exist or come into effect:
 - (a) any change or prospective change (whether or not permanent) in the business or in the financial or trading position of our Group; or

UNDERWRITING

- (b) any change or development involving a prospective change or development, or any event or series of events resulting or representing or likely to result in any change or development involving a prospective change or deterioration (whether or not permanent) in local, national, regional or international financial, political, military, industrial, economic, legal framework, regulatory, fiscal, currency, credit or market conditions (including, without limitation, conditions in stock and bond markets, money and foreign exchange markets and inter-bank markets) in or affecting any of Singapore, Malaysia, Australia, the United Kingdom, Indonesia, the PRC, Jersey, Hong Kong, the BVI or any other jurisdictions where any member of our Group is incorporated or operates (collectively, the “**Relevant Jurisdictions**”); or
- (c) any deterioration of any pre-existing local, national, regional or international financial, economic, political, military, industrial, fiscal, regulatory, currency, credit or market conditions in or affecting any of the Relevant Jurisdictions; or
- (d) any new laws or any change or development involving a prospective change in existing laws or any change or development involving a prospective change in the interpretation or application thereof by any court or governmental authority in or affecting any of the Relevant Jurisdictions; or
- (e) a change or development or event involving a prospective change in taxation or exchange control (or in the implementation of any exchange control) or foreign investment regulations in or affecting any of the Relevant Jurisdictions adversely affecting an investment in shares; or
- (f) any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared) or other state of emergency or crisis involving or affecting any of the Relevant Jurisdictions; or
- (g) any event, act or omission which gives rise or is likely to give rise to any liability of any of our Company, Controlling Shareholders and Directors under the Public Offer Underwriting Agreement pursuant to the indemnities contained therein; or
- (h) (i) any suspension or restriction on dealings in shares or securities generally on the Stock Exchange or (ii) any moratorium on commercial banking activities or disruption in commercial banking activities or foreign exchange trading or securities settlement or clearance services in or affecting any of the Relevant Jurisdictions; or
- (i) the imposition of economic or other sanctions, in whatever form, directly or indirectly, in or affecting any of the Relevant Jurisdictions; or

UNDERWRITING

- (j) any event, or series of events, in the nature of force majeure (including without limitation, any acts of God, acts of government, declaration of a national or international emergency or war, acts or threat of war, calamity, crisis, economic sanction, riot, public disorder, civil commotion, fire, flooding, explosion, epidemic (including but not limited to the severe acute respiratory syndrome or avian flu, pandemic, outbreak of disease, terrorism, strike or lockout) in or affecting any of the Relevant Jurisdictions; or
- (k) any change or development involving a prospective change, or a materialisation of any of the risks set out in the section headed “Risk factors” in this prospectus; or
- (l) any change in the system under which the value of the Hong Kong dollar is linked to that of the US\$ or a material devaluation of Hong Kong dollar against any foreign currency; or
- (m) any demand by any creditor for repayment or payment of any indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or
- (n) save as disclosed in this prospectus, a contravention by any member of our Group of the Listing Rules, the Singapore Listing Manual or any other applicable laws; or
- (o) a prohibition on our Company for whatever reason from allotting the Shares pursuant to the terms of the Share Offer; or
- (p) non-compliance of any of this prospectus or any aspect of the Share Offer with the Listing Rules, the Singapore Listing Manual or any other applicable laws; or
- (q) an order or a petition is presented for the winding-up or liquidation of any member of our Group or any member of our Group making any composition or arrangement with its creditors or entering into a scheme of arrangement or any resolution being passed for the winding-up of any member of our Group or a provisional liquidator, receiver or manager being appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto in respect of any member of our Group; or
- (r) any loss or damage sustained by any member of our Group; or
- (s) save as disclosed in this prospectus, any litigation or claim of material importance of any third party being threatened or instigated against any member of our Group; or

UNDERWRITING

- (t) a Director being charged with an indictable offence or prohibited by the operation of law or is otherwise disqualified from taking part in the management of a company; or
- (u) the chairman or president of our Company vacating his office; or
- (v) the commencement by any governmental, regulatory or judicial body or organisation of any action against a Director or an announcement by any governmental, regulatory or judicial body or organisation that it intends to take any such action; or
- (w) any matter or event resulting in a breach of any of the warranties, representations or undertakings contained in the Public Offer Underwriting Agreement or there has been a material breach of any other provisions thereof;
- (x) the issue or requirement to issue by our Company of a supplement or amendment to this prospectus (or any other documents used in connection with the contemplated subscription and sale of the Offer Shares) pursuant to the Companies Ordinance or the Listing Rules or the Singapore Listing Manual or any requirement or request of the Stock Exchange and/or the SFC and/or the SGX-ST,

which in the sole and absolute opinion of the Joint Global Coordinators (for themselves and on behalf of the Public Offer Underwriters):

- (a) is or will or may individually or in the aggregate have a material adverse effect on the business, financial, trading or other condition or prospects of our Group taken as a whole; or
- (b) has or will or may have a material adverse effect on the success of the Share Offer or the level of Offer Shares being applied for or accepted or the distribution of Offer Shares; or
- (c) is or will or may make it impracticable, inadvisable, inexpedient or not commercially viable (i) for any material part of the Public Offer Underwriting Agreement, Placing Underwriting Agreement and/or the Share Offer to be performed or implemented in accordance with its terms or (ii) to proceed with or to market the Share Offer on the terms and in the manner contemplated in this prospectus; or

UNDERWRITING

- (ii) the Joint Global Coordinators or the Public Offer Underwriters shall become aware of the fact that, or have cause to believe that:
 - (a) any of the warranties given by our Company, Controlling Shareholders and Directors under the Public Offer Underwriting Agreement or pursuant to the Placing Underwriting Agreement is untrue, inaccurate, misleading or breached in any material respect when given or as repeated as determined by the Joint Global Coordinators or has been declared or determined by any court or governmental authorities to be illegal, invalid or unenforceable in any material respect; or
 - (b) any statement contained in this prospectus, the Application Forms, the formal notice or any announcement or advertisement issued by or on behalf of our Company in connection with the Public Offer (including any supplemental or amendment thereto) was or is untrue, incorrect or misleading in any material respect, or any matter arises or is discovered which would, if such document was to be issued at that time, constitute a material omission therefrom, or that any forecasts, expressions of opinion, intention or expectation expressed in such document are not, in all material aspects, fair and honest and based on reasonable assumptions, when taken as a whole; or
 - (c) there has been a material breach on the part of any of our Company, Controlling Shareholders and Directors of any of the provisions of the Public Offer Underwriting Agreement or the Placing Underwriting Agreement; or
 - (d) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus and not having been disclosed in this prospectus, constitute a material omission therefrom; or
 - (e) any material adverse change or development involving a prospective change in the assets, liabilities, conditions, business affairs, prospects, profits, losses or financial or trading position or performance of any member of the Group; or
 - (f) approval by the Listing Committee of the listing of, and permission to deal in, the Offer Shares to be issued or sold under the Share Offer is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or
 - (g) we withdraw this prospectus (and/or any other documents issued or used in connection with the Share Offer) or the Share Offer.

UNDERWRITING

Undertakings to the Public Offer Underwriters

Undertakings by our Company

Our Company has undertaken to the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Public Offer Underwriters, and each of our Controlling Shareholders and Directors has undertaken to and covenants with the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Public Offer Underwriters that he/it will procure our Company that:

- (a) except pursuant to the Share Offer or under the circumstances provided under Rules 10.08(1) to 10.08(4) of the Listing Rules, not without the prior written consent of the Joint Global Coordinators (for themselves and on behalf of the Public Offer Underwriters), and subject always to the provisions of the Listing Rules, offer, allot, issue or sell, or agree to allot, issue or sell, grant or agree to grant any option, right or warrant over, or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by our Company or any of its affiliates (as defined in the Public Offer Underwriting Agreement)), either directly or indirectly, conditionally or unconditionally, any Shares or any securities convertible into or exchangeable for such Shares or any voting right or any other right attaching thereto or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of subscription or ownership of Shares or such securities or any voting right or any other right attaching thereto, whether any of the foregoing transactions is to be settled by delivery of Shares or such securities, in cash or otherwise or announce any intention to effect any such transaction during the period commencing from the date of the Public Offer Underwriting Agreement up to and including the date falling six months after the Listing Date (the “**First Six-month Period**”);
- (b) not at any time during the First Six-month Period, issue or create any mortgage, pledge, charge or other security interest or any rights in favour of any other person over, directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company or any interest therein (including but not limited to any securities that are convertible into or exchangeable for, or that represent the right to receive, any Shares or securities of our Company) or grant any options, warrants or other rights to subscribe for any Shares or other securities of our Company or agree to do any of the foregoing, except pursuant to the Share Offer or under the circumstances provided under Rules 10.08(1) to 10.08(4) of the Listing Rules or under Note (2) to Rule 10.07 of the Listing Rules;

UNDERWRITING

- (c) not at any time within the period of six months immediately following the expiry of the First Six-month Period (the “**Second Six-month Period**”) do any of the acts set out in (a) and (b) above such that any of our Controlling Shareholders, directly or indirectly, would cease to be a controlling shareholder of our Company (within the meaning defined in the Listing Rules); and
- (d) in the event that our Company does any of the acts set out in clause (a) or (b) after the expiry of the First Six-month Period or the Second Six-month Period, as the case may be, take all steps to ensure that any such act, if done, shall not create a disorderly or false market for any Shares or other securities of our Company or any interest therein.

Provided that none of the above undertakings shall (a) restrict our Company’s ability to sell, pledge, mortgage or charge any share capital or other securities of or any other interest in any of the subsidiaries provided that such sale or any enforcement of such pledge, mortgage or charge will not result in such Subsidiaries ceasing to be a subsidiary of our Company; or (b) restrict any of the subsidiaries from issuing any share capital or other securities thereof or any other interests therein provided that any such issue will not result in that Subsidiary ceasing to be a subsidiary of our Company.

Undertakings by our Controlling Shareholders

Each of our Controlling Shareholders has represented, warranted and undertaken to the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Public Offer Underwriters and our Company that, except pursuant to the Share Offer and unless in compliance with the Listing Rules, he or it shall not, without the prior written consent of the Joint Global Coordinators (for themselves and on behalf of the Public Offer Underwriters), directly or indirectly, and shall procure that none of his or its close associates (as defined in the Listing Rules) or companies controlled by him or it or any nominee or trustee holding in trust for him or it shall, during the First Six-month Period:

- (a) offer for sale, sell, transfer, contract to sell, or otherwise dispose of (including without limitation by the creation of any option, right, warrant to purchase or otherwise transfer or dispose of, or any lending, charges, pledges or encumbrances over, or by entering into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise)) any of the Shares (or any interest therein or any of the voting or other rights attaching thereto) in respect of which he or it is shown in this prospectus to be the beneficial owner (directly or indirectly) or any other securities convertible into or exchangeable for or which carry a right to subscribe, purchase or acquire any such Shares (or any interest therein or any of the voting or other rights attaching thereto); or

UNDERWRITING

- (b) enter into any swap, derivative or other arrangement that transfers to another, in whole or in part, any of the economic consequences of the acquisition or ownership of any such Shares (or any interest therein or any of the voting or other rights attaching thereto) or such securities, at any time during the First Six-month Period, save as provided under note (2) to Rule 10.07(2) of the Listing Rules and subject always to compliance with the provisions of the Listing Rules, and in the event of a disposal of any Shares (or any interest therein or any of the voting or other rights attaching thereto) or such securities at any time during the Second Six-month period, (1) such disposal shall not result in any of our Controlling Shareholders ceasing to be our controlling shareholder (as defined in the Listing Rules) of our Company at any time during the Second Six-month Period; and (2) he or it shall take all steps to ensure that any such act, if done, shall not create a disorderly or false market for any Shares or other securities of our Company or any interest therein.

Without prejudice to our Controlling Shareholders' undertaking above, each of the Controlling Shareholders undertakes to the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Public Offer Underwriters and our Company that within the First Six-month Period and the Second Six-month Period he or it shall:

- (a) if and when he or it pledges or charges, directly or indirectly, any Shares (or any interest therein or any of the voting or other rights attaching thereto) or other securities of our Company beneficially owned by him or it (or any beneficial interest therein), immediately inform our Company, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Public Offer Underwriters in writing of such pledge or charge together with the number of such Shares or other securities so pledged or charged; and
- (b) if and when he or it receives indications, either verbal or written, from any pledgee or chargee that any Shares (or any interest therein or any of the voting or other rights attaching thereto) or other securities in our Company (or any beneficial interest therein) pledged or charged by him or it will be disposed of, immediately inform our Company, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Public Offer Underwriters in writing of such indications.

Our Company shall notify the Stock Exchange as soon as our Company has been informed of such event and shall make a public disclosure by way of announcement in accordance with the Listing Rules.

UNDERWRITING

Undertakings to the Stock Exchange pursuant to the Listing Rules

Undertakings by our Controlling Shareholders

In accordance with Rule 10.07(1) of the Listing Rules, each of our Controlling Shareholders has undertaken to the Stock Exchange and our Company that except pursuant to the Share Offer or unless in compliance with the requirements of the Listing Rules, it or he shall not, and shall procure that the relevant registered holder(s) shall not, (i) at any time during the period commencing on the date by reference to which disclosure of its or his shareholding in our Company is made in this prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares or other securities of our Company in respect of which it or he is shown by this prospectus to be the beneficial owner; and (ii) at any time during the period of six months from the date on which the period referred to in paragraph (i) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares referred to in paragraph (i) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it or he would cease to be our Controlling Shareholder.

Each of our Controlling Shareholders has further undertaken to us and the Stock Exchange that it or he will, within a period of commencing on the date by reference to which disclosure of its or his shareholding is made in this prospectus and ending on the date which is 12 months from the Listing Date, immediately inform us of: (a) any pledges or charges of any Shares or other securities of our Company beneficially owned by any of our Controlling Shareholders in favour of any authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) pursuant to Note 2 to Rule 10.07(2) of the Listing Rules for a bona fide commercial loan, and the number of such Shares or other securities of our Company so pledged or charged; and (b) when it or he or the relevant requested holders receive indication, either verbal or written, from any pledgee or chargee of any Shares or other securities of our Company pledged or charged that any of such securities will be disposed of.

Undertaking by our Company

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange that no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) may be issued or form the subject of any agreement or arrangement to such an issue within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except pursuant to the Share Offer or in certain circumstances prescribed by Rule 10.08 of the Listing Rules which includes the grant of options.

UNDERWRITING

Placing

Placing Underwriting Agreement

In connection with the Placing, it is expected that our Company, our Controlling Shareholders and non-executive Directors will enter into the Placing Underwriting Agreement with the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Placing Underwriter and other parties (if any) on terms and conditions that are substantially similar to the Public Offer Underwriting Agreement as described above and on the additional terms described below.

Under the Placing Underwriting Agreement, subject to the conditions set forth therein, the Placing Underwriter is expected to procure subscribers and purchasers to subscribe for or purchase, or failing which they shall subscribe for or purchase, the Placing Shares initially being offered pursuant to the Placing. It is expected that the Placing Underwriting Agreement may be terminated on similar grounds as the Public Offer Underwriting Agreement. Potential investors shall be reminded that in the event that the Placing Underwriting Agreement is not entered into, the Share Offer will not proceed. The Placing Underwriting Agreement is conditional on and subject to the Public Offer Underwriting Agreement having been executed, becoming unconditional and not having been terminated. It is expected that pursuant to the Placing Underwriting Agreement, our Company, and Controlling Shareholders will make similar undertakings as those given pursuant to the Public Offer Underwriting Agreement as described in the paragraph headed “Undertakings to the Public Offer Underwriters” in this section above.

Commission, fees and expenses

The Public Offer Underwriters will receive a gross underwriting commission of 3% of the aggregate Offer Price of the Public Offer Shares initially offered under the Public Offer. For unsubscribed Public Offer Shares reallocated to the Placing and any Placing Shares reallocated from the Placing to the Public Offer, we will pay an underwriting commission at the rate applicable to the Placing and such commission will be paid to the Placing Underwriter and not the Public Offer Underwriters. In addition, our Company may, at its sole discretion, pay the Public Offer Underwriters an incentive fee of 0.5% of the aggregate Offer Price of all the Public Offer Shares.

Assuming the Offer Price of HK\$3.15 per Offer Share (being the mid-point of the indicative Offer Price range stated in this prospectus), the aggregate commission, together with Stock Exchange listing fees, SFC transaction levy, Stock Exchange trading fees, legal and other professional fees and printing and other expenses relating to the Share Offer, are estimated to amount to approximately HK\$39.3 million in total and are payable by our Company with reference to the number of Offer Shares under the Share Offer.

UNDERWRITING

SOLE SPONSOR'S AND UNDERWRITERS' INTEREST IN OUR COMPANY

The Sole Sponsor will receive a sponsorship fee to the Share Offer. The Joint Global Coordinators and the Underwriters will receive an aggregate underwriting commission (including praecipiums, if any). Particulars of these underwriting commission and expenses are set forth under the paragraph headed "Commission, fees and expenses" in this section above.

We have appointed VBG Capital Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules for the period commencing on the Listing Date and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the full financial year commencing after the Listing Date.

Save as disclosed above, none of the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, or the Underwriters is interested legally or beneficially in any Shares or other securities of our Company or any members of our Group or has any right or option (whether legally enforceable or not) to subscribe for or purchase or to nominate persons to subscribe for or purchase any Shares or other securities of our Company or any members of our Group or has any interest in the Share Offer.

Following the completion of the Share Offer, the Public Offer Underwriters, the Placing Underwriters and/or their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their respective obligations under the Public Offer Underwriting Agreement and/or the Placing Underwriting Agreement.

The Sole Sponsor satisfies the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules.

MINIMUM PUBLIC FLOAT

Our Directors and the Joint Global Coordinators will ensure that there will be a minimum 25% of the total issued Shares held in public hands in accordance with Rule 8.08 of the Listing Rules after completion of the Share Offer.

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

THE SHARE OFFER

This prospectus is published in connection with the Share Offer. The Share Offer consists of:

- a. the Public Offer of 6,000,000 Shares (subject to reallocation as mentioned below) in Hong Kong as described under the paragraph headed “The Public Offer” in this section below; and
- b. the Placing of an aggregate of 30,000,000 Shares (subject to reallocation as mentioned below) which will be conditionally placed with selected professional, institutional, and other investors under the Placing.

Investors may apply for the Offer Shares under the Public Offer or indicate an interest, if qualified to do so, for the Placing Shares under the Placing, but may not do both.

The number of Offer Shares to be offered under the Public Offer and the Placing may be subject to reallocation as described in the paragraph headed “The Public Offer — Reallocation” in this section below.

References in this prospectus to applications, Application Forms, application monies or the procedures for application relate solely to the Public Offer.

THE PUBLIC OFFER

Number of Offer Shares initially offered

Our Company is initially offering 6,000,000 Public Offer Shares for subscription (subject to reallocation) at the Offer Price by members of the public in Hong Kong under the Public Offer, representing approximately 16.7% of the total number of Offer Shares initially available under the Share Offer. The Public Offer Shares initially offered under the Public Offer, subject to any reallocation of Offer Shares between the Placing and the Public Offer, will represent approximately 0.7% of our Company’s enlarged issued share capital after completion of the Share Offer.

The Public Offer is open to all members of the public in Hong Kong as well as to institutional and professional investors. Professional and institutional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities.

Completion of the Public Offer is subject to the conditions as set out in the paragraph headed “Conditions of the Share Offer” of this section.

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

Allocation

Allocation of the Public Offer Shares to investors under the Public Offer will be based solely on the level of valid applications received under the Public Offer. The basis of allocation may vary, depending on the number of Public Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which could mean that some applicants may be allotted more Public Offer Shares than others who have applied for the same number of Public Offer Shares, and those applicants who are not successful in the ballot may not receive any Public Offer Shares.

The total number of Public Offer Shares available under the Public Offer (after taking into account any reallocation as referred to below) is to be divided equally (to the nearest board lot) into two pools for allocation purposes: 3,000,000 Offer Shares for pool A and 3,000,000 Offer Shares for pool B. The Public Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for the Public Offer Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage, the Stock Exchange trading fee and the SFC transaction levy payable thereon) or less. The Public Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for Public Offer Shares with an aggregate subscription price of more than HK\$5 million (excluding the brokerage, the Stock Exchange trading fee and the SFC transaction levy payable thereon) and up to the total value in pool B.

Investors should be aware that the allocation ratios for applications in the two pools, as well as the allocation ratios for applications in the same pool, are likely to be different. Where one of the pools is undersubscribed, the surplus Public Offer Shares will be transferred to satisfy demand in the other pool and be allocated accordingly. Applicants can only receive an allocation of Public Offer Shares from either pool A or pool B and not from both pools. Multiple or suspected multiple applications under the Public Offer and any application for more than 3,000,000 Public Offer Shares, being the 50% of the 6,000,000 Public Offer shares initially available under the Public Offer are liable to be rejected.

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

Reallocation

The allocation of Offer Shares between the Public Offer and the Placing is subject to reallocation. Paragraph 4.2 of Practice Note 18 of the Listing Rules requires a clawback mechanism to be put in place, which would have the effect of increasing the number of Public Offer Shares under the Public Offer to a certain percentage of the total number of Offer Shares offered in the Share Offer if certain prescribed total demand levels are reached. In the event of over-applications in the Public Offer, the Joint Global Coordinators (for themselves and on behalf of the Underwriters) shall apply a clawback mechanism following the closing of the application lists on the following basis:

- (a) if the number of Public Offer Shares validly applied for under the Public Offer represents 15 times or more but less than 50 times the number of Offer Shares initially available for subscription under the Public Offer, then Offer Shares will be reallocated to the Public Offer from the Placing, so that the total number of Offer Shares available for subscription under the Public Offer will be 10,800,000 Offer Shares, representing 30% of the number of the Offer Shares initially available for subscription under the Share Offer;
- (b) if the number of Public Offer Shares validly applied for under the Public Offer represents 50 times or more but less than 100 times the number of Offer Shares initially available for subscription under the Public Offer, then Offer Shares will be reallocated to the Public Offer from the Placing, so that the total number of Offer Shares available for subscription under the Public Offer will be 14,400,000 Offer Shares, representing 40% of the number of the Offer Shares initially available for subscription under the Share Offer; and
- (c) if the number of Public Offer Shares validly applied for under the Public Offer represents 100 times or more the number of Offer Shares initially available for subscription under the Public Offer, then Offer Shares will be reallocated to the Public Offer from the Placing, so that the total number of Offer Shares available for subscription under the Public Offer will be 18,000,000 Offer Shares, representing 50% of the number of the Offer Shares initially available for subscription under the Share Offer.

In each case, the additional Offer Shares reallocated to the Public Offer will be allocated between pool A and pool B and the number of Offer Shares allocated to the Placing will be correspondingly reduced, in such manner as the Joint Global Coordinators (for themselves and on behalf of the Underwriters) deem appropriate. In addition, the Joint Global Coordinators (for themselves and on behalf of the Underwriters) may in their sole and absolute discretion reallocate Shares from the Placing to the Public Offer to satisfy valid applications under the Public Offer.

If the Public Offer Shares are not fully subscribed, the Joint Global Coordinators (for themselves and on behalf of the Underwriters) will have the discretion (but shall not be under any obligation) to reallocate all or any unsubscribed Public Offer Shares to the Placing in such amount

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

as the Joint Global Coordinators (for themselves and on behalf of the Underwriters) deems appropriate. If the Placing Shares are not fully subscribed or purchased, the Joint Global Coordinators (for themselves and on behalf of the Underwriters) will have the discretion (but shall not be under any obligation) to reallocate all or any unsubscribed or un-purchased Placing Shares to the Public Offer in such amount as the Joint Global Coordinators (for themselves and on behalf of the Underwriters) deem appropriate.

Applications

Each applicant under the Public Offer will also be required to give an undertaking and confirmation in the application submitted by him or her that he or she and any person(s) for whose benefit he or she is making the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Placing Shares under the Placing, and such applicant's application is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be) or if he or she has been or will be placed or allocated Placing Shares under the Placing.

The listing of the Offer Shares on the Stock Exchange is sponsored by the Sole Sponsor. Applicants under the Public Offer are required to pay, on application, the maximum Offer Price of HK\$3.30 per Offer Share in addition to any brokerage, SFC transaction levy and Stock Exchange trading fee payable on each Offer Share, amounting to a total of HK\$3,333.26 for one board lot of 1,000 Shares. If the Offer Price, as finally determined in the manner described in the paragraph headed "Pricing and allocation" in this section below, is less than the maximum Offer Price of HK\$3.30 per Offer Share, appropriate refund payments (including the brokerage, SFC transaction levy and the Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants, without interest. Further details are set out in the section headed "How to apply for the Public Offer Shares" in this prospectus.

THE PLACING

Number of Offer Shares offered

Subject to reallocation as described above, the Placing will consist of 30,000,000 Shares, representing approximately 83.3% of the total number of Offer Shares initially available under the Share Offer. Subject to the reallocation of the Offer Shares between the Placing and the Public Offer, the number of Offer Shares initially offered under the Placing will represent approximately 3.45% of our Company's enlarged issued share capital immediately after completion of the Share Offer.

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

Allocation

Pursuant to the Placing, the Placing Shares will be conditionally placed on behalf of our Company by the Placing Underwriters or through selling agents appointed by them. The Placing Shares will be selectively placed to certain professional and institutional and other investors who generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. The Placing is subject to the Public Offer being unconditional.

Allocation of Offer Shares pursuant to the Placing will be effected in accordance with the “book-building” process based on a number of factors, including the level and timing of demand, the total size of the relevant investor’s invested assets or equity assets in relevant sector and whether or not it is expected that the relevant investor is likely to buy further Offer Shares, and/or hold or sell its Offer Shares, after the listing of the Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and our Shareholders as a whole.

The Joint Global Coordinators (for themselves and on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the Placing, and who has made an application under the Public Offer to provide sufficient information to the Joint Global Coordinators so as to allow them to identify the relevant applications under the Public Offer and to ensure that they are excluded from any application of Offer Shares under the Public Offer.

Reallocation

The total number of Offer Shares to be issued pursuant to the Placing may change as a result of the clawback arrangement described in the paragraph headed “The Public Offer — Reallocation” in this section above, and/or any reallocation of unsubscribed Offer Shares originally included in the Public Offer.

PRICING AND ALLOCATION

Determining the Offer Price

The Joint Global Coordinators will solicit from prospective investors the indications of interest in acquiring the Offer Shares in the Placing. Prospective investors will be required to specify the number of Offer Shares under the Placing they would be prepared to acquire either at different prices or at a particular price. This process, known as “book-building”, is expected to continue up to, and to cease on or around, the last day for lodging applications under the Share Offer. Pricing for the Offer Shares for the purpose of the Share Offer will be fixed on the Price Determination Date, which

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

is expected to be on or around Wednesday, 6 December 2017, and in any event on or before Friday, 8 December 2017, by agreement between the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and our Company and the number of Offer Shares to be allocated under the Share Offer will be determined shortly thereafter.

Offer Price range

The Offer Price will be not more than HK\$3.30 per Offer Share and is expected to be not less than HK\$3.00 per Offer Share unless otherwise announced, as further explained below, not later than the morning of the last day for lodging applications under the Share Offer. Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative Offer Price range stated in this prospectus.

Price payable on application

Applicants for Offer Shares under the Public Offer must pay, on application, the maximum Offer Price of HK\$3.30 for each Public Offer Share (plus the brokerage, Stock Exchange trading fee and SFC transaction levy payable on each Offer Share), amounting to a total of HK\$3,333.26 per board lot of 1,000 Offer Shares.

If the Offer Price, as finally determined in the manner described above, is lower than the maximum Offer Price of HK\$3.30 per Offer Share, appropriate refund payments (including the related brokerage, the Stock Exchange trading fee and the SFC transaction levy attributable to the excess application monies) will be made to applicants, without interest.

If, for any reason, our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) are unable to reach agreement on the Offer Price on or before Friday, 8 December 2017, the Share Offer will not proceed and will lapse.

Further details are set out in the section headed “How to apply for the Public Offer Shares” in this prospectus.

Change to the Offer Price range

The Joint Global Coordinators (for themselves and on behalf of the Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective investors during the book-building process in respect of the Placing, and with the consent of our Company, change the indicative Offer Price range stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Public Offer.

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

In this case, we shall cause to be published, as soon as practicable following the decision to make such change, and in any event not later than the morning of the last day for lodging applications under the Public Offer:

- (a) a notice of the change on the website of the Stock Exchange at www.hkexnews.hk and our Company's website at www.centurioncorp.com.sg. The notice will include a confirmation or revision, as appropriate, of the working capital statement and the Public Offering statistics and any other financial information in this prospectus which may change as a result of any such change; and
- (b) such supplemental offering documents as may be required by laws of any governmental authority to be published in such manner as the relevant laws or governmental authority may require as soon as practicable following the decision to make the change.

Upon issue of such a notice, the revised number of the Offer Shares and/or Offer Price range will be final and conclusive and the Offer Price, if agreed upon with our Company, will be fixed within such revised number of the Offer Shares and/or Offer Price range. Such notice will also include confirmation or revision, as appropriate, of the working capital statement, the Share Offer statistics, and any other financial information in this prospectus which may change as a result of any such change.

Before submitting applications for the Public Offer Shares, applicants should have regard to the possibility that any announcement of an extension or reduction in the number of Offer Shares being offered under the Share Offer and/or the indicative Offer Price range may not be made until the day which is the last day for lodging applications under the Public Offer. Such notice will also include confirmation or revision, as appropriate, of the working capital statement, the use of proceeds and the Share Offer statistics as currently set out in this prospectus and any other financial information which may change as a result of such reduction. In the absence of any such notice published in relation to the reduction in the Offer Price, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon by our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) will under no circumstances be set outside the Offer Price range as stated in this prospectus. If the number of Offer Shares and/or the indicative Offer Price range is reduced, applicants who have submitted an application under the Public Offer will be entitled to withdraw their applications unless positive confirmations from the applicants to proceed are received.

Announcement of Offer Price and the basis of allocations

Announcement of the final Offer Price together with the level of indication of interests in the Placing and the level of applications in the Public Offer and the basis of allocation of the Public Offer Shares are expected to be published on Monday, 11 December 2017 on the Stock Exchange's website at www.hkexnews.hk and our Company's website at www.centurioncorp.com.sg.

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

UNDERWRITING

The Public Offer is fully underwritten by the Public Offer Underwriters under the terms of the Public Offer Underwriting Agreement. We expect to enter into the Placing Underwriting Agreement relating to the Placing on or around Wednesday, 6 December 2017. These underwriting arrangements and the Underwriting Agreements are summarised in the section headed “Underwriting” in this prospectus.

CONDITIONS OF THE SHARE OFFER

Acceptance of all applications for the Offer Shares is conditional upon, amongst other things, the satisfaction of all the following conditions, in each case on or before the dates and times specified in the Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than 30 days after the date of this prospectus:

1. Listing

The Listing Committee granting the approval of the listing of, and permission to deal in, on the Main Board of the Stock Exchange, our Shares in issue and listed on the main board of the SGX-ST and Shares that may be allotted and issued pursuant to (i) the Share Offer; and (ii) the exercise of Warrants that have been issued by us and which are listed and quoted on the main board of SGX-ST.

2. Placing Underwriting Agreement

The execution and delivery of the Placing Underwriting Agreement on or about Wednesday, 6 December 2017.

3. Obligations under the Underwriting Agreements

The obligations of the Underwriters under each of the Underwriting Agreements becoming and remaining unconditional (including, if relevant, as a result of a waiver of any condition(s)) and such obligations not being terminated in accordance with the terms of the Underwriting Agreements.

4. Price determination

The Offer Price having been determined and the execution of the Price Determination Agreement on or before the Price Determination Date.

If, for any reason, the Offer Price is not agreed between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on or before 5:00 p.m. on Friday, 8 December 2017, the Share Offer will not proceed and will lapse.

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

The consummation of each of the Public Offer and the Placing is conditional upon, among other things, the other offering becoming and remaining unconditional and not having been terminated in accordance with their respective terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Share Offer will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Public Offer will be published by us on the Stock Exchange's website at www.hkexnews.hk and our Company's website at www.centurioncorp.com.sg on the next Business Day following such lapse. In such eventuality, all application monies will be returned, without interest, on the terms set out in the section headed "How to apply for the Public Offer Shares" in this prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving banks or other licensed bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended from time to time).

Share certificates for the Offer Shares are expected to be issued on Monday, 11 December 2017 but will only become valid certificates of title at 8:00 a.m. on Tuesday, 12 December 2017 provided that (i) the Share Offer has become unconditional in all respects, and (ii) the right of termination as described in the paragraph headed "Underwriting — Underwriting arrangements and expenses — Public Offer — Grounds for termination" in this prospectus has not been exercised.

SHARES WILL BE ELIGIBLE FOR CCASS

All necessary arrangements have been made for the Shares to be admitted into CCASS.

If the Stock Exchange grants the listing of, and permission to deal in, the Shares and our Company complies with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day.

All activities under CCASS are subject to Rules of CCASS in effect from time to time.

DEALING ARRANGEMENTS

Assuming that the Public Offer becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, 12 December 2017, it is expected that dealings in Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, 12 December 2017.

The Shares will be traded in board lots of 1,000 Shares each. The stock code of the Shares is 6090.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

HOW TO APPLY FOR PUBLIC OFFER SHARES

1. HOW TO APPLY

If you apply for Public Offer Shares, then you may not apply for or indicate an interest for Placing Shares.

To apply for Public Offer Shares, you may:

- use a **WHITE** or **YELLOW** Application Form; or
- electronically cause HKSCC Nominees to apply on your behalf.

None of you or your joint applicant(s) may make more than one application, except where you are a nominee and provide the required information in your application.

Our Company, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and their respective agents may reject or accept any application in full or in part for any reason at their discretion.

2. WHO CAN APPLY

You can apply for Public Offer Shares on a **WHITE** or **YELLOW** Application Form if you or the person(s) for whose benefit you are applying:

- are 18 years of age or older;
- have a Hong Kong address;
- are outside the United States, and are not a United States Person (as defined in Regulation S under the U.S. Securities Act); and
- are not a legal or natural person of the PRC.

If you are a firm, the application must be in the individual members' names. If you are a body corporate, the application form must be signed by a duly authorised officer, who must state his representative capacity, and stamped with your corporation's chop.

If an application is made by a person under a power of attorney, our Company, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners and the Joint Lead Managers may accept it at their discretion and on any conditions they think fit, including evidence of the attorney's authority.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

The number of joint applicants may not exceed four.

Unless permitted by the Listing Rules, you cannot apply for any Public Offer Shares if you:

- are an existing beneficial owner of Shares in our Company and/or any of its subsidiaries;
- are a Director or chief executive officer of our Company and/or any of its subsidiaries;
- are a connected person (as defined in the Listing Rules) of our Company or will become a core connected person of our Company immediately upon completion of the Share Offer;
- are an associate (as defined in the Listing Rules) of any of the above; and
- have been allocated or have applied for any Placing Shares or otherwise participate in the Placing.

3. APPLYING FOR PUBLIC OFFER SHARES

Which application channel to use

For Public Offer Shares to be issued in your own name, use a **WHITE** Application Form.

For Public Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your or a designated CCASS Participant's stock account, either (i) complete and sign the **YELLOW** Application Form; or (ii) give **electronic application instructions** to HKSCC via CCASS.

Where to collect the Application Forms

You can collect a **WHITE** Application Form and a prospectus during normal business hours from 9:00 a.m. on Wednesday, 29 November 2017 to 12:00 noon on Monday, 4 December 2017 from:

- (i) the following office of the Public Offer Underwriters:

UOB Kay Hian (Hong Kong) Limited	15/F, China Building 29 Queen's Road Central Hong Kong
Pacific Foundation Securities Limited	11/F New World Tower II 16-18 Queen's Road Central Hong Kong
VBG Capital Limited	18th Floor Prosperity Tower 39 Queen's Road Central Hong Kong

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

- (ii) any of the following branches of Bank of China (Hong Kong) Limited, the receiving bank for the Public Offer:

District	Branch Name	Address
Hong Kong Island	Causeway Bay Branch	505 Hennessy Road Causeway Bay Hong Kong
Kowloon	Yau Ma Tei Branch	471 Nathan Road Yau Ma Tei
	Hoi Yuen Road Branch	55 Hoi Yuen Road Kwun Tong
New Territories	Sheung Shui Branch Securities Service Centre	136 San Fung Avenue Sheung Shui

You can collect a **YELLOW** Application Form and a prospectus during normal business hours from 9:00 a.m. on Wednesday, 29 November 2017 until 12:00 noon on Monday, 4 December 2017 from the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong or from your stockbroker.

Time for lodging Application Forms

Your completed **WHITE** or **YELLOW** Application Form, together with a cheque or a banker's cashier order attached and marked payable to "Bank of China (Hong Kong) Nominees Limited — Centurion Corporation Public Offer" for the payment, should be deposited in the special collection boxes provided at any of the branches of the receiving bank listed above, at the following times:

- Wednesday, 29 November 2017 — 9:00 a.m. to 5:00 p.m.
- Thursday, 30 November 2017 — 9:00 a.m. to 5:00 p.m.
- Friday, 1 December 2017 — 9:00 a.m. to 5:00 p.m.
- Saturday, 2 December 2017 — 9:00 a.m. to 1:00 p.m.
- Monday, 4 December 2017 — 9:00 a.m. to 12:00 noon

The application lists will be open from 11:45 a.m. to 12:00 noon on Monday, 4 December 2017, the last application day or such later time as described in "9. Effect of bad weather on the opening of the applications lists" in this section.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

4. TERMS AND CONDITIONS OF AN APPLICATION

Follow the detailed instructions in the Application Form carefully, otherwise, your application may be rejected.

By submitting an Application Form, among other things, you (and if you are joint applicants, each of you jointly and severally) for yourself or as an agent or a nominee on behalf of each person for whom you act:

- (i) undertake to execute all relevant documents and instruct and authorise our Company, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners and/or the Joint Lead Managers (or their agents or nominees), as agents of our Company, to execute any documents for you and to do on your behalf all things necessary to register any Public Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Constitution;
- (ii) agree to comply with the Companies Law, the Companies Ordinance, the Companies (Miscellaneous Provisions) Ordinance and the Constitution;
- (iii) confirm that you have read the terms and conditions and application procedures set out in this prospectus and in the Application Form and agree to be bound by them;
- (iv) confirm that you have received and read this prospectus and have only relied on the information and representations contained in this prospectus in making your application and will not rely on any other information or representations except those in any supplement to this prospectus;
- (v) confirm that you are aware of the restrictions on the Share Offer in this prospectus;
- (vi) agree that none of our Company, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, Joint Lead Managers, the Underwriters, their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Share Offer is or will be liable for any information and representations not in this prospectus (and any supplement to it);
- (vii) undertake and confirm that you or the person(s) for whose benefit you have made the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any of the Placing Shares nor participated in the Placing;

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

- (viii) agree to disclose to our Company, our Hong Kong Branch Share Registrar, the receiving bank, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and/or their respective advisers and agents any personal data which they may require about you and the person(s) for whose benefit you have made the application;
- (ix) if the laws of any place outside Hong Kong apply to your application, agree and warrant that you have complied with all such laws and none of our Company, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Underwriters nor any of their respective officers or advisers will breach any law outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus and the Application Form;
- (x) agree that once your application has been accepted, you may not rescind it because of an innocent misrepresentation;
- (xi) agree that your application will be governed by the laws of Hong Kong;
- (xii) represent, warrant and undertake that (i) you understand that the Public Offer Shares have not been and will not be registered under the U.S. Securities Act; and (ii) you and any person for whose benefit you are applying for the Public Offer Shares are outside the United States (as defined in Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S;
- (xiii) warrant that the information you have provided is true and accurate;
- (xiv) agree to accept the Public Offer Shares applied for, or any lesser number allocated to you under the application;
- (xv) authorise our Company to place your name(s) or the name of HKSCC Nominees, on our Company's register of members as the holder(s) of any Public Offer Shares allocated to you, and our Company and/or its agents to deposit any share certificate(s) into CCASS and/or to send any share certificate(s) and/or any refund cheque(s) to you or the first-named applicant for joint application by ordinary post at your own risk to the address stated on the application, unless you are eligible to collect the share certificate(s) and/or refund cheque(s) in person;
- (xvi) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

- (xvii) understand that our Company, the Directors, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners and the Joint Lead Managers will rely on your declarations and representations in deciding whether or not to make any allotment of any of the Public Offer Shares to you and that you may be prosecuted for making a false declaration;
- (xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC by you or by any one as your agent or by any other person; and
- (xix) (if you are making the application as an agent for the benefit of another person) warrant that (i) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC; and (ii) you have due authority to sign the Application Form or give **electronic application instructions** on behalf of that other person as their agent.

Additional instructions for YELLOW Application Form

You may refer to the **YELLOW** Application Form for details.

Section 40 of the Companies (Miscellaneous Provisions) Ordinance

For the avoidance of doubt, our Company and all other parties involved in the preparation of this prospectus acknowledge that each applicant who gives or causes to give **electronic application instructions** is a person who may be entitled to compensation under Section 40 of the Companies (Miscellaneous Provisions) Ordinance (as applied by Section 342E of the Companies (Miscellaneous Provisions) Ordinance).

5. APPLYING BY GIVING ELECTRONIC APPLICATION INSTRUCTIONS TO HKSCC VIA CCASS

General

CCASS Participants may give **electronic application instructions** to apply for the Public Offer Shares and to arrange payment of the money due on application and payment of refunds under their participant agreements with HKSCC and Rules of CCASS.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

If you are a CCASS Investor Participant, you may give these **electronic application instructions** through the CCASS Phone System by calling 2979 7888 or through the CCASS Internet System (<https://ip.ccass.com>) (using the procedures in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time).

HKSCC can also input **electronic application instructions** for you if you go to:

Hong Kong Securities Clearing Company Limited

Customer Service Centre

1/F, One & Two Exchange Square

8 Connaught Place

Central

Hong Kong

and complete an input request form.

You can also collect a prospectus from this address.

If you are not a **CCASS Investor Participant**, you may instruct your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give electronic application instructions via CCASS terminals to apply for the Public Offer Shares on your behalf.

You will be deemed to have authorised HKSCC and/or HKSCC Nominees to transfer the details of your application to our Company, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and our Hong Kong Branch Share Registrar.

Giving **electronic application instructions** to HKSCC via CCASS

Where you have given electronic application instructions to apply for the Public Offer Shares and a **WHITE** Application Form is signed by HKSCC Nominees on your behalf:

- (i) HKSCC Nominees will only be acting as a nominee for you and is not liable for any breach of the terms and conditions of the **WHITE** Application Form or this prospectus;
- (ii) HKSCC Nominees will do the following things on your behalf:
 - agree that the Public Offer Shares to be allotted shall be issued in the name of HKSCC Nominees and deposited directly into CCASS for the credit of the CCASS Participant’s stock account on your behalf or your CCASS Investor Participant’s stock account;
 - agree to accept the Public Offer Shares applied for or any lesser number allocated;

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

- undertake and confirm that you have not applied for or taken up, will not apply for or take up, or indicate an interest for, any Offer Shares under the Placing;
- (if the **electronic application instructions** are given for your benefit) declare that only one set of **electronic application instructions** has been given for your benefit;
- (if you are an agent for another person) declare that you have only given one set of **electronic application instructions** for the other person's benefit and are duly authorised to give those instructions as their agent;
- confirm that you understand that our Company, our Directors, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Underwriters will rely on your declarations and representations in deciding whether or not to make any allotment of any of the Public Offer Shares to you and that you may be prosecuted if you make a false declaration;
- authorise our Company to place HKSCC Nominees' name on our Company's register of members as the holder of the Public Offer Shares allocated to you and to send share certificate(s) and/or refund monies under the arrangements separately agreed between us and HKSCC;
- confirm that you have read the terms and conditions and application procedures set out in this prospectus and agree to be bound by them;
- confirm that you have received and/or read a copy of this prospectus and have relied only on the information and representations in this prospectus in causing the application to be made, save as set out in any supplement to this prospectus;
- agree that none of our Company, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Share Offer, is or will be liable for any information and representations not contained in this prospectus (and any supplement to it);
- agree to disclose your personal data to our Company, our Hong Kong Branch Share Registrar, the receiving bank, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and/or their respective advisers and agents;

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

- agree (without prejudice to any other rights which you may have) that once HKSCC Nominees' application has been accepted, it cannot be rescinded for innocent misrepresentation;
- agree that any application made by HKSCC Nominees on your behalf is irrevocable before the fifth day after the time of the opening of the application lists (excluding any day which is Saturday, Sunday or public holiday in Hong Kong), such agreement to take effect as a collateral contract with us and to become binding when you give the instructions and such collateral contract to be in consideration of our Company agreeing that it will not offer any Public Offer Shares to any person before the fifth day after the time of the opening of the application lists (excluding any day which is Saturday, Sunday or public holiday in Hong Kong), except by means of one of the procedures referred to in this prospectus. However, HKSCC Nominees may revoke the application before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is a Saturday, Sunday or public holiday in Hong Kong) if a person responsible for this prospectus under Section 40 of the Companies (Miscellaneous Provisions) Ordinance gives a public notice under that section which excludes or limits that person's responsibility for this prospectus;
- agree that once HKSCC Nominees' application is accepted, neither that application nor your **electronic application instructions** can be revoked, and that acceptance of that application will be evidenced by our Company's announcement of the Public Offer results;
- agree to the arrangements, undertakings and warranties under the participant agreement between you and HKSCC, read with Rules of CCASS, for the giving **electronic application instructions** to apply for Public Offer Shares;
- agree with our Company, for itself and for the benefit of each Shareholder (and so that our Company will be deemed by its acceptance in whole or in part of the application by HKSCC Nominees to have agreed, for itself and on behalf of each of the Shareholders, with each CCASS Participant giving **electronic application instructions**) to observe and comply with the Companies Law, the Companies Ordinance, Companies (Miscellaneous Provisions) Ordinance and the Constitution; and
- agree that your application, any acceptance of it and the resulting contract will be governed by the Laws of Hong Kong.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

Effect of giving electronic application instructions to HKSCC via CCASS

By giving **electronic application instructions** to HKSCC or instructing your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give such instructions to HKSCC, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have done the following things. Neither HKSCC nor HKSCC Nominees shall be liable to our Company or any other person in respect of the things mentioned below:

- instructed and authorised HKSCC to cause HKSCC Nominees (acting as nominee for the relevant CCASS Participants) to apply for the Public Offer Shares on your behalf;
- instructed and authorised HKSCC to arrange payment of the maximum Offer Price, brokerage, SFC transaction levy and the Stock Exchange trading fee by debiting your designated bank account and, in the case of a wholly or partially unsuccessful application and/or if the Offer Price is less than the maximum Offer Price per Offer Share initially paid on application, refund of the application monies (including brokerage, SFC transaction levy and the Stock Exchange trading fee) by crediting your designated bank account; and
- instructed and authorised HKSCC to cause HKSCC Nominees to do on your behalf all the things stated in the **WHITE** Application Form and in this prospectus.

Minimum purchase amount and permitted numbers

You may give or cause your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give **electronic application instructions** for a minimum of 1,000 Public Offer Shares. Instructions for more than 1,000 Public Offer Shares must be in one of the numbers set out in the table in the Application Forms. No application for any other number of Public Offer Shares will be considered and any such application is liable to be rejected.

Time for inputting electronic application instructions

CCASS Clearing/Custodian Participants can input **electronic application instructions** at the following times on the following dates:

- **Wednesday, 29 November 2017 — 9:00 a.m. to 8:30 p.m.** ⁽¹⁾
- **Thursday, 30 November 2017 — 8:00 a.m. to 8:30 p.m.** ⁽¹⁾
- **Friday, 1 December 2017 — 8:00 a.m. to 8:30 p.m.** ⁽¹⁾
- **Saturday, 2 December 2017 — 8:00 a.m. to 1:00 p.m.** ⁽¹⁾
- **Monday, 4 December 2017 — 8:00 a.m.** ⁽¹⁾ **to 12:00 noon**

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

Note:

- (1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Wednesday, 29 November 2017 until 12:00 noon on Monday, 4 December 2017 (24 hours daily, except on the last application day).

The latest time for inputting your **electronic application instructions** will be 12:00 noon on Monday, 4 December 2017, the last application day or such later time as described in the paragraph headed “9. Effect of bad weather on the opening of the application lists” in this section.

No multiple applications

If you are suspected of having made multiple applications or if more than one application is made for your benefit, the number of Public Offer Shares applied for by HKSCC Nominees will be automatically reduced by the number of Public Offer Shares for which you have given such instructions and/or for which such instructions have been given for your benefit.

Any **electronic application instructions** to make an application for the Public Offer Shares given by you or for your benefit to HKSCC shall be deemed to be an actual application for the purposes of considering whether multiple applications have been made.

Section 40 of the Companies (Miscellaneous Provisions) Ordinance

For the avoidance of doubt, our Company and all other parties involved in the preparation of this prospectus acknowledge that each CCASS Participant who gives or causes to give **electronic application instructions** is a person who may be entitled to compensation under Section 40 of the Companies (Miscellaneous Provisions) Ordinance (as applied by Section 342E of the Companies (Miscellaneous Provisions) Ordinance).

Personal data

The section of the Application Form headed “Personal Data” applies to any personal data held by our Company, the Hong Kong Branch Share Registrar, the receiving bank, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and any of their respective advisers and agents about you in the same way as it applies to personal data about applicants other than HKSCC Nominees.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

6. WARNING FOR ELECTRONIC APPLICATIONS

The subscription of the Public Offer Shares by giving **electronic application instructions** to HKSCC is only a facility provided to CCASS Participants. Such facilities are subject to capacity limitations and potential service interruptions and you are advised not to wait until the last application day in making your electronic applications. Our Company, our Directors, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Underwriters take no responsibility for such applications and provide no assurance that any CCASS Participant will be allotted any Public Offer Shares.

To ensure that CCASS Investor Participants can give their **electronic application instructions**, they are advised not to wait until the last minute to input their instructions to the systems. In the event that CCASS Investor Participants have problems in the connection to CCASS Phone System/CCASS Internet System for submission of **electronic application instructions**, they should either (i) submit a **WHITE** or **YELLOW** Application Form, or (ii) go to HKSCC's Customer Service Centre to complete an input request form for **electronic application instructions** before 12:00 noon on Monday, 4 December 2017.

7. HOW MANY APPLICATIONS CAN YOU MAKE

Multiple applications for the Public Offer Shares are not allowed except by nominees. If you are a nominee, in the box on the Application Form marked "For nominees" you must include:

- an account number; or
- some other identification code,

for each beneficial owner or, in the case of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

All of your applications will be rejected if more than one application on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC is made for your benefit (including the part of the application made by HKSCC Nominees acting on **electronic application instructions**). If an application is made by an unlisted company and:

- the principal business of that company is dealing in securities; and
- you exercise statutory control over that company,

then the application will be treated as being for your benefit.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

”Unlisted company” means a company with no equity securities listed on the Stock Exchange.

“Statutory control” means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

8. HOW MUCH ARE THE PUBLIC OFFER SHARES

The **WHITE** and **YELLOW** Application Forms have tables showing the exact amount payable for Shares.

You must pay the maximum Offer Price, brokerage, SFC transaction levy and the Stock Exchange trading fee in full upon application for Shares under the terms set out in the Application Forms.

You may submit an application using a **WHITE** or **YELLOW** Application Form in respect of a minimum of 1,000 Public Offer Shares. Each application or electronic application instruction in respect of more than 1,000 Public Offer Shares must be in one of the numbers set out in the table in the Application Form.

If your application is successful, brokerage will be paid to the Exchange Participants, and the SFC transaction levy and the Stock Exchange trading fee are paid to the Stock Exchange (in the case of the SFC transaction levy, collected by the Stock Exchange on behalf of the SFC).

9. EFFECT OF BAD WEATHER ON THE OPENING OF THE APPLICATION LISTS

The application lists will not open if there is:

- a tropical cyclone warning signal number 8 or above; or
- a “black” rainstorm warning,

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Monday, 4 December 2017. Instead they will open between 11:45 a.m. and 12:00 noon on the next Business Day which does not have either of those warnings in Hong Kong in force at any time between 9:00 a.m. and 12:00 noon.

If the application lists do not open and close on Monday, 4 December 2017 or if there is a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal in force in Hong Kong that may affect the dates mentioned in the section headed “Expected timetable” in this prospectus, an announcement will be made in such event.

10. PUBLICATION OF RESULTS

Our Company expects to announce the final Offer Price, the level of indication of interest in the Placing, the level of applications in the Public Offer and the basis of allocation of the Public Offer on Monday, 11 December 2017 on our Company’s website at www.centurioncorp.com.sg and the website of the Stock Exchange at www.hkexnews.hk.

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers (where appropriate) of successful applicants under the Public Offer will be available at the times and date and in the manner specified below:

- in the announcement to be posted on our Company’s website at www.centurioncorp.com.sg and the Stock Exchange’s website at www.hkexnews.hk by no later than 9:00 a.m. on Monday, 11 December 2017;
- from the designated results of allocations website at www.tricor.com.hk/ipo/result results with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Monday, 11 December 2017 to 12:00 midnight on Friday, 15 December 2017;
- by telephone enquiry line by calling (852) 3691 8488 between 9:00 a.m. and 6:00 p.m. from Monday, 11 December 2017 to Thursday, 14 December 2017 (on a Business Day);
- in the special allocation results booklets which will be available for inspection during opening hours from Monday, 11 December 2017 to Wednesday, 13 December 2017 at all the receiving bank’s designated branches.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

If our Company accepts your offer to purchase (in whole or in part), which it may do by announcing the basis of allocations and/or making available the results of allocations publicly, there will be a binding contract under which you will be required to purchase the Public Offer Shares if the conditions of the Share Offer are satisfied and the Share Offer is not otherwise terminated. Further details are contained in the section headed “Structure and conditions of the Share Offer” in this prospectus.

You will not be entitled to exercise any remedy of rescission for innocent misrepresentation at any time after acceptance of your application. This does not affect any other right you may have.

11. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOTTED PUBLIC OFFER SHARES

You should note the following situations in which the Public Offer Shares will not be allotted to you:

(i) If your application is revoked:

By completing and submitting an Application Form or giving **electronic application instructions** to HKSCC, you agree that your application or the application made by HKSCC Nominees on your behalf cannot be revoked on or before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is Saturday, Sunday or public holiday in Hong Kong). This agreement will take effect as a collateral contract with our Company.

Your application or the application made by HKSCC Nominees on your behalf may only be revoked on or before such fifth day if a person responsible for this prospectus under Section 40 of the CWUMPO (as applied by Section 342E of the Companies (Miscellaneous Provisions) Ordinance) gives a public notice under that section which excludes or limits that person’s responsibility for this prospectus.

If any supplement to this prospectus is issued, applicants who have already submitted an application will be notified that they are required to confirm their applications. If applicants have been so notified but have not confirmed their applications in accordance with the procedure to be notified, all unconfirmed applications will be deemed revoked.

If your application or the application made by HKSCC Nominees on your behalf has been accepted, it cannot be revoked. For this purpose, acceptance of applications which are not rejected will be constituted by notification in the press of the results of allocation, and where such basis of allocation is subject to certain conditions or provides for allocation by ballot, such acceptance will be subject to the satisfaction of such conditions or results of the ballot respectively.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

(ii) If our Company or its agents exercise their discretion to reject your application:

Our Company, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

(iii) If the allotment of Public Offer Shares is void:

The allotment of Public Offer Shares will be void if the Listing Committee of the Stock Exchange does not grant permission to list the Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Listing Committee notifies our Company of that longer period within three weeks of the closing date of the application lists.

(iv) If:

- you make multiple applications or suspected multiple applications;
- you or the person for whose benefit you are applying have applied for or taken up, or indicated an interest for, or have been or will be placed or allocated (including conditionally and/or provisionally) Public Offer Shares and Placing Shares;
- your Application Form is not completed in accordance with the stated instructions;
- your payment is not made correctly or the cheque or banker's cashier order paid by you is dishonoured upon its first presentation;
- the Underwriting Agreements do not become unconditional or are terminated;
- our Company, the Joint Global Coordinators, the Joint Bookrunners or the Joint Lead Managers believes that by accepting your application, it or they would violate applicable securities or other laws, rules or regulations; or
- your application is for more than 50% of the Public Offer Shares initially offered under the Public Offer.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

12. REFUND OF APPLICATION MONIES

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the maximum Offer Price of HK\$3.30 per Offer Share (excluding brokerage, SFC transaction levy and the Stock Exchange trading fee thereon), or if the conditions of the Public Offer are not fulfilled in accordance with the paragraph headed “Structure and conditions of the Share Offer — Conditions of the Share Offer” in this prospectus or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy and the Stock Exchange trading fee, will be refunded, without interest or the cheque or banker’s cashier order will not be cleared.

Any refund of your application monies will be made on Monday, 11 December 2017.

13. DESPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND MONIES

You will receive one share certificate for all Public Offer Shares allotted to you under the Public Offer (except pursuant to applications made on **YELLOW** Application Forms or by **electronic application instructions** to HKSCC via CCASS where the share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the Public Offer Shares. No receipt will be issued for sums paid on application. If you apply by **WHITE** or **YELLOW** Application Form, subject to personal collection as mentioned below, the following will be sent to you (or, in the case of joint applicants, to the first-named applicant) by ordinary post, at your own risk, to the address specified on the Application Form:

- share certificate(s) for all the Public Offer Shares allotted to you (for **YELLOW** Application Forms, share certificates will be deposited into CCASS as described below); and
- refund cheque(s) crossed “Account Payee Only” in favour of the applicant (or, in the case of joint applicants, the first-named applicant) for (i) all or the surplus application monies for the Public Offer Shares, wholly or partially unsuccessfully applied for; and/or (ii) the difference between the Offer Price and the maximum Offer Price per Offer Share paid on application in the event that the Offer Price is less than the maximum Offer Price (including brokerage, SFC transaction levy and the Stock Exchange trading fee but without interest).

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Part of the Hong Kong identity card number/passport number, provided by you or the first-named applicant (if you are joint applicants), may be printed on your refund cheque, if any. Your banker may require verification of your Hong Kong identity card number/passport number before encashment of your refund cheque(s). Inaccurate completion of your Hong Kong identity card number/passport number may invalidate or delay encashment of your refund cheque(s).

Subject to arrangement on despatch/collection of share certificates and refund monies as mentioned below, any refund cheques and share certificates are expected to be posted on or before Monday, 11 December 2017. The right is reserved to retain any share certificate(s) and any surplus application monies pending clearance of cheque(s) or banker's cashier's order(s).

Share certificates will only become valid at 8:00 a.m. on Tuesday, 12 December 2017 provided that the Share Offer has become unconditional and the right of termination described in the section headed "Underwriting" in this prospectus has not been exercised. Investors who trade shares prior to the receipt of Share certificates or the Share certificates becoming valid do so at their own risk.

Personal collection

(i) If you apply using a WHITE Application Form

If you apply for 1,000,000 or more Public Offer Shares and have provided all information required by your Application Form, you may collect your refund cheque(s) and/or share certificate(s) from the Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Monday, 11 December 2017 or such other date as notified by us.

If you are an individual who is eligible for personal collection, you must not authorise any other person to collect for you. If you are a corporate applicant which is eligible for personal collection, your authorised representative must bear a letter of authorisation from your corporation stamped with your corporation's chop. Both individuals and authorised representatives must produce, at the time of collection, evidence of identity acceptable to the Hong Kong Branch Share Registrar.

If you do not collect your refund cheque(s) and/or share certificate(s) personally within the time specified for collection, they will be despatched promptly to the address specified in your Application Form by ordinary post at your own risk.

If you apply for less than 1,000,000 Public Offer Shares, your refund cheque(s) and/or share certificate(s) will be sent to the address on the relevant Application Form on Monday, 11 December 2017, by ordinary post and at your own risk.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

(ii) If you apply using a YELLOW Application Form

If you apply for 1,000,000 Public Offer Shares or more, please follow the same instructions as described above. If you have applied for less than 1,000,000 Public Offer Shares, your refund cheque(s) will be sent to the address on the relevant Application Form on Monday, 11 December 2017, by ordinary post and at your own risk.

If you apply by using a **YELLOW** Application Form and your application is wholly or partially successful, your share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for credit to your or the designated CCASS Participant's stock account as stated in your Application Form on Monday, 11 December 2017, or upon contingency, on any other date determined by HKSCC or HKSCC Nominees.

- *If you apply through a designated CCASS participant (other than a CCASS Investor Participant)*

For Public Offer Shares credited to your designated CCASS participant's stock account (other than a CCASS Investor Participant), you can check the number of Public Offer Shares allotted to you with that CCASS participant.

- *If you are applying as a CCASS Investor Participant*

Our Company will publish the results of CCASS Investor Participants' applications together with the results of the Public Offer in the manner described in "Publication of Results" above. You should check the announcement published by our Company and report any discrepancies to HKSCC before 5:00 p.m. on Monday, 11 December 2017 or any other date as determined by HKSCC or HKSCC Nominees. Immediately after the credit of the Public Offer Shares to your stock account, you can check your new account balance via the CCASS Phone System and CCASS Internet System.

(iii) If you apply via electronic application instructions to HKSCC

Allocation of Public Offer Shares

For the purposes of allocating Public Offer Shares, HKSCC Nominees will not be treated as an applicant. Instead, each CCASS Participant who gives **electronic application instructions** or each person for whose benefit instructions are given will be treated as an applicant.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

Deposit of share certificates into CCASS and refund of application monies

- If your application is wholly or partially successful, your share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for the credit of your designated CCASS Participant's stock account or your CCASS Investor Participant stock account on Monday, 11 December 2017, or, on any other date determined by HKSCC or HKSCC Nominees.
- Our Company expects to publish the application results of CCASS Participants (and where the CCASS Participant is a broker or custodian, our Company will include information relating to the relevant beneficial owner), your Hong Kong identity card number/passport number or other identification code (Hong Kong business registration number for corporations) and the basis of allotment of the Public Offer in the manner specified in "Publication of Results" above on Monday, 11 December 2017. You should check the announcement published by our Company and report any discrepancies to HKSCC before 5:00 p.m. on Monday, 11 December 2017 or such other date as determined by HKSCC or HKSCC Nominees.
- If you have instructed your broker or custodian to give **electronic application instructions** on your behalf, you can also check the number of Public Offer Shares allotted to you and the amount of refund monies (if any) payable to you with that broker or custodian.
- If you have applied as a CCASS Investor Participant, you can also check the number of Public Offer Shares allotted to you and the amount of refund monies (if any) payable to you via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) on Monday, 11 December 2017. Immediately following the credit of the Public Offer Shares to your stock account and the credit of refund monies to your bank account, HKSCC will also make available to you an activity statement showing the number of Public Offer Shares credited to your CCASS Investor Participant stock account and the amount of refund monies (if any) credited to your designated bank account.
- Refund of your application monies (if any) in respect of wholly and partially unsuccessful applications and/or difference between the Offer Price and the maximum Offer Price per Offer Share initially paid on application (including brokerage, SFC transaction levy and the Stock Exchange trading fee but without interest) will be credited to your designated bank account or the designated bank account of your broker or custodian on Monday, 11 December 2017.

HOW TO APPLY FOR THE PUBLIC OFFER SHARES

14. ADMISSION OF THE SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the Shares and we comply with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants (as defined in the Listing Rules) is required to take place in CCASS on the second business day after any trading day.

All activities under CCASS are subject to Rules of CCASS.

Investors should seek the advice of their stockbroker or other professional adviser for details of the settlement arrangement as such arrangements may affect their rights and interests.

All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

LISTINGS, REGISTRATION, DEALINGS AND SETTLEMENT

LISTINGS

Our Company currently has a primary listing of our Shares on the main board of SGX-ST, which we intend to maintain alongside our proposed dual primary listing of the Shares on the Main Board of the Stock Exchange. Application has been made to the Listing Committee for the listing of, and permission to deal in all of our Shares in issue and listed on the main board of SGX-ST and Shares that may be allotted and issued pursuant to the Share Offer.

REGISTRATION

The Singapore Principal Share Register is maintained in Singapore by our Singapore Principal Registrar B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544. Our Company has established the Hong Kong Branch Share Register in Hong Kong which is maintained by our Hong Kong Branch Share Registrar, Tricor Investor Services Limited whose address is at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

Certificates in respect of our Shares registered on the Hong Kong Branch Share Register will, as far as practicable, and unless otherwise requested, be issued in board lots of 1,000 Shares. The Singapore Principal Share Registrar will keep in Singapore duplicates of the Hong Kong Branch Share Register, which will be updated from time to time.

CERTIFICATES

Only certificates for Shares issued by the Hong Kong Branch Share Registrar will be valid for delivery in respect of dealings effected on the Stock Exchange. Certificates for Shares issued by the Singapore Principal Share Registrar will be valid for delivery in respect of dealings effected on the SGX-ST. For ease of identification, the certificates for Shares issued by the Hong Kong Branch Share Registrar will be green in colour and the certificates for Shares currently issued by the Singapore Principal Share Registrar is gold in colour.

DEALINGS

Dealings in our Shares on the Stock Exchange and the SGX-ST will be conducted in Hong Kong dollars and Singapore dollars, respectively. Our Shares are traded on the main board of the SGX-ST in board lots of 1,000 Shares and will be traded on the Stock Exchange in board lots of 1,000 Shares. The stock code of our Shares on the Stock Exchange will be 6090.

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The transaction costs of dealings in our Shares on the Stock Exchange include a Stock Exchange trading fee of 0.005%, a SFC transaction levy of 0.0027%, a transfer instrument stamp duty of HK\$5 on the seller per transfer instrument and ad valorem stamp duty on both the buyer and the seller charged at the rate of 0.1% each of the consideration or, if higher, the fair value of our Shares transferred. The brokerage commission in respect of trades of Shares on the Stock Exchange is freely negotiable.

The brokerage commission in respect of trades of Shares on the SGX-ST is freely negotiable. A clearing fee in Singapore is payable at the rate of 0.0325% of the transaction value. The clearing fee is subject to goods and services tax in Singapore (currently at 7.0%).

SETTLEMENT

Settlement of dealings in Singapore

Shares listed and traded on the main board of the SGX-ST are trading under the book-entry settlement system of CDP and all dealings in and transactions of Shares through the SGX-ST are effected in accordance with the terms and conditions for the operation of securities accounts with CDP, as amended from time to time.

CDP, a wholly owned subsidiary of the SGX-ST, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its account holders and facilitates the clearance and settlement of securities transactions between account holders through electronic book-entry changes in the securities accounts maintained by such account holders with CDP.

Shares will be registered in the name of CDP or its nominees and held by CDP for and on behalf of persons who maintain, either directly or through depository agents, securities accounts with CDP. The Companies Act and the Constitution of our Company only recognise the registered owners or holders of our Shares as members. Depositors and depository agents on whose behalf CDP holds Shares, may not be accorded the full rights of membership, such as voting rights, the right to appoint proxies, or the right to receive Shareholders' circulars, proxy forms, annual reports, prospectuses and takeover documents. Depositors and depository agents will be accorded only such rights as CDP may make available to them pursuant to CDP's terms and conditions to act as depository for foreign securities.

Persons holding Shares in a securities account with CDP may withdraw the number of Shares they own from the book-entry settlement system in the form of physical share certificates. Such share certificates will not, however, be valid for delivery pursuant to trades transacted on the SGX-ST, although they will be prima facie evidence of title and may be transferred in accordance with the Constitution of our Company. A fee of S\$10 for each withdrawal of 1,000 Shares or less and a fee

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of S\$25 for each withdrawal of more than 1,000 Shares will be payable upon withdrawing of our Shares from the book-entry settlement system and obtaining physical share certificates. In addition, a fee of S\$2 (or such other amounts as our Directors may decide) will be payable to the Singapore Principal Share Registrar for each share certificate issued, and stamp duty at the rate of 2% capped on of the last-transacted price is payable where Shares are withdrawn in the name of a third party. Persons holding physical share certificates who wish to trade on the SGX-ST must deposit with CDP their share certificates together with the duly executed instruments of transfer in favour of CDP, and have their respective securities accounts credited with the number of Shares deposited before they can effect the desired trades. A fee of S\$10 is payable upon the deposit of each instrument of transfer with CDP.

Transactions in Shares under the book-entry settlement system will be reflected by the seller's securities account being debited with the number of Shares sold and the buyer's securities account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for the transfer of our Shares that are settled on a book-entry basis.

A Singapore clearing fee for trades in Shares on the SGX-ST is payable at the rate of 0.0325% of the transaction value. The clearing fee, instrument of transfer deposit fees and share withdrawal fee are subject to Singapore goods and services tax of 7.0%.

Dealings in our Shares will be carried out in Singapore dollars and will be effected for settlement in CDP on a scripless basis. Settlement of trades on a normal "ready" basis on the SGX-ST generally takes place on the third market day following the transaction date, and payment for the securities is generally settled on the following day. CDP holds securities on behalf of investors in securities accounts. An investor may open a direct securities account with CDP or a securities sub-account with a depository agent. A depository agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

Settlement of dealings in Hong Kong

Investors in Hong Kong must settle their trades executed on the Stock Exchange through their brokers directly or through custodians. For an investor in Hong Kong who has deposited his Shares in his stock account or in his designated CCASS Participant's stock account maintained with CCASS, settlement will be effected in CCASS in accordance with the CCASS Rules in effect from time to time. For an investor who holds the physical certificates, settlement certificates and the duly executed instruments of transfer must be delivered to his broker or custodian by the settlement date.

An investor may arrange with his broker as custodian on a settlement date in respect of his trades executed on the Stock Exchange. Under the Listing Rules and the CCASS Rules, the date of settlement must be the second Business Day following the trading date on which the settlement services of CCASS are open for use by CCASS Participants (T+2). For trades settled under CCASS,

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the CCASS Rules provide that the defaulting broker may be compelled to compulsorily buy-in by HKSCC the day after the date of settlement (T+3), or if it is not practicable to do so on T+3, at any time thereafter. HKSCC may also impose fines from T+2 onwards.

The CCASS stock settlement fee payable by each counterparty in respect of a Stock Exchange trade is currently 0.002% of the gross transaction value subject to a minimum fee of HK\$2 and a maximum fee of HK\$100 per trade.

Dividends

Dividends are declared in Singapore dollars and will be converted to Hong Kong dollars before being paid to the Shareholders (whose Shares are traded on the Stock Exchange).

Foreign exchange risk

Investors in Singapore who trade in our Shares on the SGX-ST should note that their trades will be effected in Singapore dollars. Investors in Hong Kong who trade in our Shares on the Stock Exchange should note that their trades will be effected in Hong Kong dollars. Accordingly, investors should be aware of the foreign exchange risks associated with such trading. Please refer to the section headed “Risk factors” in this prospectus for a discussion on foreign exchange risks.

REMOVAL OF SHARES

Transfer of Shares

All duties, fees and expenses specified herein are subject to changes from time to time. Special arrangements will be made to facilitate transfers of Shares, and to incentivise existing shareholders to transfer their Shares to Hong Kong before to the Share Offer by enabling them to do so at a reduced cost.

Currently, all of our Shares are registered on the Singapore Principal Share Register maintained by the Singapore Principal Share Registrar. For the purpose of trading on the Stock Exchange following the Listing, our Shares must be registered on the Hong Kong Branch Share Register maintained by the Hong Kong Branch Share Registrar. Shares may be transferred between the Singapore Principal Share Register and the Hong Kong Branch Share Register. Any Shareholder or investor who wishes to trade on the SGX-ST must deposit the share certificates in respect of such Shares with CDP. Any Shareholder or investor who wishes to trade on the Stock Exchange must have his Shares registered on the Hong Kong Branch Share Register by submitting the request for withdrawal of securities form to CDP and a removal request form to the Singapore Principal Share Registrar. Withdrawal fees payable to CDP will be borne by the relevant Shareholders and CDP’s existing charges will still apply, together with any other costs to be levied by such Shareholders’ own

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stockbrokers, nominees or custodians (where relevant). A resolution has been passed by our Directors authorising the removal of Shares between the Singapore Principal Share Register and the Hong Kong Branch Share Register as may from time to time be requested by the members of the Company.

From the SGX-ST to the Stock Exchange

Following the Listing, if an investor whose Shares are traded on the SGX-ST wishes to trade his Shares on the Stock Exchange, he must effect a removal of Shares from the Singapore Principal Share Register to the Hong Kong Branch Share Register.

A removal of our Shares from the Singapore Principal Share Register to the Hong Kong Branch Share Register involves the following procedures:

- (1) If the investor's Shares have been deposited with CDP, the investor must first withdraw his Shares from CDP by completing a Request for Withdrawal of Securities Form and a transfer form, available from CDP and submitting the same to CDP together with payment (at the cashier (if submitting the aforesaid forms to CDP in person) or through his/her stockbroker) for the amount as prescribed by CDP from time to time ("**Withdrawal Request**").
- (2) The investor shall complete a removal request and delivery instruction form ("**SG Removal Request Form**") (in duplicate) obtained from the Singapore Principal Share Registrar or any stockbrokers and submit the SG Removal Request Form to the Singapore Principal Share Registrar or any stockbrokers, together with bank drafts for the amount as prescribed by the Singapore Principal Share Registrar and the Hong Kong Branch Share Registrar from time to time ("**Removal Request**").
- (3) CDP will then send the duly completed transfer form, together with the relevant share certificate(s) registered under the name of CDP to the Singapore Principal Share Registrar directly.
- (4) Upon receipt of the duly completed transfer form and the share certificate(s) from CDP and the SG Removal Request Form together with bank drafts for the amount as prescribed by the Singapore Principal Share Registrar and Hong Kong Branch Share Registrar from time to time from the investor, the Singapore Principal Share Registrar shall take all actions necessary to effect the transfer and removal of Shares on the Singapore Principal Share Register. On completion, the Singapore Principal Share Registrar shall then notify the Hong Kong Branch Share Registrar of the removal.

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- (5) The Hong Kong Branch Share Registrar shall update the Hong Kong Branch Share Register and issue share certificate(s) in the name of the investor and send such share certificate(s) to the address specified by the investor. Despatch of share certificate(s) will be made at the risk and expense of the investor as specified in the SG Removal Request Form.
- (6) If the investor's Shares upon being registered in Hong Kong are to be deposited with CCASS, the investor must deposit our Shares into CCASS for credit to his CCASS Investor Participant stock account or his designated CCASS Participant's stock account. For deposit of Shares to CCASS or to effect sale of Shares in Hong Kong, the investor should execute a transfer form which is in use in Hong Kong and which can be obtained from the CCASS Participant(s) and deliver it together with his Share certificate(s) issued by the Hong Kong Branch Share Registrar to HKSCC directly if he intends to deposit the Shares into CCASS for credit to his CCASS Investor Participant stock account or via a CCASS Participant if he wants our Shares to be credited to his designated CCASS Participant's stock account.

Note: Under normal circumstances, steps (1) to (5) generally require 15 Business Days to complete.

From the Stock Exchange to the SGX-ST

If an investor whose Shares are traded on the Stock Exchange wishes to trade his Shares on the SGX-ST, he must effect a removal of our Shares from the Hong Kong Branch Share Register to the Singapore Principal Share Register. Such removal and deposit of the Shares with CDP would involve the following procedures:

- (1) If the investor's Shares are registered in the investor's own name, the investor shall complete the Combined Share Removal and Transfer and Delivery Instruction Form ("**HK Removal Request Form**") (in duplicate) available from the Hong Kong Branch Share Registrar and submit the same together with the share certificate(s) in his name and bank drafts for the amount as prescribed by the Singapore Principal Share Registrar and the Hong Kong Branch Share Registrar from time to time to the Hong Kong Branch Share Registrar. If the investor's Shares have been deposited with CCASS, the investor must first withdraw such Shares from his CCASS Investor Participant stock account with CCASS or from the stock account of his designated CCASS Participant and submit the relevant Share transfer form(s) executed by HKSCC Nominees Limited and the investor, the relevant share certificate(s) and a duly completed HK Removal Request Form to the Hong Kong Branch Share Registrar.
- (2) If the investor would like to have our Shares credited directly into his securities account or sub-account with a CDP depository agent, he must indicate it on the HK Removal Request Form. He should submit the HK Removal Request Form with a bank draft for the

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amount as prescribed by CDP from time to time at the same time he submits the relevant documents to the Hong Kong Branch Share Registrar (as contemplated in paragraph (1) above). The investor should ensure that he has a securities account or sub-account with a CDP depository agent before he can complete and sign off on delivery instruction set out in the HK Removal Request Form.

- (3) Upon receipt of the HK Removal Request Form, the relevant share certificate(s) and bank drafts for the amounts as prescribed by the Singapore Principal Share Registrar and Hong Kong Branch Share Registrar and CDP, if applicable and where appropriate, the completed share transfer form(s) executed by HKSCC Nominees Limited and the investor, the Hong Kong Branch Share Registrar shall take all actions necessary to effect the transfer and the removal of our Shares from the Hong Kong Branch Share Register to the Singapore Principal Share Register.
- (4) The Hong Kong Branch Share Registrar shall then notify the Singapore Principal Share Registrar of the removal whereupon the Singapore Principal Share Registrar shall update the Singapore Principal Share Register. Upon completion, the Singapore Principal Share Registrar shall issue the relevant share certificate(s) in the name of the investor or CDP, where the case may be, and deliver the share certificate(s) to the investor or CDP.
- (5) Upon receipt of the relevant documents and prescribed payment from the Singapore Principal Share Registrar, CDP shall credit the specified number of Shares into the investor's securities account or sub-account with a CDP depository agent. The investor should ensure that the shares are credited to his securities account or sub-account with a CDP depository agent before dealing in our Shares.

Under normal circumstances, steps (1) to (4) generally require 15 business days to complete.

For those Shares which are registered on the Hong Kong Branch Share Register, any transfer thereof or dealings therein will be subject to Hong Kong stamp duty. For those Shares which are registered on the Singapore Principal Share Register, any transfer thereof or dealings therein will be subject to Singapore stamp duty.

All costs attributable to the removal of Shares from the Hong Kong Branch Share Register to the Singapore Principal Share Register and any removal from the Singapore Principal Share Register to the Hong Kong Branch Share Register shall be borne by the Shareholder requesting the removal. In particular, Shareholders should note that the Hong Kong Branch Share Registrar will charge HK\$300 for each removal of Shares and a fee of HK\$2.50 (or such higher fee as may from time to time be permitted under the Listing Rules) for each Share certificate cancelled or issued by it and any applicable fee as stated in the removal request forms used in Hong Kong or Singapore. In addition, the Singapore Principal Share Registrar will charge S\$30 (or such other amount as may be prescribed

LISTINGS, REGISTRATION, DEALINGS AND SETTLEMENT

from time to time) for each removal of Shares, a fee of S\$2 (plus applicable stamp duties) for each transfer form in respect of transfer of Shares and a fee of S\$2 for each share certificate cancelled or issued by it and any applicable fee as stated in the removal request forms used in Hong Kong or Singapore. The fees charged by the Singapore Principal Share Registrar are subject to Singapore goods and services tax of 7.0%.

SPECIAL ARRANGEMENTS TO FACILITATE TRANSFERS BEFORE THE LISTING

Special arrangements have been made to facilitate transfers of Shares before the Listing. In connection with the Listing, the Singapore Principal Share Registrar and the Hong Kong Branch Share Registrar will provide three batch-transfers of the Singapore-listed Shares for Shareholders seeking to transfer their Shares to the Hong Kong Branch Share Register before the Listing.

The key dates in relation to such batch-transfers exercises (the “**Batch-Transfers**”) are set out below:

Events	First Batch-Transfer	Second Batch-Transfer	Third Batch-Transfer
Final date to submit a request for withdrawal of securities form to CDP and a SG Removal Request Form to the Singapore Principal Share Registrar	Monday, 27 November 2017	Wednesday, 29 November 2017	Friday, 1 December 2017
Share certificates available for collection from the Hong Kong Branch Share Registrar’s office	Monday, 11 December 2017	Wednesday, 13 December 2017	Friday, 15 December 2017

Shareholders who hold their Shares directly in CDP can complete and submit the request for withdrawal of securities form to CDP and the SG Removal Request Form to the Singapore Principal Share Registrar before the relevant dates stipulated above to participate in the Batch-Transfers.

Our Company will bear the costs, fees and duties payable for the Batch-Transfers. Withdrawal fees payable to CDP will be borne by the relevant Shareholders and CDP’s existing charges will still apply, together with any other costs to be levied by such Shareholders’ own brokers, nominees or custodians (where relevant). Shareholders should note that all costs, fees and duties payable for any subsequent transfer of their Shares, including the fees chargeable by the share registrars and the CDP will be borne by Shareholders themselves.

Our Company has made arrangements to inform our Shareholders and the Singapore investing public of details of the Listing and the Batch-Transfers procedures by way of announcements on the respective websites of our Company at www.centurioncorp.com.sg and the SGX-ST at www.sgx.com.

The following is the text of a report set out on pages I-1 to I-3, received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus. It is prepared and addressed to the directors of the Company and to the Sole Sponsor pursuant to the requirements of HKSIR 200 Accountants' Reports on Historical Financial Information in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants.



羅兵咸永道

ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF CENTURION CORPORATION LIMITED AND VBG CAPITAL LIMITED

Introduction

We report on the historical financial information of Centurion Corporation Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages I-4 to I-152, which comprises the consolidated balance sheets as at 31 December 2014, 2015 and 2016 and 30 June 2017, the company balance sheets as at 31 December 2014, 2015 and 2016 and 30 June 2017, and the consolidated income statements, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the periods then ended (the "Track Record Period") and a summary of significant accounting policies and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-4 to I-152 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 29 November 2017 (the "Prospectus") in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountant's responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200, Accountants' Reports on Historical Financial Information in

Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountant’s judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountant considers internal control relevant to the entity’s preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the Historical Financial Information gives, for the purposes of the accountant’s report, a true and fair view of the financial position of the Company as at 31 December 2014, 2015 and 2016 and 30 June 2017 and the consolidated financial position of the Group as at 31 December 2014, 2015 and 2016 and 30 June 2017 and of its consolidated financial performance and its consolidated cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information.

Review of stub period comparative Historical Financial Information

We have reviewed the stub period comparative Historical Financial Information of the Group which comprises the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the six months ended 30 June 2016 and other explanatory information (the “Stub Period Comparative Historical Financial Information”). The directors of the Company are responsible for the preparation of the Stub Period Comparative Historical Financial Information in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Historical Financial Information based on our review. We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor

of the Entity” issued by the International Auditing and Assurance Standards Board (“IAASB”). A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Historical Financial Information, for the purposes of the accountant’s report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to note 35 to the Historical Financial Information which contains information about the dividends paid by Centurion Corporation Limited in respect of the Track Record Period.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong
29 November 2017

I. HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountant's report.

The financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with International Standards on Auditing issued by the IAASB ("Underlying Financial Statements").

The Historical Financial Information is presented in Singapore dollars and all values are rounded to the nearest thousand (S\$'000) except when otherwise indicated.

CONSOLIDATED INCOME STATEMENTS

	Note	Year ended 31 December			Six months ended 30 June	
		2014	2015	2016	2016	2017
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
					(Unaudited)	
Continuing operations						
Revenue	6	84,443	104,538	120,288	57,371	71,269
Cost of sales	7	(28,659)	(35,718)	(41,885)	(19,108)	(21,662)
Gross profit		55,784	68,820	78,403	38,263	49,607
Other income and gains	8	864	1,543	2,041	416	785
Net fair value gains/(losses) on investment properties and assets held for sale	20, 24	40,308	3,550	(3,121)	—	1,743
Expenses						
— Distribution expenses	7	(1,175)	(1,470)	(1,313)	(691)	(480)
— Administrative expenses	7	(14,502)	(20,241)	(18,166)	(7,975)	(11,578)
— Finance expenses	10	(8,889)	(15,940)	(21,383)	(10,815)	(10,048)
Share of profit of associated companies and joint ventures	21,22	45,332	5,986	5,398	2,780	1,468
Profit before income tax		117,722	42,248	41,859	21,978	31,497
Income tax expense	12(a)	(6,503)	(8,269)	(7,048)	(4,204)	(8,258)
Profit from continuing operations		111,219	33,979	34,811	17,774	23,239

APPENDIX I
ACCOUNTANT'S REPORT

		Year ended 31 December			Six months ended 30 June	
		2014	2015	2016	2016	2017
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
		(Unaudited)				
Discontinued operations						
Loss from discontinued operations	13(a)	(69)	—	—	—	—
Total profit		111,150	33,979	34,811	17,774	23,239
Profit attributable to:						
Equity holders of the Company		111,200	34,129	28,707	18,222	19,770
Non-controlling interests		(50)	(150)	6,104	(448)	3,469
		111,150	33,979	34,811	17,774	23,239
Earnings/(loss) per share for profit from continuing and discontinued operations attributable to equity holders of the Company						
Basic earnings/(loss) per share	14(a)					
— From continuing operations (cents)		14.71	4.52	3.86	2.44	2.67
— From discontinued operations (cents)		(0.01)	—	—	—	—
Diluted earnings/(loss) per share	14(b)					
— From continuing operations (cents)		14.43	4.52	3.86	2.44	2.67
— From discontinued operations (cents)		(0.01)	—	—	—	—

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
Note	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
				(Unaudited)	
Total profit	111,150	33,979	34,811	17,774	23,239
Other comprehensive (loss)/ income:					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Available-for-sale financial assets					
— Fair value losses 33(b)(i)	(207)	(118)	(22)	(18)	(25)
— Reclassification 33(b)(i)	153	—	—	—	—
Currency translation (losses)/gains arising from consolidation 33(b)(ii)	(5,517)	(8,981)	(18,936)	(16,494)	1,633
Other comprehensive (loss)/income, net of tax . . .	(5,571)	(9,099)	(18,958)	(16,512)	1,608
Total comprehensive income . .	105,579	24,880	15,853	1,262	24,847
Total comprehensive income/(loss) attributable to:					
Equity holders of the Company .	105,629	25,030	9,749	1,710	21,378
Non-controlling interests	(50)	(150)	6,104	(448)	3,469
	105,579	24,880	15,853	1,262	24,847

BALANCE SHEETS

	Note	Group				Company			
		As at 31 December			As at	As at 31 December			As at
		2014	2015	2016	30 June	2014	2015	2016	2017
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS									
Current assets									
Cash and bank balances	15	63,144	138,435	82,545	84,406	21,680	87,075	34,584	35,398
Trade and other receivables	16	4,993	5,413	7,835	9,427	7,944	12,396	6,419	13,563
Inventories	17	643	381	103	124	—	—	—	—
Other assets	18	13,666	3,863	3,802	4,115	264	164	257	473
Available-for-sale financial assets	19	—	—	2,174	7,999	—	—	2,174	7,999
		82,446	148,092	96,459	106,071	29,888	99,635	43,434	57,433
Assets held for sale	20	—	—	7,375	6,741	—	—	—	—
		82,446	148,092	103,834	112,812	29,888	99,635	43,434	57,433
Non-current assets									
Trade and other receivables	16	604	—	—	—	271,245	262,227	294,623	297,966
Other assets	18	265	265	130	130	265	265	130	130
Available-for-sale financial assets	19	2,314	2,196	—	—	2,314	2,196	—	—
Investments in associated companies	21	1,371	83,097	77,236	76,977	1,298	1,298	1,298	1,298
Investments in joint ventures	22	84,417	—	—	—	—	—	—	—
Investments in subsidiaries	23	—	—	—	—	18,762	17,400	16,966	16,945
Investment properties	24	684,437	891,471	927,406	941,005	—	—	—	—
Property, plant and equipment	25	6,385	9,709	9,268	9,203	265	233	203	373
Deferred income tax assets	31	60	19	4	—	—	—	—	—
Intangible assets	26	11,734	6,795	1,856	956	—	—	—	—
		791,587	993,552	1,015,900	1,028,271	294,149	283,619	313,220	316,712
Total assets		874,033	1,141,644	1,119,734	1,141,083	324,037	383,254	356,654	374,145

APPENDIX I
ACCOUNTANT'S REPORT

	<i>Note</i>	Group				Company			
		As at 31 December			As at	As at 31 December			As at
		2014	2015	2016	30 June	2014	2015	2016	30 June
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
LIABILITIES									
Current liabilities									
Trade and other payables	27	39,232	54,473	47,247	45,018	5,016	4,290	9,478	10,151
Current income tax liabilities	12	7,064	9,454	10,478	10,813	192	478	816	854
Borrowings	28	24,692	136,749	39,604	42,551	1,313	102,493	1,571	4,895
Other liabilities	30	—	113	286	323	—	—	—	—
		<u>70,988</u>	<u>200,789</u>	<u>97,615</u>	<u>98,705</u>	<u>6,521</u>	<u>107,261</u>	<u>11,865</u>	<u>15,900</u>
Non-current liabilities									
Borrowings	28	408,081	534,844	620,794	622,193	99,125	64,539	134,467	148,959
Other liabilities	30	276	733	500	472	—	—	—	—
Deferred income tax liabilities	31	3,128	2,382	1,343	3,902	26	27	23	19
		<u>411,485</u>	<u>537,959</u>	<u>622,637</u>	<u>626,567</u>	<u>99,151</u>	<u>64,566</u>	<u>134,490</u>	<u>148,978</u>
Total liabilities		<u>482,473</u>	<u>738,748</u>	<u>720,252</u>	<u>725,272</u>	<u>105,672</u>	<u>171,827</u>	<u>146,355</u>	<u>164,878</u>
NET ASSETS		<u>391,560</u>	<u>402,896</u>	<u>399,482</u>	<u>415,811</u>	<u>218,365</u>	<u>211,427</u>	<u>210,299</u>	<u>209,267</u>
EQUITY									
Capital and reserves									
attributable to the equity holders of the Company									
Share capital	32	89,836	89,837	89,837	89,837	201,147	201,148	201,148	201,148
Treasury shares	32	—	(2,107)	(6,498)	(7,617)	—	(2,107)	(6,498)	(7,617)
Other reserves	33	6,763	(2,336)	(21,294)	(19,686)	302	184	162	137
Retained profits	34	294,031	316,722	330,553	342,924	16,916	12,202	15,487	15,599
		<u>390,630</u>	<u>402,116</u>	<u>392,598</u>	<u>405,458</u>	<u>218,365</u>	<u>211,427</u>	<u>210,299</u>	<u>209,267</u>
Non-controlling interests		<u>930</u>	<u>780</u>	<u>6,884</u>	<u>10,353</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total equity		<u>391,560</u>	<u>402,896</u>	<u>399,482</u>	<u>415,811</u>	<u>218,365</u>	<u>211,427</u>	<u>210,299</u>	<u>209,267</u>

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Note	Attributable to equity holders of the Company					Non- controlling interests	Total equity
		Share capital	Treasury shares	Other reserves	Retained profits	Total		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
For the year ended								
31 December 2014								
Beginning of the year		89,431	—	12,334	191,156	292,921	—	292,921
Profit for the year		—	—	—	111,200	111,200	(50)	111,150
Other comprehensive loss for the year		—	—	(5,571)	—	(5,571)	—	(5,571)
Total comprehensive (loss)/income for the year		—	—	(5,571)	111,200	105,629	(50)	105,579
Dividends relating to 2013 paid . . .	35	—	—	—	(4,541)	(4,541)	—	(4,541)
Dividends relating to 2014 paid . . .	35	—	—	—	(3,784)	(3,784)	—	(3,784)
Non-controlling interest share in subsidiary		—	—	—	—	—	980	980
Issuance of shares pursuant to warrants exercised	32	405	—	—	—	405	—	405
Total transactions with owners, recognized directly in equity . . .		405	—	—	(8,325)	(7,920)	980	(6,940)
End of the year		89,836	—	6,763	294,031	390,630	930	391,560

		Attributable to equity holders of the Company					Non-	
		Share capital	Treasury shares	Other reserves	Retained profits	Total	controlling interests	Total equity
Note		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
For the year ended								
31 December 2015								
	Beginning of the year	89,836	—	6,763	294,031	390,630	930	391,560
	Profit/(loss) for the year	—	—	—	34,129	34,129	(150)	33,979
	Other comprehensive loss							
	for the year	—	—	(9,099)	—	(9,099)	—	(9,099)
	Total comprehensive (loss)/income							
	for the year	—	—	(9,099)	34,129	25,030	(150)	24,880
	Dividends relating to 2014 paid 35	—	—	—	(7,569)	(7,569)	—	(7,569)
	Dividends relating to 2015 paid 35	—	—	—	(3,784)	(3,784)	—	(3,784)
	Issuance of shares pursuant to							
	warrants exercised 32	1	—	—	—	1	—	1
	Purchase of treasury shares 32	—	(2,107)	—	—	(2,107)	—	(2,107)
	Adjustment on acquisition of							
	additional share in subsidiary							
	from non-controlling interest 23(b)(i)	—	—	—	(85)	(85)	—	(85)
	Total transactions with owners,							
	recognized directly in equity	1	(2,107)	—	(11,438)	(13,544)	—	(13,544)
	End of the year	89,837	(2,107)	(2,336)	316,722	402,116	780	402,896

		Attributable to equity holders of the Company					Non-	
		Share capital	Treasury shares	Other reserves	Retained profits	Total	controlling interests	Total equity
<i>Note</i>		<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
For the year ended								
31 December 2016								
		89,837	(2,107)	(2,336)	316,722	402,116	780	402,896
		—	—	—	28,707	28,707	6,104	34,811
		—	—	(18,958)	—	(18,958)	—	(18,958)
		—	—	(18,958)	28,707	9,749	6,104	15,853
	35	—	—	—	(7,476)	(7,476)	—	(7,476)
	35	—	—	—	(7,400)	(7,400)	—	(7,400)
	32	—	(4,391)	—	—	(4,391)	—	(4,391)
		—	(4,391)	—	(14,876)	(19,267)	—	(19,267)
		89,837	(6,498)	(21,294)	330,553	392,598	6,884	399,482

		Attributable to equity holders of the Company					Non-	
		Share capital	Treasury shares	Other reserves	Retained profits	Total	controlling interests	Total equity
Note		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
For the six months ended 30 June 2017								
	Beginning of the period	89,837	(6,498)	(21,294)	330,553	392,598	6,884	399,482
	Profit for the period	—	—	—	19,770	19,770	3,469	23,239
	Other comprehensive profit for the period	—	—	1,608	—	1,608	—	1,608
	Total comprehensive income for the period	—	—	1,608	19,770	21,378	3,469	24,847
	Dividends relating to 2016 paid 35	—	—	—	(7,399)	(7,399)	—	(7,399)
	Purchase of treasury shares 32	—	(1,119)	—	—	(1,119)	—	(1,119)
	Total transactions with owners, recognised directly in equity	—	(1,119)	—	(7,399)	(8,518)	—	(8,518)
	End of the period	89,837	(7,617)	(19,686)	342,924	405,458	10,353	415,811
For the six months ended 30 June 2016 (Unaudited)								
	Beginning of the period	89,837	(2,107)	(2,336)	316,722	402,116	780	402,896
	Profit/(loss) for the period	—	—	—	18,222	18,222	(448)	17,774
	Other comprehensive loss for the period	—	—	(16,512)	—	(16,512)	—	(16,512)
	Total comprehensive (loss)/income for the period	—	—	(16,512)	18,222	1,710	(448)	1,262
	Dividend relating to 2015 paid 35	—	—	—	(7,476)	(7,476)	—	(7,476)
	Purchase of treasury shares 32	—	(4,391)	—	—	(4,391)	—	(4,391)
	Total transactions with owners, recognised directly in equity	—	(4,391)	—	(7,476)	(11,867)	—	(11,867)
	End of the period	89,837	(6,498)	(18,848)	327,468	391,959	332	392,291

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
<i>Note</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)	
Cash flows from operating activities					
Total profit	111,150	33,979	34,811	17,774	23,239
Adjustments for:					
— Income tax expense	6,503	8,269	7,048	4,204	8,258
— Depreciation and amortisation	6,893	7,230	7,981	3,928	2,521
— Allowance for/(write-back of) impairment of trade and other receivables	204	(39)	126	117	110
— Net (gain)/loss on disposal of property, plant and equipment	(723)	18	(106)	(79)	(3)
— Reversal of impairment of property, plant and equipment	—	(35)	—	—	—
— Fair value (gains)/losses on investment properties and assets held for sale	(40,308)	(3,550)	3,121	—	(1,743)
— Interest income	(465)	(857)	(1,371)	(791)	(346)
— Dividend income	(111)	(111)	(115)	(55)	(50)
— Finance expenses	8,889	15,940	21,383	10,815	10,048
— Share of profit of associated companies and joint ventures	(45,332)	(5,986)	(5,398)	(2,780)	(1,468)
— Write off of investment in an associated company	—	4,800	—	—	—
— Reclassification adjustment from fair value reserve to profit or loss	153	—	—	—	—
— Unrealised currency translation differences	540	460	971	2,380	(117)

APPENDIX I
ACCOUNTANT'S REPORT

	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>Note</i> S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
				(Unaudited)	
Operating cash flow before working capital changes	47,393	60,118	68,451	35,513	40,449
Change in working capital, net of effects from acquisition of subsidiary					
— Inventories	351	261	278	238	(21)
— Trade and other receivables . . .	3,796	(1,644)	(2,192)	(896)	(1,704)
— Other assets	5,426	1,144	313	—	(564)
— Trade and other payables	3,028	651	9,689	(1,699)	(1,105)
Cash generated from operations	59,994	60,530	76,539	33,156	37,055
Income tax paid	(6,450)	(6,459)	(7,018)	(3,872)	(5,124)
Net cash provided by operating activities	53,544	54,071	69,521	29,284	31,931
Cash flows from investing activities					
Proceeds from disposal of property, plant and equipment	797	129	513	239	22
Additions to investment properties . .	(269,348)	(187,998)	(94,926)	(41,711)	(10,413)
Purchases of property, plant and equipment	(2,377)	(5,815)	(4,484)	(1,538)	(1,553)
Acquisition of interest in subsidiaries, net of cash acquired . .	370	—	—	—	—
Loan to an associated company	(668)	—	—	—	—
Interest received	465	857	1,371	791	346
Dividends received	111	111	115	55	50
Dividends received from associated companies and joint ventures	13,500	4,050	11,120	—	861
Short term bank deposits released as security from bank	816	—	1,721	—	—
Short-term bank deposits charged as security to bank	(4,028)	(19)	—	(2,525)	(171)
Deposits paid for acquisition of investment property	(9,820)	(2,175)	—	(39,448)	—
Deposits refunded for acquisition of investment property	2,071	—	—	—	—
Purchase of available-for-sale financial assets	—	—	—	—	(5,850)
Net cash used in investing activities	(268,111)	(190,860)	(84,570)	(84,137)	(16,708)

APPENDIX I
ACCOUNTANT'S REPORT

	<i>Note</i>	Year ended 31 December			Six months ended 30 June	
		2014	2015	2016	2016	2017
		<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
						(Unaudited)
Cash flows from financing activities						
Acquisition of additional interest in a subsidiary	23(b)	—	(85)	—	—	—
Proceeds from borrowings		273,700	206,425	140,336	59,073	86,813
Repayment of borrowings		(32,152)	(22,925)	(132,206)	(14,203)	(84,061)
Proceeds from exercise of warrants		405	1	—	—	—
Purchase of treasury shares		—	(2,107)	(4,391)	(4,391)	(1,119)
Interest paid		(8,425)	(13,019)	(21,197)	(9,583)	(8,335)
Medium Term Notes repurchased		—	—	(255)	—	—
Dividends paid to equity holders of the Company		(8,325)	(11,353)	(14,876)	(7,476)	(7,399)
Cash provided by non-controlling interest		5,100	—	4,900	4,900	1,470
Cash provided by an associated company		—	56,180	—	—	—
Repayment of loan from associated company		—	—	(10,220)	—	(861)
Listing expenses paid		—	—	—	—	(160)
Net cash provided by/(used in) financing activities		230,303	213,117	(37,909)	28,320	(13,652)
Net increase/(decrease) in cash and cash equivalents held		15,736	76,328	(52,958)	(26,533)	1,571
Cash and cash equivalents						
Beginning of the year/period	15	43,558	59,116	134,388	134,388	80,219
Effects of currency translation on cash and cash equivalents		(178)	(1,056)	(1,211)	(890)	115
End of the year/period	15	59,116	134,388	80,219	106,965	81,905

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION**1. GENERAL INFORMATION**

Centurion Corporation Limited (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 45 Ubi Road 1, #05-01, Singapore 408696.

The principal activities of the Company include investment holding and provision of management services.

The principal activities of its subsidiaries, associated companies and joint ventures are set out in Notes 23, 21 and 22 respectively.

The Historical Financial Information is presented in thousands of Singapore Dollars (S\$'000) unless otherwise stated.

2. SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation**

The Historical Financial Information has been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by International Accounting Standards Board (“IASB”). The Historical Financial Information has been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of the Historical Financial Information in conformity with IFRS requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 4.

Interpretations and amendments to published standards effective in 2017

On 1 January 2017, the Group adopted the new or amended IFRS and Interpretations of IFRS (“INT IFRS”) that are mandatory for application for the year as set out below. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS and INT IFRS.

IAS 27 (Amendment)	Separate financial statements (Equity method in separate financial statements)
IAS 16 (Amendment)	Property, plant and equipment (Clarification of acceptable methods of depreciation and amortisation)
IAS 16 (Amendment)	Property, plant and equipment (Bearer plants)
IAS 1 (Amendment)	Presentation of financial statements (Disclosure initiative)
IFRS 10 (Amendment)	Consolidated financial statements
IFRS 12 (Amendment)	Disclosure of Interests in other entities
IAS 28 (Amendment)	Investments in associates and joint ventures (Investment entities: Applying the consolidation exception) (Editorial corrections in June 2015)
IFRS 11 (Amendment)	Joint Arrangements (Accounting for acquisitions of interests in joint operations)
IFRS 5	Non-current assets held for sale and discontinued operation (Methods of disposal)
IFRS 7	Financial instruments: Disclosures (Servicing contracts and interim financial statements)
IAS 7	Statement of cash flows (Disclosure initiative)
IAS 12	Income taxes (Recognition of deferred tax assets for unrealised losses)

The adoption of these new or amended IFRS and INT IFRS did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior years except for the need to provide disclosure with regards to IAS 7. See Note 15 for the disclosure made.

The followings are the new standards and amendments to standards that are relevant to the Group, which have been published but are not yet effective for the Track Record Period and which the Group has not early adopted:

		Effective for accounting periods beginning on or after
IAS 28 and IFRS 10	Sale or contribution of assets between an investor and its associate or joint venture	To be determined
IAS 28 (Amendment)	Measuring an associate or joint venture at fair value	1 January 2018
IAS 40 (Amendment)	Transfer of investment property	1 January 2018
IFRIC 22	Foreign currency and advance consideration	1 January 2018
IFRS 2 (Amendment)	Share-based payment classification and measurement	1 January 2018
IFRS 4 (Amendment)	Applying IFRS 9 financial instruments with IFRS 4 insurance contracts	1 January 2018
IFRS 9	Financial instruments	1 January 2018
IFRS 15	Revenue from contracts with customers	1 January 2018
IFRS 16	Leases	1 January 2019
IFRS 17	Insurance contracts	1 January 2021
IFRS 1 (Amendment)	Deletion of short-term exemptions for first-time adopters	1 January 2018
IFRIC 23	Uncertainty over income tax treatments issued	1 January 2019

The adoption of these new standards, amendments and interpretations is not expected to have significant impact on the Historical Financial Information of the Group, except for the following amendments and new standards:

IFRS 9 “Financial instruments” replaces the whole of IAS 39. IFRS 9 has three financial asset classification categories for investments in debt instruments: amortised cost, fair value through other comprehensive income (“OCI”) and fair value through profit or loss. Classification is driven by the entity’s business model for managing the debt instruments and their contractual cash flow characteristics. Investments in equity instruments are always measured at fair value. However, management can make an irrevocable election to present changes in fair value in OCI, provided the instrument is not held for trading. If the equity instrument is held for trading, changes in fair value are presented in profit or loss. For financial liabilities there are two classification categories: amortised cost and fair value through profit or loss. Where non-derivative financial liabilities are designated at fair value through profit or loss, the changes in the fair value due to changes in the liability’s own credit risk are recognised in OCI, unless such changes in fair value would create an accounting mismatch in profit or loss, in which case, all fair value movements are recognised in profit or loss. There is no subsequent recycling of the amounts in OCI to profit or loss. For financial liabilities held for trading (including derivative financial liabilities), all changes in fair value are presented in profit or loss.

IFRS 9 also introduces a new model for the recognition of impairment losses — the expected credit losses (ECL) model, which constitutes a change from the incurred loss model in IAS 39. IFRS 9 contains a ‘three stage’ approach, which is based on the change in credit quality of financial assets

since initial recognition. Assets move through the three stages as credit quality changes and the stages dictate how an entity measures impairment losses and applies the effective interest rate method. The new rules mean that on initial recognition of a non-credit impaired financial asset carried at amortised cost a day-1 loss equal to the 12-month ECL is recognised in profit or loss. In the case of accounts receivables this day-1 loss will be equal to their lifetime ECL. Where there is a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL.

During the Track Record Period, the Group's financial assets and financial liabilities were carried at amortised costs without significant impairment on the former. The Group however, has investments in available-for-sale financial assets which are carried at fair value, and under IFRS 9, there is no subsequent recycling of the fair value differences to profit or loss. Apart from this, the implementation of IFRS 9 is not expected to result in any other significant impact on the Group's financial position and results of operations.

IFRS 15 "Revenue from Contracts with Customers" — This new standard replaces the previous revenue standards: IAS 18 "Revenue" and IAS 11 "Construction Contracts", and the related Interpretations on revenue recognition. IFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract; (3) Determine the transaction price; (4) Allocate transaction price to performance obligations; and (5) Recognise revenue when performance obligation is satisfied. The core principle is that the Group should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. It moves away from a revenue recognition model based on an "earnings processes" to an "asset liability" approach based on transfer of control. IFRS 15 provides specific guidance on capitalisation of contract cost, license arrangements and principal versus agent considerations. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Group's major revenue stream is namely rental income generated from workers and students accommodation assets which will be accounted for based on IFRS 16. Management has performed a preliminary assessment on the other streams of revenue and expects that the implementation of the IFRS 15 would not result in any significant impacts on the Group's financial position and results of operations. However, the Group will be required to provide a cohesive set of additional disclosure requirement under IFRS 15 upon its adoption.

IFRS 15 is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted.

IFRS 16 Leases — This new standard addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of Historical Financial Information about the leasing activities of both lessees and lessors. A key change

arising from IFRS 16 is that most operating leases will be accounted for on balance sheet for lessees. The Group is a lessee of various properties which are currently classified as operating leases. The Group's current accounting policy for such leases is set out in Note 2.17 with the Group's future operating lease commitments, which are not reflected in the consolidated balance sheets, under non-cancellable operating lease of S\$61,347,000 as at 30 June 2017, set out in Note 36(b). IFRS 16 provides new provisions for the accounting treatment of leases and will in the future no longer allow lessees to recognise certain leases outside of the consolidated balance sheets. Instead, when the Group is the lessee, almost all leases must be recognised in the form of an asset (for the right of use) and a financial liability (for the payment obligation). Thus, each lease will be mapped in the Group's consolidated balance sheets. Short-term leases of less than twelve months and leases of low-value assets are exempt from the reporting obligation.

The new standard will therefore result in an increase in right-to-issue asset and an increase in lease liability in the consolidated balance sheets. As for the financial performance impact in the consolidated income statements and comprehensive income, rental expenses will be replaced with straight-line depreciation expense on the right-of-use asset and interest expenses on the lease liability. The combination of the straight-line depreciation of the right-of-use asset and the effective interest rate method applied to the lease liability will result in a higher total charge to profit or loss in the initial years of the lease, and decreasing expenses during the latter part of the lease term. The Group has disclosed its non-cancellable operating lease commitments in 36(b). As a result of the adoption of the new standard, there will be no operating lease commitment.

Nevertheless, it is expected that there will be no material impact on the total expenses to be recognised by us over the entire lease period and our total net profit over the lease period is not expected to be materially affected. The adoption of IFRS 16 would not affect our total cash flows in respect of the leases. We are continuing to assess the specific magnitude of the adoption of IFRS 16 to the relevant financial statement areas and will conduct a more detailed assessment on the impact as information become available closer to the planned initial date of the adoption of 1 January 2019.

For lessors, the accounting stays almost the same. Although the standard provides guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), this does not impact the Group as there are no such arrangements in place.

2.2 Revenue recognition

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Sales are presented, net of value-added tax, rebates and discounts, and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Sale of goods

Revenue from these sales is recognised when the Group has delivered the products to the customers and the customers have accepted the products and collectability of the related receivables is reasonably assured.

The Group does not operate any customer loyalty programme.

(b) Rendering of services

Revenue from rendering of services is recognised when the services are rendered.

(c) Rental income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

(d) Interest income

Interest income including income arising from finance leases and other financial instruments is recognised using the effective interest method.

(e) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.3 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the Historical Financial Information, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated income statements, statements of comprehensive income, statements of changes in equity and balance sheets. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

If those amounts are less than the fair value of the identifiable net assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a gain from bargain purchase.

Please refer to the paragraph “Intangible assets — Goodwill on acquisitions” for the subsequent accounting policy for goodwill.

(iii) Disposals

When a change in the Group’s ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

(b) Transactions with non-controlling interests

Changes in the Group’s ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the Historical Financial Information using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the

acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated company or joint venture over the Group's share of the fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognise Group's share of its associated companies' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movement in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies or joint ventures are recognized as a reduction of the carrying amount of the investments.

When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated companies or joint venture. If the associated company or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associated companies or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated company or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

2.4 Government grants

Grants from the government are recognised as receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis unless they are directly attributable to the construction of an item of plant and equipment, in which case, they are set off against the asset.

2.5 Property, plant and equipment

(a) Measurement

(i) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Component of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Freehold land and capital work-in-progress are not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Building on freehold land	50 years
Leasehold land and building	20 years
Leasehold improvements	Based on lease terms
Plant, machinery and equipment	2–10 years
Renovation, furniture and fittings	4–10 years
Motor vehicles	4–5 years
Office equipment and computers	3–10 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “other gains”.

2.6 Investment properties

Investment properties include properties that are held for long-term rental yields and/or for capital appreciation and land under operating leases that are held for long-term capital appreciation or for a currently indeterminate use. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest and best use basis. Changes in fair values are recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the costs of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.7 Intangible assets**(a) Goodwill on acquisitions**

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of joint ventures and associated companies represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, joint ventures and associated companies include the carrying amount of goodwill relating to the entity sold.

(b) Favourable lease agreement

Favourable lease agreement acquired is initially recognised at cost and is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 62 months, which is the shorter of its estimated useful life and period of contractual rights.

2.8 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2.9 Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint ventures are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss. Quasi-equity loans are carried at cost.

2.10 Impairment of non-financial assets***(a) Goodwill***

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Intangible assets, property, plant and equipment, investments in subsidiaries, associated companies and joint ventures

Intangible assets, property, plant and equipment and investments in subsidiaries, associated companies and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.11 Financial assets

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity and available-for-sale. The Group has financial assets only in the categories of loans and receivables and available-for-sale. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" and "cash and bank balances" on the balance sheet except for certain non-trade receivables from subsidiaries which have been accounted for in accordance with Note 2.9.

(ii) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the balance sheet date.

(b) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date — the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

(c) *Initial measurement*

Financial assets are initially recognised at fair value plus transaction costs.

(d) *Subsequent measurement*

Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Interest and dividend income on available-for-sale financial assets are recognised separately in income. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and the other changes are recognised in other comprehensive income and accumulated in the fair value reserve. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

(e) *Impairment*

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(ii) Available-for-sale financial assets

In addition to the objective evidence of impairment described in Note 2.11(e)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired.

If there is objective evidence of impairment, the cumulative loss that was previously recognised in other comprehensive income is reclassified from equity to profit or loss. The amount of cumulative loss that is reclassified is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss. The impairment losses recognised as an expense for an equity security are not reversed through profit or loss in a subsequent period.

2.12 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheets when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.13 Financial guarantees

The Company has issued corporate guarantees to banks for borrowings of its subsidiaries, associated companies and joint ventures. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries, associated companies or joint ventures fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's balance sheets except when the fair value is determined to be insignificant.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries', associated companies' and joint ventures' borrowings, unless it is probable that the Company will reimburse the bank for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's balance sheets.

Intra-group transactions are eliminated on consolidation.

2.14 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.16 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.17 Leases

(a) *When the Group is the lessee:*

The Group leases land, motor vehicles and certain property, plant and equipment under finance and operating leases from non-related parties.

(i) *Lessee — Finance leases*

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the balance sheet as plant and equipment and borrowings respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(ii) *Lessee — Operating leases*

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

(b) When the Group is the lessor:

The Group subleases its leased office premises under operating leases to non-related parties. The Group also leases its investment properties under operating leases to non-related parties.

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

2.18 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.19 Income taxes

Current income tax for current and prior periods are recognised at the amounts expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.21 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Defined benefit plans

The Group also has an unfunded defined benefit plan as part of a subsidiary's national severance, gratuity and corporation benefits plan. An independent actuary's valuation is obtained in determining the defined benefit obligation using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms of maturity approximating the terms of the related liability.

(c) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(d) Termination benefits

Termination benefits are those benefits which are payable when employment is terminated before the normal retirement date. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of FRS 37 and involves the payment of termination benefits. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

2.22 Currency translation***(a) Functional and presentation currency***

Items included in the Historical Financial Information of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The Historical Financial Information are presented in Singapore Dollars, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency (“foreign currency”) are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in the Historical Financial Information, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within “finance expenses”. All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within “other gains”.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities’ Historical Financial Information

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the date of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the senior management whose members are responsible for allocating resources and assessing performance of the operating segments.

2.24 Cash and cash equivalents

For the purpose of presentation in the consolidated statements of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheets. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.25 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.26 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payments.

2.27 Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held-for-sale and:

- (a) represents a separate major line of business or geographical area of operations;
- (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- (c) is a subsidiary acquired exclusively with a view to resale.

2.28 Assets held for sale

Non-current assets are classified as assets held-for-sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use, except for investment properties. Investment properties classified as assets held-for-sale are measured in accordance with the Group's accounting policies (Note 2.6). The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss, except for investment properties. Investment properties classified as assets held-for-sale are subsequently carried at fair value in accordance with the Group's accounting policies (Note 2.6).

3. FINANCIAL RISK MANAGEMENT**Financial risk factors**

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

Financial risk management is carried out by management in accordance with the policies approved by the Board of Directors. Management identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

(a) *Market risk*

(i) *Currency risk*

The Group operates in Singapore, Malaysia, Indonesia, Australia and the United Kingdom.

Currency risk arises within the entities in the Group when transactions are denominated in foreign currencies such as Singapore Dollar ("SGD"), United States Dollar ("USD"), Malaysian Ringgit ("MYR"), Australian Dollar ("AUD") and Great Britain Pound ("GBP"). In addition, the Group is exposed to currency translation risk on the net assets in foreign operations. Exposures to foreign currency risks are managed as far as possible by natural hedges and monitoring to ensure the exposure is minimised.

The Group's currency exposure based on the information provided to management is as follows:

	SGD	USD	MYR	AUD	GBP	Other	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 December 2014							
Financial assets							
Cash and bank balances	41,985	1,651	3,463	9,037	6,604	404	63,144
Available-for-sale financial assets	2,314	—	—	—	—	—	2,314
Trade and other receivables	2,054	420	1,355	627	202	939	5,597
Other financial assets	11,586	—	678	—	272	259	12,795
Inter-company balances	49,496	467	—	10,115	7,474	2,570	70,122
	<u>107,435</u>	<u>2,538</u>	<u>5,496</u>	<u>19,779</u>	<u>14,552</u>	<u>4,172</u>	<u>153,972</u>
Financial liabilities							
Trade and other payables	(26,207)	(2,463)	(2,989)	(1,164)	(1,186)	(845)	(34,854)
Borrowings	(326,572)	—	(16,202)	(19,436)	(70,153)	(410)	(432,773)
Inter-company balances	(49,496)	(467)	—	(10,115)	(7,474)	(2,570)	(70,122)
	<u>(402,275)</u>	<u>(2,930)</u>	<u>(19,191)</u>	<u>(30,715)</u>	<u>(78,813)</u>	<u>(3,825)</u>	<u>(537,749)</u>
Net financial (liabilities)/assets	(294,840)	(392)	(13,695)	(10,936)	(64,261)	347	(383,777)
Less: Net financial assets/ (liabilities) denominated in the respective entities' functional currencies	292,487	—	13,695	13,931	70,304	(13)	
Currency risk exposures	(2,353)	(392)	—	2,995	6,043	334	

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	SGD	USD	MYR	AUD	GBP	Other	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 December 2015							
Financial assets							
Cash and bank balances	112,044	1,575	6,529	8,355	9,484	448	138,435
Available-for-sale financial assets	2,196	—	—	—	—	—	2,196
Trade and other receivables	2,145	202	1,449	1,073	311	233	5,413
Other financial assets	743	—	2,127	—	273	81	3,224
Inter-company balances	53,927	915	21,226	9,306	29,460	2,534	117,368
	<u>171,055</u>	<u>2,692</u>	<u>31,331</u>	<u>18,734</u>	<u>39,528</u>	<u>3,296</u>	<u>266,636</u>
Financial liabilities							
Trade and other payables	(44,193)	(1,398)	(1,800)	(728)	(1,056)	(627)	(49,802)
Borrowings	(557,501)	—	(25,526)	(20,558)	(67,845)	(163)	(671,593)
Inter-company balances	(53,927)	(915)	(21,226)	(9,306)	(29,460)	(2,534)	(117,368)
	<u>(655,621)</u>	<u>(2,313)</u>	<u>(48,552)</u>	<u>(30,592)</u>	<u>(98,361)</u>	<u>(3,324)</u>	<u>(838,763)</u>
Net financial (liabilities)/assets	(484,566)	379	(17,221)	(11,858)	(58,833)	(28)	(572,127)
Less: Net financial assets denominated in the respective entities' functional currencies	484,239	—	17,221	14,124	60,783	606	
Currency risk exposures	(327)	379	—	2,266	1,950	578	
As at 31 December 2016							
Financial assets							
Cash and bank balances	57,667	1,858	1,691	11,822	9,041	466	82,545
Available-for-sale financial assets	2,174	—	—	—	—	—	2,174
Trade and other receivables	4,164	9	2,030	1,351	280	1	7,835
Other financial assets	742	—	1,762	—	245	34	2,783
Inter-company balances	114,850	677	21,210	10,544	11,602	2,583	161,466
	<u>179,597</u>	<u>2,544</u>	<u>26,693</u>	<u>23,717</u>	<u>21,168</u>	<u>3,084</u>	<u>256,803</u>
Financial liabilities							
Trade and other payables	(34,641)	(922)	(2,356)	(756)	(3,492)	(476)	(42,643)
Borrowings	(536,930)	—	(22,463)	(20,926)	(80,079)	—	(660,398)
Inter-company balances	(114,850)	(677)	(21,210)	(10,544)	(11,602)	(2,583)	(161,466)
	<u>(686,421)</u>	<u>(1,599)</u>	<u>(46,029)</u>	<u>(32,226)</u>	<u>(95,173)</u>	<u>(3,059)</u>	<u>(864,507)</u>
Net financial (liabilities)/assets	(506,824)	945	(19,336)	(8,509)	(74,005)	25	(607,704)
Less: Net financial assets denominated in the respective entities' functional currencies	506,579	—	19,336	14,878	74,477	470	
Currency risk exposures	(245)	945	—	6,369	472	495	

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	<u>SGD</u>	<u>USD</u>	<u>MYR</u>	<u>AUD</u>	<u>GBP</u>	<u>Other</u>	<u>Total</u>
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
As at 30 June 2017							
Financial assets							
Cash and bank balances	63,901	878	2,043	7,758	9,434	392	84,406
Available-for-sale financial assets	4,655	3,344	—	—	—	—	7,999
Trade and other receivables	5,352	32	1,894	1,907	242	—	9,427
Other financial assets	913	—	1,851	—	234	36	3,034
Inter-company balances	24,737	—	—	—	—	—	24,737
	<u>99,558</u>	<u>4,254</u>	<u>5,788</u>	<u>9,665</u>	<u>9,910</u>	<u>428</u>	<u>129,603</u>
Financial liabilities							
Trade and other payables	(28,048)	(734)	(2,688)	(6,393)	(3,473)	(310)	(41,646)
Borrowings	(542,512)	(1,674)	(20,543)	(21,158)	(78,857)	—	(664,744)
Inter-company balances	(24,737)	—	—	—	—	—	(24,737)
	<u>(595,297)</u>	<u>(2,408)</u>	<u>(23,231)</u>	<u>(27,551)</u>	<u>(82,330)</u>	<u>(310)</u>	<u>(731,127)</u>
Net financial (liabilities)/assets	(495,739)	1,846	(17,443)	(17,886)	(72,420)	118	(601,524)
Less: Net financial assets/(liabilities) denominated in the respective entities' functional currencies	495,454	—	17,431	20,098	72,702	(164)	
Currency risk exposures	(285)	1,846	(12)	2,212	282	(46)	

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The Company's currency exposure based on the information provided to management is as follows:

	<u>SGD</u>	<u>USD</u>	<u>AUD</u>	<u>GBP</u>	<u>Total</u>	
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	
As at 31 December 2014						
Financial assets						
Cash and bank balances	19,208	8	682	1,782	21,680	
Available-for-sale financial assets	2,314	—	—	—	2,314	
Trade and other receivables	7,323	610	10	1	7,944	
Other financial assets	402	—	—	—	402	
	<u>29,247</u>	<u>618</u>	<u>692</u>	<u>1,783</u>	<u>32,340</u>	
Financial liabilities						
Trade and other payables	(5,016)	—	—	—	(5,016)	
Borrowings	(100,438)	—	—	—	(100,438)	
	<u>(105,454)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(105,454)</u>	
Net financial (liabilities)/assets	(76,207)	618	692	1,783	(73,114)	
Less: Net financial assets denominated in the entity's functional currency	76,207	—	—	—	—	
Currency risk exposures	<u>—</u>	<u>618</u>	<u>692</u>	<u>1,783</u>	<u>—</u>	
	<u>—</u>	<u>618</u>	<u>692</u>	<u>1,783</u>	<u>—</u>	
	<u>SGD</u>	<u>USD</u>	<u>AUD</u>	<u>GBP</u>	<u>Other</u>	<u>Total</u>
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
As at 31 December 2015						
Financial assets						
Cash and bank balances	83,199	186	2,062	1,625	3	87,075
Available-for-sale financial assets	2,196	—	—	—	—	2,196
Trade and other receivables	12,084	309	—	3	—	12,396
Other financial assets	354	—	—	—	—	354
	<u>97,833</u>	<u>495</u>	<u>2,062</u>	<u>1,628</u>	<u>3</u>	<u>102,021</u>
Financial liabilities						
Trade and other payables	(4,290)	—	—	—	—	(4,290)
Borrowings	(167,032)	—	—	—	—	(167,032)
	<u>(171,322)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(171,322)</u>
Net financial (liabilities)/assets	(73,489)	495	2,062	1,628	3	(69,301)
Less: Net financial assets denominated in the entity's functional currency	73,489	—	—	—	—	—
Currency risk exposures	<u>—</u>	<u>495</u>	<u>2,062</u>	<u>1,628</u>	<u>3</u>	<u>—</u>
	<u>—</u>	<u>495</u>	<u>2,062</u>	<u>1,628</u>	<u>3</u>	<u>—</u>

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	SGD	USD	AUD	GBP	Other	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 December 2016						
Financial assets						
Cash and bank balances	27,736	454	6,322	70	2	34,584
Available-for-sale financial assets .	2,174	—	—	—	—	2,174
Trade and other receivables	6,316	94	—	3	6	6,419
Other financial assets	348	—	—	—	—	348
	<u>36,574</u>	<u>548</u>	<u>6,322</u>	<u>73</u>	<u>8</u>	<u>43,525</u>
Financial liabilities						
Trade and other payables	(9,478)	—	—	—	—	(9,478)
Borrowings	(136,038)	—	—	—	—	(136,038)
	<u>(145,516)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(145,516)</u>
Net financial (liabilities)/assets . .	(108,942)	548	6,322	73	8	(101,991)
Less: Net financial assets denominated in the entity's functional currency	108,942	—	—	—	—	—
Currency risk exposures	—	548	6,322	73	8	—
	<u>—</u>	<u>548</u>	<u>6,322</u>	<u>73</u>	<u>8</u>	<u>—</u>
As at 30 June 2017						
Financial assets						
Cash and bank balances	33,170	12	2,160	54	2	35,398
Available-for-sale financial assets .	4,655	3,344	—	—	—	7,999
Trade and other receivables	13,445	90	4	19	5	13,563
Other financial assets	474	—	—	—	—	474
	<u>51,744</u>	<u>3,446</u>	<u>2,164</u>	<u>73</u>	<u>7</u>	<u>57,434</u>
Financial liabilities						
Trade and other payables	(10,151)	—	—	—	—	(10,151)
Borrowings	(152,180)	(1,674)	—	—	—	(153,854)
	<u>(162,331)</u>	<u>(1,674)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(164,005)</u>
Net financial (liabilities)/assets . .	(110,587)	1,772	2,164	73	7	(106,571)
Less: Net financial assets denominated in the entity's functional currency	110,587	—	—	—	—	—
Currency risk exposures	—	1,772	2,164	73	7	—
	<u>—</u>	<u>1,772</u>	<u>2,164</u>	<u>73</u>	<u>7</u>	<u>—</u>

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If the USD, AUD and GBP change against SGD by 3%, 5%, 5% and 4% for the years ended 31 December 2014, 2015 and 2016 and for the six months ended 30 June 2017 respectively, with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset position would be as follows:

	Increase/(Decrease)							
	Year ended 31 December						Six months ended 30 June	
	2014		2015		2016		2017	
	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income
<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	
Group								
USD against SGD								
— strengthened	(10)	—	16	—	39	—	(50)	134
— weakened	10	—	(16)	—	(39)	—	50	(134)
AUD against SGD								
— strengthened	75	1,690	94	2,488	264	2,802	73	2,315
— weakened	(75)	(1,690)	(94)	(2,488)	(264)	(2,802)	(73)	(2,315)
GBP against SGD								
— strengthened	150	188	81	4,829	20	6,425	9	5,550
— weakened	(150)	(188)	(81)	(4,829)	(20)	(6,425)	(9)	(5,550)

	Increase/(Decrease)							
	Year ended 31 December						Six months ended 30 June	
	2014		2015		2016		2017	
	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income
<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	
Company								
USD against SGD								
— strengthened	15	—	21	—	23	—	(52)	134
— weakened	(15)	—	(21)	—	(23)	—	52	(134)
AUD against SGD								
— strengthened	17	—	86	—	262	—	72	—
— weakened	(17)	—	(86)	—	(262)	—	(72)	—
GBP against SGD								
— strengthened	44	—	68	—	3	—	2	—
— weakened	(44)	—	(68)	—	(3)	—	(2)	—

(ii) Price risk

The Group is exposed to debt securities price risk arising from the investments held by the Group and classified on the consolidated balance sheet as available-for-sale. These securities are listed in Singapore.

If prices for debt securities listed in Singapore change by 3%, 4%, 1% and 1% for the years ended 31 December 2014, 2015 and 2016 and for the six months ended 30 June 2017 respectively, with all other variables including tax rate being held constant, the effects on other comprehensive income will be:

Increase/(Decrease)			
Year ended 31 December			Six months ended 30 June
2014	2015	2016	2017
Other comprehensive income	Other comprehensive income	Other comprehensive income	Other comprehensive income
<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>

Group/Company

Listed in Singapore

— increased by	60	96	22	80
— decreased by	(60)	(96)	(22)	(80)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group's income is substantially independent of changes in market interest rates.

The Group's and the Company's exposure to cash flow interest rate risks arise mainly from non-current variable rate borrowings.

For the years ended 31 December 2014, 2015 and 2016 and for the six months ended 30 June 2017, if the interest rates have increased/decreased by 0.6%, 0.4%, 0.8% and 0.4% respectively, with all other variables including tax rate being held constant, the Group's profit after tax would have been lower/higher by S\$1,635,000, S\$1,675,000, S\$3,946,000 and S\$1,704,000 respectively.

For the years ended 31 December 2014, 2015 and 2016 and for the six months ended 30 June 2017, if the interest rates have increased/decreased by 0.6%, 0.4%, 0.8% and 0.4% respectively, with all other variables including tax rate being held constant, the Company’s profit after tax would have been lower/higher by S\$nil, S\$nil, S\$465,000 and S\$8,000 respectively.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, where appropriate to mitigate credit risk.

For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Credit exposure to an individual counterparty is restricted by credit limit that are approved by management based on ongoing credit evaluation. The counterparty’s payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level. The Group and Company have no major concentration of credit risk. The Company has no material third party debtors. As at 31 December 2014, 2015, 2016 and 30 June 2017, the top five debtors of the Group represented 35%, 30%, 29% and 34% of trade receivables respectively.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet, except as follows:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Corporate guarantees provided to banks on subsidiaries’, associated companies’ and joint venture’s loans	46,401	83,090	79,614	77,885	367,793	478,083	556,551	474,403

The Group’s major classes of financial assets are bank and other deposits and trade and other receivables. The Company’s major classes of financial assets are bank deposits, trade and other receivables and loans to subsidiaries and associates.

The Group's credit risk for trade receivables based on the information provided to key management is as follows:

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
By geographical areas				
Singapore	1,827	1,452	2,369	2,445
Malaysia	941	816	1,027	822
Australia	142	93	46	26
United Kingdom	125	272	237	184
Other countries	851	322	—	—
	<u>3,886</u>	<u>2,955</u>	<u>3,679</u>	<u>3,477</u>

Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade and other receivables from third parties and related corporations that are neither past due nor impaired are substantially companies with a good collection track record with the Group and Company.

Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The age analysis of trade receivables past due but not impaired are as follows:

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Past due < 3 months	1,912	1,244	1,207	1,579
Past due 3 to 6 months	207	133	144	431
Past due > 6 months	—	97	98	40
	<u>2,119</u>	<u>1,474</u>	<u>1,449</u>	<u>2,050</u>

The carrying amount of trade receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Gross amount	1,180	976	1,033	813
Less: Allowance for impairment	(1,180)	(976)	(1,033)	(813)
	—	—	—	—
Beginning of the year/period	999	1,180	976	1,033
Currency translation difference	47	(21)	(26)	(6)
Allowance made/(written back)	204	(39)	126	110
Allowance utilised	(424)	(144)	(43)	(324)
Acquisition of subsidiaries	354	—	—	—
End of the year/period	1,180	976	1,033	813

The impaired trade receivables arise mainly from sales to customers who have financial difficulties and significant delays in payments.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At the balance sheet date, assets held by the Group and the Company for managing liquidity risk included cash and short-term deposits as disclosed in Note 15.

Management monitors rolling forecasts of the liquidity reserve (comprises cash and bank deposits (Note 15)) of the Group and the Company on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Group in accordance with the practice set by the Group. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios and maintaining debt financing plans.

The table below analyses the maturity profile of the Group's and Company's financial liabilities (including derivative financial liabilities) based on contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Group				
As at 31 December 2014				
Trade and other payables	34,817	—	—	37
Borrowings	37,651	141,399	124,097	186,605
Financial guarantee contracts (Note 36(d))	46,401	—	—	—
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As at 31 December 2015				
Trade and other payables	49,069	248	251	234
Borrowings	154,262	104,432	206,991	305,986
Financial guarantee contracts (Note 36(d))	83,090	—	—	—
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As at 31 December 2016				
Trade and other payables	42,143	16	6	478
Borrowings	57,590	123,251	208,672	359,080
Financial guarantee contracts (Note 36(d))	79,614	—	—	—
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As at 30 June 2017				
Trade and other payables	41,174	18	14	440
Borrowings	62,700	121,654	284,055	281,252
Financial guarantee contracts (Note 36(d))	77,885	—	—	—
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Company			
As at 31 December 2014			
Trade and other payables	5,016	—	—
Borrowings	6,563	103,938	—
Financial guarantee contracts (Note 36(d))	<u>367,793</u>	<u>—</u>	<u>—</u>
As at 31 December 2015			
Trade and other payables	4,290	—	—
Borrowings	108,663	3,413	68,270
Financial guarantee contracts (Note 36(d))	<u>478,083</u>	<u>—</u>	<u>—</u>
As at 31 December 2016			
Trade and other payables	9,478	—	—
Borrowings	3,413	68,163	—
Financial guarantee contracts (Note 36(d))	<u>556,551</u>	<u>—</u>	<u>—</u>
As at 30 June 2017			
Trade and other payables	10,151	—	—
Borrowings	10,197	70,912	89,463
Financial guarantee contracts (Note 36(d))	<u>474,403</u>	<u>—</u>	<u>—</u>

Loan from a subsidiary is not included in the table above as there are no fixed terms of repayment on the loan (Note 28(e)).

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a net gearing ratio. The net gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings less cash and bank balances. Total capital is calculated as borrowings plus net assets of the Group.

The net gearing ratios are computed as follows:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Net debt	369,629	533,158	577,853	580,338	78,758	79,957	101,454	118,456
Total capital	824,333	1,074,489	1,059,880	1,080,555	318,803	378,459	346,337	363,121
Net gearing ratio . . .	45%	50%	55%	54%	25%	21%	29%	33%

Financial covenants relating to the Group's and Company's borrowings include debt service coverage ratio, loan to value ratio, consolidated total equity, and consolidated net borrowings to consolidated total equity ratio.

The Group and the Company is in compliance with all externally imposed capital requirements for the years ended 31 December 2014, 2015, 2016 and for the six months ended 30 June 2017.

(e) Fair value measurements

	Level 1
	<i>S\$'000</i>
As at 31 December 2014	
Available-for-sale financial assets	2,314
As at 31 December 2015	
Available-for-sale financial assets	2,196
As at 31 December 2016	
Available-for-sale financial assets	2,174
As at 30 June 2017	
Available-for-sale financial assets	7,999

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group and Company is the current bid price. These instruments are included in Level 1.

The carrying amount less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of current borrowings approximated their carrying amount.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Valuation of investment properties

The Group, in reliance on independent professional valuers, applies estimates, judgements and assumptions in the determination of fair values for investment properties. The valuation forms the basis for the carrying amounts in the Historical Financial Information (Note 24).

5. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Senior Management that are used to make strategic decisions. The Senior Management comprises the Group Chief Executive Officer, the Group Chief Financial Officer, and the Chief Executive Officer of each business/geographic segment.

The Senior Management manages and monitors the business in three business segments which is the manufacture and sale of optical discs and related data storage products (“Optical”), provision of dormitory accommodation and services for workers (“Workers accommodation”) and provision of accommodation and services for students (“Student accommodation”).

The results of the respective countries within the Student accommodation and Workers accommodation business segments are aggregated into a single operating segment respectively as they share similar economic characteristics.

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The segment information provided to the Senior Management for the reportable segments for the year ended 31 December 2014 is as follows:

	Optical	Workers accommodation	Student accommodation	Total for continuing operations
	S\$'000	S\$'000	S\$'000	S\$'000
Year ended 31 December 2014:				
Sales:				
Total segment sales	8,538	61,909	14,551	84,998
Inter-segment sales	(555)	—	—	(555)
Sales to external parties	7,983	61,909	14,551	84,443
Segment results	455	33,766	6,287	40,508
Finance expense	(4)	(4,046)	(4,839)	(8,889)
Interest income				352
Dividend income				111
Fair value gains/(losses) on investment properties	—	43,276	(2,968)	40,308
Share of profit of associated companies/joint ventures	48	45,284	—	45,332
Profit before tax				117,722
Income tax expense				(6,503)
Net profit				111,219
Segment assets	17,939	488,576	244,822*	751,337
Short-term bank deposits				34,227
Available-for-sale financial assets				2,314
Tax recoverable				307
Deferred income tax assets				60
Investments in associated companies				1,371
Investments in joint ventures				84,417
Consolidated total assets				874,033
Segment liabilities	5,438	26,615	6,682	38,735
Borrowings	409	230,071	202,293	432,773
Current income tax liabilities				7,064
Deferred income tax liabilities				3,128
Consolidated total liabilities				481,700
Other segment items:				
Capital expenditure	9	39,659	240,787	280,455
Depreciation	433	1,403	92	1,928
Amortisation	—	4,939	—	4,939

* Cash at bank held by Summit Technology Australia Pty Ltd and its subsidiary, Summit Printing (Australia) Pty Ltd is included within the segment assets of student accommodation as the amount has been earmarked for capital expenditure purpose for the student accommodation segment.

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The segment information provided to the Senior Management for the reportable segments for the year ended 31 December 2015 is as follows:

	Optical	Workers accommodation	Student accommodation	Total for continuing operations
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Year ended 31 December 2015:				
Sales:				
Total segment sales	5,828	72,098	27,374	105,300
Inter-segment sales	(762)	—	—	(762)
Sales to external parties	5,066	72,098	27,374	104,538
Segment results	561	36,393	10,730	47,684
Finance expense	(16)	(8,634)	(7,290)	(15,940)
Interest income				857
Dividend income				111
Fair value (losses)/gains on investment properties	—	(2,657)	6,207	3,550
Share of profit of associated companies	37	5,949	—	5,986
Profit before tax				42,248
Income tax expense				(8,269)
Net profit				33,979
Segment assets	8,989	669,834	259,916*	938,739
Short-term bank deposits				117,149
Available-for-sale financial assets				2,196
Tax recoverable				444
Deferred income tax assets				19
Investments in associated companies				83,097
Consolidated total assets				1,141,644
Segment liabilities	2,303	45,183	7,833	55,319
Borrowings	164	461,484	209,945	671,593
Current income tax liabilities				9,454
Deferred income tax liabilities				2,382
Consolidated total liabilities				738,748
Other segment items:				
Capital expenditure	1	209,322	10,604	219,927
Depreciation	363	1,607	321	2,291
Amortisation	—	4,939	—	4,939

* Cash at bank held by Summit Technology Australia Pty Ltd and its subsidiary, Summit Printing (Australia) Pty Ltd is included within the segment assets of student accommodation as the amount has been earmarked for capital expenditure purpose for the student accommodation segment.

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The segment information provided to the Senior Management for the reportable segments for the year ended 31 December 2016 is as follows:

	Optical	Workers accommodation	Student accommodation	Total for continuing operations
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Year ended 31 December 2016:				
Sales:				
Total segment sales	2,958	85,824	32,276	121,058
Inter-segment sales	(770)	—	—	(770)
Sales to external parties	2,188	85,824	32,276	120,288
Segment results	(164)	47,927	11,716	59,479
Finance expense	43	(13,614)	(7,812)	(21,383)
Interest income				1,371
Dividend income				115
Fair value (losses)/gains on investment properties	—	(32,436)	29,315	(3,121)
Share of (loss)/profit of associated companies	(13)	5,411	—	5,398
Profit before tax				41,859
Income tax expense				(7,048)
Net profit				34,811
Segment assets	7,850	668,696	302,620	979,166
Short-term bank deposits				60,544
Available-for-sale financial assets				2,174
Tax recoverable				610
Deferred income tax assets				4
Investments in associated companies				77,236
Consolidated total assets				1,119,734
Segment liabilities	1,366	36,704	9,963	48,033
Borrowings	43	460,822	199,533	660,398
Current income tax liabilities				10,478
Deferred income tax liabilities				1,343
Consolidated total liabilities				720,252
Other segment items:				
Capital expenditure	197	37,700	46,244	84,141
Depreciation	218	1,761	1,063	3,042
Amortisation	—	4,939	—	4,939

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The segment information provided to the Senior Management for the reportable segments for the six months ended 30 June 2017 is as follows:

	<u>Optical</u>	<u>Workers accommodation</u>	<u>Student accommodation</u>	<u>Total</u>
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Six months ended 30 June 2017				
Sales				
Sales to external parties	921	51,812	18,536	71,269
Segment results	302	33,211	7,514	41,027
Finance expense	(31)	(6,568)	(3,449)	(10,048)
Listing expenses				(3,089)
Interest income				346
Dividend income				50
Fair value gains/(losses) on investment properties and assets held for sale . . .	1,018	(47)	772	1,743
Share of (loss)/profit of associated companies	(8)	1,476	—	1,468
Profit before tax				31,497
Income tax expense				(8,258)
Net profit				23,239
Segment assets	8,985	681,876	318,091	1,008,952
Short-term bank deposits				46,799
Available-for-sale financial assets				7,999
Tax recoverable				356
Investments in associated companies . . .				76,977
Consolidated total assets				1,141,083
Segment liabilities	1,016	35,932	8,865	45,813
Borrowings	34	440,777	223,933	664,744
Current income tax liabilities				10,813
Deferred income tax liabilities				3,902
Consolidated total liabilities				725,272
Other segment items:				
Capital expenditure	7	4,920	6,792	11,719
Depreciation	18	1,003	600	1,621
Amortisation	—	900	—	900

The segment information provided to the Senior Management for the reportable segments for the six months ended 30 June 2016 is as follows:

	<u>Optical</u>	<u>Workers accommodation</u>	<u>Student accommodation</u>	<u>Total</u>
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Six months ended 30 June 2016				
(unaudited)				
Sales				
Total segment sales	1,772	39,744	16,234	57,750
Inter-segment sales	(379)	—	—	(379)
Sales to external parties	1,393	39,744	16,234	57,371
Segment results	29	22,709	6,429	29,167
Finance expense	(3)	(6,986)	(3,826)	(10,815)
Interest income				791
Dividend income				55
Share of (loss)/profit of associated companies	(1)	2,781	—	2,780
Profit before tax				21,978
Income tax expense				(4,204)
Net profit				17,774

Segment assets consist primarily of property, plant and equipment, investment properties, intangible assets, inventories, receivables, other current assets and operating cash, and exclude deferred tax assets, investments in associated companies and joint ventures, available-for-sale financial assets and short-term bank deposits. Segment liabilities comprise operating liabilities and exclude items such as tax liabilities and bank borrowings. Capital expenditure comprises additions to property, plant and equipment and investment properties.

Geographical information

The Group's three business segments operate in four main geographical areas:

- Singapore — the Company is headquartered and has operations in Singapore. The operations in this area are principally the manufacture and sale of optical discs, provision of workers accommodation and provision of student accommodation;
- Australia — the operations in this area are principally the provision of student accommodation and property investments. The operations in the manufacture and sale of optical discs were discontinued in the year ended 31 December 2014 (Note 13);

- Malaysia — the operations in this area are principally the provision of workers accommodation;
- United Kingdom — the operations in this area are principally the provision of student accommodation;
- Other countries — the operations include manufacture and sale of optical disc and property investments.

Sales for continuing operations

	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
				(Unaudited)	
Singapore	61,250	68,118	84,098	39,037	50,763
Australia	8,108	7,731	8,502	4,145	4,215
Malaysia	5,749	7,620	6,947	3,223	3,762
United Kingdom	6,443	19,321	20,598	10,823	12,529
Other countries	2,893	1,748	143	143	—
	<u>84,443</u>	<u>104,538</u>	<u>120,288</u>	<u>57,371</u>	<u>71,269</u>

Non-current assets

	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	487,826	670,744	656,491	651,923
Australia	74,375	74,264	77,631	85,214
Malaysia	62,386	70,036	67,276	72,215
United Kingdom	160,181	171,928	209,480	212,530
Other countries	6,819	6,580	5,022	6,389
	<u>791,587</u>	<u>993,552</u>	<u>1,015,900</u>	<u>1,028,271</u>

6. REVENUE

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)	
Sale of goods	7,939	5,033	2,161	1,379	921
Rendering of services	691	1,373	1,516	684	945
Rental income from investment properties (Note 24)	73,356	94,013	109,870	52,277	65,616
Rental income from operating leases	—	292	2,930	1,185	1,672
Others	2,457	3,827	3,811	1,846	2,115
Total revenue	84,443	104,538	120,288	57,371	71,269

7. COST OF SALES AND EXPENSES

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)	
Purchase of raw materials and consumables	2,561	1,675	541	295	351
Changes in inventories	(19)	262	278	238	(21)
Depreciation of property, plant and equipment (Note 25)	1,928	2,291	3,042	1,458	1,621
Amortisation of intangible asset (Note 26(c))	4,939	4,939	4,939	2,470	900
Total depreciation and amortisation	6,867	7,230	7,981	3,928	2,521
Allowance for/(write back of) impairment of trade and other receivables	204	(39)	126	117	110
Property tax	1,383	3,371	4,281	1,941	3,414
Employee compensation (Note 11)	13,575	14,050	16,942	7,817	8,338

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
				(Unaudited)	
Rental expense on operating leases	3,098	4,797	7,042	3,141	3,825
Utilities	4,610	6,004	6,496	2,849	3,661
Repairs and maintenance	2,269	4,273	5,038	1,989	2,010
Insurance	407	450	557	269	301
Security and card system expenses	604	729	1,262	801	965
Legal and professional fees	1,944	2,166	2,628	728	793
Transportation expenses	845	974	820	378	485
Advertising and promotion expenses	575	774	917	356	362
Write off of investment in an associated company (Note 21(a))	—	4,800	—	—	—
Auditors' remuneration	401	424	454	231	247
Listing expenses	—	—	—	—	3,089
Others	5,012	5,489	6,001	2,696	3,269
Total cost of sales, distribution and administrative expenses . .	<u>44,336</u>	<u>57,429</u>	<u>61,364</u>	<u>27,774</u>	<u>33,720</u>

8. OTHER INCOME AND GAINS

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
				(Unaudited)	
Rental income	305	316	351	211	169
Interest income	352	857	1,371	791	346
Dividend income	111	111	115	55	50
Other gains/(losses) (Note 9) . . .	96	259	204	(641)	220
	<u>864</u>	<u>1,543</u>	<u>2,041</u>	<u>416</u>	<u>785</u>

9. OTHER GAINS/(LOSSES)

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)	
Currency exchange (loss)/gain					
— net	(198)	(149)	(189)	(943)	22
Net gain/(loss) on disposal of plant and equipment	38	(18)	106	79	4
Reversal of impairment of property, plant and equipment (Note 25)	—	35	—	—	—
Available-for-sale financial assets					
— reclassification from other comprehensive income (Note 33(b)(i))	(153)	—	—	—	—
Government grants	174	260	274	192	125
Others	235	131	13	31	69
	<u>96</u>	<u>259</u>	<u>204</u>	<u>(641)</u>	<u>220</u>

10. FINANCE EXPENSES

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)	
Interest expense:					
— bank borrowings	11,498	18,775	21,565	11,756	9,372
— finance lease liabilities . . .	1	—	1	—	1
— associated company	—	749	1,489	823	599
— non-controlling interest . . .	—	—	92	—	76
Less: Borrowing costs capitalised in investment properties	(2,610)	(3,584)	(1,764)	(1,764)	—
Finance expenses recognised in profit or loss	<u>8,889</u>	<u>15,940</u>	<u>21,383</u>	<u>10,815</u>	<u>10,048</u>

For the financial years ended 31 December 2014, 2015 and 2016, and the six months ended 30 June 2017, borrowing costs on general financing were capitalised at a rate of 0.60%, 0.53%, 0.27% and nil%.

11. EMPLOYEE COMPENSATION — INCLUDING DIRECTORS' EMOLUMENTS

(a) Employee benefit expenses during the years/periods are as follows:

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)	
Wages and salaries	13,093	12,695	15,539	7,194	7,682
Employer's contribution to defined contribution plans, including Central Provident Fund	1,216	1,157	1,391	623	656
Post-employment benefits (Note 30(b))	(75)	198	12	—	—
Less: Amounts attributable to discontinued operations	(659)	—	—	—	—
Amounts attributable to continuing operations (Note 7)	<u>13,575</u>	<u>14,050</u>	<u>16,942</u>	<u>7,817</u>	<u>8,338</u>

(b) Directors emoluments

The remuneration of every director for the year ended 31 December 2014 is set out below:

Name of director	Fees	Salaries, allowances and benefits in kind	Employer's contribution to defined contribution plans	Other benefits	Total
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
<i>Executive directors</i>					
Lee Kerk Chong	16	318	6	—	340
Kong Chee Min	10	823	14	—	847
Tony Bin Hee Din	10	464	9	—	483
	36	1,605	29	—	1,670
<i>Non-executive directors</i>					
Chandra Mohan S/O Rethnam ..	72	—	—	—	72
Gn Hiang Meng	90	—	—	—	90
Wong Kok Hoe	58	—	—	—	58
	220	—	—	—	220
	256	1,605	29	—	1,890

The remuneration of every director for the year ended 31 December 2015 is set out below:

Name of director	Fees	Salaries, allowances and benefits in kind	Employer's contribution to defined contribution plans	Other benefits	Total
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
<i>Executive directors</i>					
Kong Chee Min (a)	4	852	15	—	871
Lee Kerk Chong (b)	5	319	8	—	332
Tony Bin Hee Din (c)	3	402	11	—	416
	12	1,573	34	—	1,619
<i>Non-executive directors</i>					
Wong Kok Hoe	96	—	—	—	96
Loh Kim Kang David (d)	28	—	—	—	28
Han Seng Juan (d)	28	—	—	—	28
	152	—	—	—	152
<i>Independent non-executive directors</i>					
Chandra Mohan S/O Rethnam . .	86	—	—	—	86
Gn Hiang Meng	110	—	—	—	110
	196	—	—	—	196
	360	1,573	34	—	1,967

- (a) Kong Chee Min resigned from the Board of Directors on 8 May 2015. There were no changes to the terms of his remuneration package.
- (b) Lee Kerk Chong retired from the Board of Directors on 28 April 2015. There were no changes to the terms of his remuneration package.
- (c) Tony Bin Hee Din resigned from the Board of Directors on 8 May 2015. There were no changes to the terms of his remuneration package.
- (d) Han Seng Juan and Loh Kim Kang David were appointed as Non-Executive Directors on 8 May 2015.

APPENDIX I
ACCOUNTANT'S REPORT

The remuneration of every director for the year ended 31 December 2016 is set out below:

Name of director	Fees	Salaries, allowances and benefits in kind	Employer's contribution to defined contribution plans	Other benefits	Total
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
<i>Non-executive directors</i>					
Han Seng Juan	42	—	—	—	42
Loh Kim Kang David	42	—	—	—	42
Wong Kok Hoe	99	—	—	—	99
	183	—	—	—	183
<i>Independent non-executive directors</i>					
Chandra Mohan s/o Rethnam . . .	86	—	—	—	86
Gn Hiang Meng	111	—	—	—	111
	197	—	—	—	197
	380	—	—	—	380

The remuneration of every director for the six months ended 30 June 2016 is set out below:

Name of director	Fees	Salaries, allowances and benefits in kind	Employer's contribution to defined contribution plans	Other benefits	Total
	<i>S\$'000</i> (unaudited)	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
<i>Non-executive directors</i>					
Han Seng Juan	21	—	—	—	21
Loh Kim Kang David	21	—	—	—	21
Wong Kok Hoe	50	—	—	—	50
	92	—	—	—	92
<i>Independent non-executive directors</i>					
Chandra Mohan s/o Rethnam . . .	43	—	—	—	43
Gn Hiang Meng	56	—	—	—	56
	99	—	—	—	99
	191	—	—	—	191

The remuneration of every director for the six months ended 30 June 2017 is set out below:

Name of director	Fees	Salaries, allowances and benefits in kind	Employer's contribution to defined contribution plans	Other benefits	Total
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
<i>Non-executive directors</i>					
Han Seng Juan	21	—	—	—	21
Loh Kim Kang David	21	—	—	—	21
Wong Kok Hoe	36	—	—	—	36
Owi Kek Hean (e).	34	—	—	—	34
	112	—	—	—	112
<i>Independent non-executive directors</i>					
Chandra Mohan s/o Rethnam . . .	43	—	—	—	43
Gn Hiang Meng	55	—	—	—	55
	98	—	—	—	98
	210	—	—	—	210

(e) Owi Kek Hean was appointed as a non-Executive Director on 1 January 2017.

During the Track Record Periods, none of the directors of the Company waived any emoluments paid or payable by the Group companies and no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

(i) Directors' retirement benefits

Save as disclosed above, no retirement benefits were paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiaries undertaking during the Track Record Periods.

(ii) Directors' termination benefits

No payment was made to directors as compensation for the early termination of the appointment during the Track Record Periods.

(iii) Consideration provided to third parties for making available directors' services

No payment was made to the former employer of directors for making available the services of them as a director of the Company during the Track Record Periods.

(iv) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There are no loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors during the Track Record Periods.

(v) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the Track Record Periods.

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Company include 3 directors for the years ended 31 December 2014, 2 directors for the year ended 31 December 2015, and no director for the year ended 31 December 2016 and six months ended 30 June 2016 and 30 June 2017, whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining individuals for the years ended 31 December 2014, 2015 and 2016, and the six months ended 30 June 2016 and 30 June 2017 are as follows:

	For the year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)	
Wages, salaries and allowances	1,350	1,537	2,951	1,501	1,505
Retirement benefit costs					
— defined contribution plans	26	43	79	39	39
	<u>1,376</u>	<u>1,580</u>	<u>3,030</u>	<u>1,540</u>	<u>1,544</u>

The emoluments of above individuals are within the following bands:

Emoluments band	Number of individuals				
	For the year ended 31 December			For the six months ended 30 June	
	2014	2015	2016	2016	2017
				(Unaudited)	
Nil–HK\$1,000,000	—	—	—	—	1
HK\$1,000,001–HK\$1,500,000	—	—	—	3	2
HK\$1,500,001–HK\$2,000,000	—	—	1	—	—
HK\$2,000,001–HK\$2,500,000	1	2	1	1	1
HK\$2,500,001–HK\$3,000,000	—	—	1	1	1
HK\$4,500,001–HK\$5,000,000	—	1	1	—	—
HK\$5,000,001–HK\$5,500,000	—	—	1	—	—
HK\$6,000,001–HK\$6,500,000	1	—	—	—	—

12. INCOME TAXES

(a) Income tax expense

Singapore income tax has been provided at the rate of 17% on the estimated assessable profits for the Track Record Period. Taxation on overseas profits has been calculated on the estimated assessable profits for the Track Record Period at the rates of taxation prevailing in the countries in which the Group operates.

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)	
— Profit for the year/period					
From continuing operations					
Current income tax					
— Singapore	5,882	6,777	6,890	3,635	4,327
— Foreign	832	2,111	1,663	997	1,326
	6,714	8,888	8,553	4,632	5,653
Deferred income tax					
(Note 31)	(71)	(555)	(927)	(428)	595
	6,643	8,333	7,626	4,204	6,248
— (Over)/under provision in					
prior years/period					
Current income tax	(289)	(34)	(497)	—	37
Deferred income tax					
(Note 31)	149	(30)	(81)	—	1,973
	6,503	8,269	7,048	4,204	8,258

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
				(Unaudited)	
Profit before tax					
— continuing operations	117,722	42,248	41,859	21,978	31,497
— discontinued operations (Note 13(a))	(69)	—	—	—	—
	<u>117,653</u>	<u>42,248</u>	<u>41,859</u>	<u>21,978</u>	<u>31,497</u>
Share of profit of associated companies and joint ventures, net of tax	(45,332)	(5,986)	(5,398)	(2,780)	(1,468)
Profit before tax and share of profit of associated companies and joint ventures	<u>72,321</u>	<u>36,262</u>	<u>36,461</u>	<u>19,198</u>	<u>30,029</u>
Tax calculated at a tax rate of 17% (2016: 17%, 2015: 17%, 2014: 17%)	12,295	6,165	6,198	3,264	5,105
Effects of:					
— different tax rates in other countries	(1,253)	213	1,786	(307)	436
— statutory stepped income exemption	(81)	(83)	(113)	(117)	(175)
— expenses not deductible for tax purposes	3,278	5,820	9,226	1,310	2,850
— income not subject to tax ⁽ⁱ⁾	(7,238)	(4,627)	(9,338)	(91)	(2,075)
— utilisation of previously unrecognised tax losses	(43)	(403)	(317)	(360)	(247)
— utilisation of previously unrecognised capital allowances	(15)	(64)	(1)	(3)	(45)
— unrecognised deferred tax assets	61	1,744	361	522	448
— (over)/under provision of tax in prior years ⁽ⁱⁱ⁾	(140)	(64)	(578)	—	2,010
— others	(361)	(432)	(176)	(14)	(49)
Tax charge	<u>6,503</u>	<u>8,269</u>	<u>7,048</u>	<u>4,204</u>	<u>8,258</u>

(i) Income not subject to tax includes fair value gains of investment properties and interest income that is non-taxable.

(ii) The under provision of tax in prior years of S\$2.0 million recorded in six months ended 30 June 2017 mainly represents provision of deferred tax for the cumulative fair value gains on the investment properties in Australia amounting to approximately S\$1.9 million. The Group reassessed the deferred income tax provision and concluded that

the capital gains should be subject to a 30% withholding tax and any capital losses will not be available for offset against the capital gains. No such provision was provided in prior years.

(b) Movements in current income tax liabilities/(recoverable)

	Group					Company				
	Year ended 31 December			Six months ended 30 June		Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)				(Unaudited)		
Beginning of the year/period.	6,798	6,757	9,010	9,010	9,868	133	192	478	478	816
Currency translation differences.	(16)	(142)	(180)	(260)	23	—	—	—	—	—
Income tax paid — net.	(6,450)	(6,459)	(7,018)	(3,872)	(5,124)	(5)	(26)	(10)	(7)	(38)
Tax expense	6,714	8,888	8,553	4,632	5,653	156	312	363	132	76
(Over)/under provision in prior years.	(289)	(34)	(497)	—	37	(92)	—	(15)	—	—
End of the year /period.	<u>6,757</u>	<u>9,010</u>	<u>9,868</u>	<u>9,510</u>	<u>10,457</u>	<u>192</u>	<u>478</u>	<u>816</u>	<u>603</u>	<u>854</u>

The current income tax account comprises the following:

	Group					Company				
	Year ended 31 December			Six months ended 30 June		Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)				(Unaudited)		
Current income tax recoverable (Included in Other assets — Note 18)	(307)	(444)	(610)	(525)	(356)	—	—	—	—	—
Current income tax liabilities	<u>7,064</u>	<u>9,454</u>	<u>10,478</u>	<u>10,035</u>	<u>10,813</u>	<u>192</u>	<u>478</u>	<u>816</u>	<u>603</u>	<u>854</u>
	<u>6,757</u>	<u>9,010</u>	<u>9,868</u>	<u>9,510</u>	<u>10,457</u>	<u>192</u>	<u>478</u>	<u>816</u>	<u>603</u>	<u>854</u>

(c) There is no tax charge relating to each component of other comprehensive income.

13. DISCONTINUED OPERATIONS

The operation, including the stock and fixed assets, of Summit Technology Australia Pty Ltd (comprising the Group's optical segment in Australia) were sold and completed on 17 April 2014. The entire results from Summit Technology Australia Pty Ltd and its subsidiary, Summit Printing (Australia) Pty Ltd are presented separately on the consolidated income statement as "Discontinued operations" for the year ended 31 December 2014.

(a) The results of the discontinued operations are as follows:

	Group
	2014
	<i>S\$'000</i>
Revenue	1,876
Other income	118
Other gains and losses*	114
Expenses	<u>(2,177)</u>
Loss before tax from discontinued operations	(69)
Tax credit	<u>—</u>
Loss after tax and other comprehensive loss from discontinued operations	<u><u>(69)</u></u>

* Includes gains on disposal of property, plant and equipment of S\$685,000 in 2014.

	<u>2014</u>
	<i>S\$'000</i>
Profit/(loss) attributable to equity holders of the Company relates to:	
— Profit from continuing operations	111,269
— Loss from discontinued operations	(69)
Total	<u>111,200</u>
Total comprehensive income attributable to equity holders of the Company relates to:	
— Profit from continuing operations	105,698
— Loss from discontinued operations	(69)
Total	<u>105,629</u>

(b) The impact of the discontinued operations on the cash flows of the Group is as follows:

	<u>Group</u>
	<u>2014</u>
	<i>S\$'000</i>
Operating cash outflows	(978)
Investing cash inflows	873
Total cash outflows	<u>(105)</u>

14. EARNINGS PER SHARE

(a) Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the net profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year/period, excluding ordinary shares purchased by the Company (Note 32(a)).

	Continuing operations			Discontinued operations			Total					
	Year ended 31 December	Six months ended 30 June		Year ended 31 December	Six months ended 30 June		Year ended 31 December	Six months ended 30 June				
	2014	2016	2017	2014	2015	2016	2014	2015	2016			
Net profit/(loss) attributable to equity holders of the Company (\$'000)	111,269	28,707	18,222	19,770	(69)	—	—	111,200	34,129	28,707	18,222	19,770
Weighted average number of ordinary shares outstanding for basic earnings/(loss) per share ('000)	756,590	743,342	746,761	739,300	756,590	743,342	743,342	755,637	755,637	743,342	746,761	739,300
Basic earnings/(loss) per share (cents)	14.71	4.52	3.86	2.44	2.67	2.44	2.67	(0.01)	4.52	3.86	2.44	2.67

(b) Diluted earnings/(loss) per share

For the purpose of calculating diluted earnings/(loss) per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

The Company has one category of dilutive potential ordinary shares: warrants.

For warrants, the weighted average number of shares on issue has been adjusted as if all dilutive warrants were exercised. The number of shares that could have been issued upon the exercise of all dilutive warrants less the number of shares that could have been issued at fair value (determined as the Company's average share price for the year/period) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net profit.

The basic and diluted earnings/(loss) per share for the years ended 31 December 2015 and 2016 and the six months ended 30 June 2016 and 2017 were the same because the effect of the assumed conversion of warrants outstanding was anti-dilutive.

Diluted earnings/(loss) per share for continuing and discontinued operations attributable to equity holders of the Company is calculated as follows:

	Continuing operations			Discontinued operations			Total			
	Year ended 31 December	Six months ended 30 June		Year ended 31 December	Six months ended 30 June		Year ended 31 December	Six months ended 30 June		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	
Net profit/(loss) used to determine diluted earnings per share (S\$'000)	34,129	28,707	19,770	(69)	—	—	111,200	34,129	28,707	19,770
Weighted average number of ordinary shares outstanding for basic earnings/(loss) per share ('000)	755,637	743,342	739,300	756,590	743,342	739,300	756,590	755,637	743,342	746,761
Adjustments for ('000)										
— Warrants	—	—	—	14,531	—	—	14,531	—	—	—
	771,121	743,342	739,300	771,121	743,342	739,300	771,121	755,637	743,342	746,761
Diluted earnings/ (loss) per share (cents)	4.52	3.86	2.67	(0.01)	—	—	14.42	4.52	3.86	2.44

15. CASH AND BANK BALANCES

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Cash at bank and on hand	28,917	21,286	22,001	37,607	6,375	1,570	3,303	10,175
Short-term bank deposits	34,227	117,149	60,544	46,799	15,305	85,505	31,281	25,223
	63,144	138,435	82,545	84,406	21,680	87,075	34,584	35,398

As at 31 December 2014, 2015, 2016 and 30 June 2017, short-term bank deposits at the balance sheet date have an average maturity of 1–3 months, 1–10 months, 1–11 months and 1–6 months, respectively, with the following weighted average effective interest rates:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	%	%	%	%	%	%	%	%
Singapore Dollar	0.82	1.47	0.93	1.03	1.05	1.56	1.19	1.06
Australian Dollar	2.01	2.00	1.49	1.53	2.01	2.00	1.21	1.46
Sterling Pound	0.37	0.45	0.34	—	0.05	0.34	—	—
United States Dollar	0.07	0.50	0.86	0.82	—	—	—	—
Ringgit Malaysia	3.20	3.20	3.57	3.43	—	—	—	—

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Cash and bank balances (as above)	63,144	138,435	82,545	84,406
Less: Short-term bank deposits charged as security to bank	(4,028)	(4,047)	(2,326)	(2,501)
Cash and cash equivalents per consolidated statement of cash flows	59,116	134,388	80,219	81,905

As at 31 December 2014, 2015 and 2016 and 30 June 2017, short-term bank deposits of the Group amounting to S\$4,028,000, S\$4,047,000, S\$2,326,000 and S\$2,501,000 respectively, were charged as security to a bank as a guarantee in relation to a bank facility.

The reconciliation of liabilities arising from financing activities as at 31 December 2016 and 30 June 2017 are as follows:

	31 December 2016	Cash flows	Non-cash items	Interest expense	Currency translation differences	30 June 2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Bank borrowings and finance lease liabilities	539,380	(81,600)	—	—	732	458,512
Notes payable	64,467	84,353	—	139	—	148,959
Loan from non-controlling interests. . .	4,900	1,470	—	—	—	6,370
Loan from associated company	50,080	(861)	(862) ⁽ⁱ⁾	—	—	48,357
Interest payable	1,571	(1,720)	—	2,695	—	2,546
Accrued interest expense	1,335	(6,615)	—	7,214	—	1,934
	<u>661,733</u>	<u>(4,973)</u>	<u>(862)</u>	<u>10,048</u>	<u>732</u>	<u>666,678</u>

- (i) During the six months ended 30 June 2017, the Group repaid the loan to associated company amounting to S\$862,000 via offsetting of dividends received from the associated company.

16. TRADE AND OTHER RECEIVABLES

(a) Current

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables —								
non-related parties . . .	5,066	3,931	4,712	4,290	12	1	—	—
Less: Allowance for								
impairment	(1,180)	(976)	(1,033)	(813)	—	—	—	—
	<u>3,886</u>	<u>2,955</u>	<u>3,679</u>	<u>3,477</u>	<u>12</u>	<u>1</u>	<u>—</u>	<u>—</u>
Receivables from								
subsidiaries								
— trade	—	—	—	—	428	590	2,955	4,295
— non-trade	—	—	—	—	6,754	12,346	5,028	10,686
Receivables from joint								
ventures								
— trade	206	—	—	—	—	—	—	—
— non-trade	69	—	—	—	9	—	—	—
Receivables from								
associated companies								
— trade	—	220	242	413	—	—	—	—
— non-trade	—	711	958	956	—	3	12	1
Loans to subsidiaries	—	—	—	—	11,578	10,265	2,215	2,215
	<u>275</u>	<u>931</u>	<u>1,200</u>	<u>1,369</u>	<u>18,769</u>	<u>23,204</u>	<u>10,210</u>	<u>17,197</u>
Less: Allowance for								
impairment	—	—	—	—	(10,897)	(11,006)	(3,851)	(3,865)
	<u>275</u>	<u>931</u>	<u>1,200</u>	<u>1,369</u>	<u>7,872</u>	<u>12,198</u>	<u>6,359</u>	<u>13,332</u>
Other receivables	832	1,527	2,956	4,581	60	197	60	231
	<u>4,993</u>	<u>5,413</u>	<u>7,835</u>	<u>9,427</u>	<u>7,944</u>	<u>12,396</u>	<u>6,419</u>	<u>13,563</u>

During the years ended 31 December 2014, 2015 and 2016 and six months ended 30 June 2017, the Company provided additional allowance for impairment of S\$1,064,000, S\$109,000, S\$329,000 and S\$53,000 respectively, for current and non-current loans to subsidiaries (Note 16(b)) and wrote back allowances for impairment of non-trade receivables from subsidiaries of S\$nil, S\$nil, S\$108,000 and S\$nil respectively.

The non-trade receivables from subsidiaries, associated companies and joint ventures and loans to subsidiaries are unsecured, interest-free and repayable on demand.

The majority of the Group's sales are on cash terms. The remaining amounts are with credit terms of 30 days to 60 days and which are mostly covered by customers' rental deposits. As at 31 December 2014, 2015 and 2016 and 30 June 2017, the ageing analysis of the trade receivables based on invoice date were as follows:

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Up to 3 months	3,730	2,745	3,429	2,823
3 to 6 months	392	302	339	616
Over 6 months	944	884	944	851
	<u>5,066</u>	<u>3,931</u>	<u>4,712</u>	<u>4,290</u>

(b) Non-current

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Loans to subsidiaries	—	—	—	—	271,245	262,710	302,482	305,864
Loans to an associated company	604	—	—	—	—	—	—	—
Less: Allowance for impairment	—	—	—	—	—	(483)	(7,859)	(7,898)
	<u>604</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>271,245</u>	<u>262,227</u>	<u>294,623</u>	<u>297,966</u>

The loans to subsidiaries and an associated company are unsecured with no fixed terms of repayment and are not expected to be repaid within the next twelve months. As at 31 December 2014, 2015 and 2016 and 30 June 2017, included in the loans to subsidiaries is an amount of S\$40,205,000, S\$66,553,000, S\$67,568,000 and S\$67,568,000 respectively, which bears interest at 5.5% per annum.

17. INVENTORIES

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Finished goods	87	17	14	14
Raw materials	556	453	89	110
Less: Allowance for stock obsolescence	—	(89)	—	—
	<u>643</u>	<u>381</u>	<u>103</u>	<u>124</u>

The cost of inventories recognised as expense and included in “cost of sales” for the years ended 31 December 2014, 2015, 2016 and for the six months ended 30 June 2017 amounted to S\$2,542,000, S\$1,937,000, S\$819,000, and S\$330,000 respectively.

18. OTHER ASSETS

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Current								
Deposits	12,530	2,891	2,643	2,643	137	66	218	84
Prepayments	829	460	539	855	127	75	39	129
Tax recoverable								
(Note 12(b))	307	444	610	356	—	—	—	—
Others	—	68	10	261	—	23	—	260
	<u>13,666</u>	<u>3,863</u>	<u>3,802</u>	<u>4,115</u>	<u>264</u>	<u>164</u>	<u>257</u>	<u>473</u>
Non-current								
Deposits	<u>265</u>	<u>265</u>	<u>130</u>	<u>130</u>	<u>265</u>	<u>265</u>	<u>130</u>	<u>130</u>

At the balance sheet date, the carrying amounts of the deposits approximated their fair values.

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Beginning of the								
year/period	2,521	2,314	2,196	2,174	2,521	2,314	2,196	2,174
Additions	—	—	—	5,850	—	—	—	5,850
Fair value losses								
recognised in other								
comprehensive								
income								
(Note 33(b)(i))	(207)	(118)	(22)	(25)	(207)	(118)	(22)	(25)
End of the year/period .	<u>2,314</u>	<u>2,196</u>	<u>2,174</u>	<u>7,999</u>	<u>2,314</u>	<u>2,196</u>	<u>2,174</u>	<u>7,999</u>

Available-for-sale financial assets are analysed as follows:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Listed debt securities								
— Singapore	2,314	2,196	2,174	7,999	2,314	2,196	2,174	7,999

The fair values of listed debt securities are based on quoted market prices at the balance sheet date.

During the year ended 31 December 2016, available-for-sale financial assets were reclassified from non-current assets to current assets as management intends to dispose these assets as and when they are needed for working capital.

20. ASSETS HELD FOR SALE

	Group	
	As at 31 December 2016	As at 30 June 2017
	<i>S\$'000</i>	<i>S\$'000</i>
Details of the assets classified as held-for-sale are as follows:		
Beginning of the year/period	—	7,375
Transferred from property, plant and equipment (Note 25)	1,421	—
Transferred from investment properties (Note 24)	5,954	—
Net fair value losses recognised in profit or loss	—	(602)
Currency translation differences	—	(32)
	<u>7,375</u>	<u>6,741</u>

Following the approval of the Group's senior management and directors on 29 November 2016 to dispose the Group's non-core assets, the following investment properties and property, plant and equipment listed below are reclassified to assets held for sale and will remain in assets held for sale until the completion of the sale. The sales are expected to be completed within one year.

Location	Note	Description	Existing use	Tenure	Unexpired term of lease	Previous classification
Desa Cemerlang, Malaysia	(a)	9 blocks of workers dormitory	Commercial dormitory	Freehold	—	Investment Property
Tampoi, Malaysia	(a)	Undeveloped land	Vacant	Freehold	—	Investment Property
Beechwood House, Manchester, United Kingdom	(a)	2 apartment blocks consisting of 11 flats with 37 beds	Student accommodation	Leasehold	118 years	Investment Property
Indonesia MM 2100 Industrial Town Jl. Bali Blok HI-1 Cibitung Bekasi 17520	(b)	Factory compound	Industrial factory building	Leasehold	8 years	Property, plant and equipment
Indonesia Royal Palace Shophouse Complex, Block C No.15, Jl. Prof. Dr. Seopomo SH No. 178A, Tebet, South Jakarta	(b)	A 4-storey shophouse	Marketing office	Leasehold	4.5 years	Property, plant and equipment

- (a) Independent valuation of investment properties reclassified to assets held for sale was undertaken by independent professional valuers. For the financial year ended 31 December 2016, fair value losses of S\$454,000 was recognised in profit or loss.
- (b) Property, plant and equipment reclassified to assets held for sale were reclassified to assets held for sale at the lower of their carrying values and fair value less costs to sell.

The fair value measurement for assets held for sale has been categorised within Level 3 fair value hierarchy based on the inputs to the valuation techniques (Note 24).

21. INVESTMENTS IN ASSOCIATED COMPANIES

	Group				Company			
	Year ended 31 December			As at 30 June	Year ended 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	
<i>Equity investment,</i>								
<i>at cost</i>					1,668	1,668	1,668	1,668
Less: Accumulated impairment					(370)	(370)	(370)	(370)
					<u>1,298</u>	<u>1,298</u>	<u>1,298</u>	<u>1,298</u>
Beginning of the year/period	1,348	1,371	83,097	77,236				
Transfer from investment in joint ventures (Note 21(e))	—	84,417	—	—				
Write off of investment in an associated company (Note 21(a))	—	(4,800)	—	—				
Currency translation differences	(23)	(172)	(32)	(7)				
Acquisition of a new associated company . . .	64	—	—	—				
Disposal of investment in associated company . . .	(2)	—	—	—				
Share of (loss)/profit . . .	(16)	5,986	5,398	1,468				
Dividends received	—	(4,050)	(11,120)	(1,723)				
Share of loss/(profit) in excess of investments in an associated company .	—	345	(107)	3				
End of the year/period . .	<u>1,371</u>	<u>83,097</u>	<u>77,236</u>	<u>76,977</u>				

- (a) The carrying value of the investment in an associated company, Lian Beng-Centurion (Mandai) Pte. Ltd. has been re-assessed as at 31 December 2015 against the Group's share of net assets which has taken into account the fair value of the underlying investment properties. An excess of S\$4,800,000 was written off to profit or loss. This relates to the goodwill arising on acquisition of the 45% interest in associated company when the fair value of consideration exceeds the fair value of the net assets acquired.
- (b) There are no contingent liabilities relating to the Group's interest in the associated companies.
- (c) For the six months ended 30 June 2017, the dividend received from an associated company was partly used to offset the loan from associated company (Note 15).
- (d) Set out below are the associated companies of the Group as at 31 December 2014, 2015 and 2016 and 30 June 2017, which in the opinion of the directors, are not material to the Group. The associated companies as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group, the country of incorporation is also their principal place of business.

Name of entity	Principal activities	Place of business/ country of incorporation	% of ownership interest			
			As at 31 December			As at 30 June
			2014	2015	2016	2017
			%	%	%	%
Held directly by the Company						
Sherford (M) Sdn Bhd ^(a)	Property investment	Malaysia	25	25	25	25
Held by subsidiaries						
Oriental Amber Sdn Bhd ^{(b),(c)}	Property investment and provision of dormitory accommodation, management and services	Malaysia	49	49	49	49

- (a) Audited by M.S. Wong & Co.
- (b) Audited by PricewaterhouseCoopers, Malaysia.
- (c) Holdings through Centurion Dormitories Sdn Bhd.

- (e) Set out below are the associated companies of the Group as at 31 December 2014, 2015 and 2016 and 30 June 2017, which in the opinion of the directors, are material to the Group. The associated companies as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group, the country of incorporation is also their principal place of business.

Name of entity	Principal activities	Place of business/ country of incorporation	% of ownership interest			
			As at 31 December			As at 30 June
			2014	2015	2016	2017
			%	%	%	%
Held by subsidiary						
Lian Beng-Centurion (Mandai) Pte. Ltd. ^{(a),(b),(c)}	Property development and owner of a workers' dormitory	Singapore	—	45	45	45
Held by Lian Beng-Centurion (Mandai) Pte. Ltd.						
Lian-Beng Centurion (Dormitory) Pte Ltd ^{(a),(c)}	Provision of dormitory accommodation services	Singapore	—	45	45	45

- (a) Audited by Ernst and Young LLP, Singapore.
- (b) Holdings through Centurion Dormitories Pte Ltd.
- (c) Due to change of terms in the contractual agreement effective 2 January 2015, Lian Beng-Centurion (Mandai) Pte. Ltd. and Lian-Beng Centurion (Dormitory) Pte Ltd are re-classified from joint ventures to associated companies.

Summarised Historical Financial Information for associated companies

Set out below is the summarised Historical Financial Information for the material associated companies held by the Group.

Summarised balance sheets

	Lian Beng-Centurion (Mandai) Pte. Ltd.				Lian Beng-Centurion (Dormitory) Pte Ltd				Total			
	As at 31 December		As at 30 June		As at 31 December		As at 30 June		As at 31 December		As at 30 June	
	2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS												
Current assets	—	88,777	23,619	21,139	—	14,958	8,501	10,827	—	103,735	32,120	31,966
Includes:												
— Cash and bank												
balances	—	2,660	9,313	8,202	—	12,674	7,454	9,931	—	15,334	16,767	18,133
Non-current assets	—	270,000	318,880	314,357	—	799	547	593	—	270,799	319,427	314,950
LIABILITIES												
Current liabilities	—	(11,154)	(9,168)	(8,798)	—	(7,320)	(6,904)	(7,017)	—	(18,474)	(16,072)	(15,815)
Includes:												
— Trade and other												
payables	—	(1,580)	(1,512)	(1,142)	—	(4,832)	(4,463)	(4,284)	—	(6,412)	(5,975)	(5,426)
— Borrowings	—	(7,656)	(7,656)	(7,656)	—	—	(3)	(3)	—	(7,656)	(7,659)	(7,659)
Non-current liabilities	—	(174,001)	(166,345)	(162,517)	—	(82)	(80)	(76)	—	(174,083)	(166,425)	(162,593)
Includes:												
— Borrowings	—	(174,001)	(166,345)	(162,517)	—	—	(4)	(2)	—	(174,001)	(166,349)	(162,519)
NET ASSETS	—	173,622	166,986	164,181	—	8,355	2,064	4,327	—	181,977	169,050	168,508

Summarised statement of comprehensive income

	Lian Beng-Centurion (Mandai) Pte. Ltd.			Lian Beng-Centurion (Dormitory) Pte Ltd			Total			
	Year ended 31 December			Year ended 31 December			Year ended 31 December			
	2014	2015	2016	2014	2015	2016	2014	2015	2016	
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
Sales	—	—	—	—	22,906	23,399	—	22,906	23,399	11,746
Interest income	—	1,074	2,055	—	127	187	—	1,201	2,242	1,201
Expenses includes			(Unaudited)							(Unaudited)
— Depreciation and amortisation	—	—	—	—	(267)	(274)	—	(267)	(274)	(140)
— Interest expense	—	(3,642)	(4,522)	—	—	—	—	(3,642)	(4,522)	(2,382)
Profit/(loss) before tax	—	14,921	18,094	—	16,081	15,520	—	31,002	33,614	13,250
Income tax expense	—	(10)	(18)	—	(2,442)	(2,599)	—	(2,452)	(2,617)	(1,339)
Total profit/(loss) and total comprehensive income/(loss)	—	14,911	18,076	—	13,639	12,921	—	28,550	30,997	11,911
Dividends received from associated companies	—	14,500	19,212	—	—	—	—	14,500	19,212	5,728

The information above reflects the amounts included in the Historical Financial Information of the associated companies (and not the Group's share of those amounts).

Reconciliation of the summarised Historical Financial Information presented, to the carrying amount of the Group's interest in the associated companies is as follows:

	Lian Beng-Centurion (Mandai) Pte. Ltd.				Lian Beng-Centurion (Dormitory) Pte Ltd				Total			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Net assets												
At 1 January	—	167,711	173,622	166,986	—	9,216	8,355	2,064	—	176,927	181,977	169,050
Profit/(loss) for the												
year/period	—	14,911	18,076	1,023	—	13,639	12,921	6,091	—	28,550	30,997	7,114
Dividends paid	—	(9,000)	(24,712)	(3,828)	—	(14,500)	(19,212)	(3,828)	—	(23,500)	(43,924)	(7,656)
Net assets	—	173,622	166,986	164,181	—	8,355	2,064	4,327	—	181,977	169,050	168,508
Interest in the associated												
companies (45%)	—	78,130	75,144	73,882	—	3,760	929	1,947	—	81,890	76,073	75,829
Add:												
Carrying value of individually immaterial associated companies, in aggregate									1,371	1,207	1,163	1,148
Carrying value of Group's interest in associated companies									1,371	83,097	77,236	76,977

22. INVESTMENTS IN JOINT VENTURES

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Beginning of the year/period	52,569	84,417	—	—
Transfer to investments in associated companies (Note 21(e))	—	(84,417)	—	—
Share of profit	45,348	—	—	—
Dividends received	(13,500)	—	—	—
End of the year/period	84,417	—	—	—

Set out below are the joint ventures of the Group as at 31 December 2014, which, in the opinion of the directors, are material to the Group. The joint ventures have share capital consisting entirely of ordinary shares, which are held directly by the Group; the country of incorporation is also its principal place of business. The Group has no joint ventures as at 31 December 2015 and 2016 and 30 June 2017.

Name of entity	Principal activities	Place of business/ country of incorporation	% of ownership interest			
			As at 31 December			As at 30 June
			2014	2015	2016	2017
			%	%	%	%
Held by subsidiary						
Lian Beng-Centurion (Mandai) Pte. Ltd. ^{(a),(b),(c)}	Property development and owner of a workers' dormitory	Singapore	45	—	—	—
Held by Lian Beng-Centurion (Mandai) Pte Ltd						
Lian-Beng Centurion (Dormitory) Pte Ltd ^{(a),(c)}	Provision of dormitory accommodation services	Singapore	45	—	—	—

(a) Audited by Ernst and Young LLP, Singapore.

(b) Holdings through Centurion Dormitories Pte Ltd.

(c) Due to change of terms in the contractual agreement effective 2 January 2015, Lian Beng-Centurion (Mandai) Pte. Ltd. and Lian-Beng Centurion (Dormitory) Pte Ltd are re-classified from joint ventures to associated companies.

Summarised Historical Financial Information for joint ventures

Set out below is the summarised Historical Financial Information for the joint ventures held by the Group.

Summarised balance sheets

	Lian Beng-Centurion (Mandai) Pte. Ltd.				Lian Beng-Centurion (Dormitory) Pte Ltd				Total			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS												
Current assets	12,268	—	—	—	15,628	—	—	—	27,896	—	—	—
Includes:												
— Cash and bank balances	2,304	—	—	—	9,589	—	—	—	11,893	—	—	—
Non-current assets	270,000	—	—	—	924	—	—	—	270,924	—	—	—
LIABILITIES												
Current liabilities	(16,700)	—	—	—	(7,288)	—	—	—	(23,988)	—	—	—
Includes:												
— Trade and other payables	(1,467)	—	—	—	(4,862)	—	—	—	(6,329)	—	—	—
— Borrowings	(5,256)	—	—	—	—	—	—	—	(5,256)	—	—	—
Non-current liabilities	(97,857)	—	—	—	(48)	—	—	—	(97,905)	—	—	—
Includes:												
— Borrowings	(97,857)	—	—	—	—	—	—	—	(97,857)	—	—	—
NET ASSETS	167,711	—	—	—	9,216	—	—	—	176,927	—	—	—

Summarised statement of comprehensive income

	Lian Beng-Centurion (Mandai) Pte. Ltd.				Lian Beng-Centurion (Dormitory) Pte Ltd				Total			
	Year ended 31 December		Six months ended 30 June		Year ended 31 December		Six months ended 30 June		Year ended 31 December		Six months ended 30 June	
	2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Sales	123,993	—	—	—	21,565	—	—	—	145,558	—	—	—
Interest income	24	—	—	—	136	—	—	—	160	—	—	—
Expenses includes				(Unaudited)				(Unaudited)				(Unaudited)
— Depreciation and amortisation	—	—	—	—	(205)	—	—	—	(205)	—	—	—
— Interest expense	(1,995)	—	—	—	—	—	—	—	(1,995)	—	—	—
Profit before tax	105,952	—	—	—	14,914	—	—	—	120,866	—	—	—
Income tax expense	(7,504)	—	—	—	(2,589)	—	—	—	(10,093)	—	—	—
Total profit and total comprehensive income	98,448	—	—	—	12,325	—	—	—	110,773	—	—	—
Dividends received from joint ventures	13,500	—	—	—	—	—	—	—	13,500	—	—	—

The information above reflects the amounts included in the Historical Financial Information of the joint ventures (and not the Group's share of those amounts).

There are no contingent liabilities relating to the Group's interest in the joint ventures. There are no capital commitments relating to the Group's proportionate interest in the joint ventures.

Reconciliation of the summarised Historical Financial Information presented, to the carrying amount of the Group's interest in the joint ventures is as follows:

	Lian Beng-Centurion (Mandai) Pte. Ltd.				Lian Beng-Centurion (Dormitory) Pte. Ltd.				Total			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Net assets												
At 1 January	99,263	—	—	—	6,891	—	—	—	106,154	—	—	—
Profit for the year/period	98,448	—	—	—	12,325	—	—	—	110,773	—	—	—
Dividends paid	(30,000)	—	—	—	(10,000)	—	—	—	(40,000)	—	—	—
Net assets as at												
31 December	167,711	—	—	—	9,216	—	—	—	176,927	—	—	—
Interest in the joint												
ventures (45%)	75,470	—	—	—	4,147	—	—	—	79,617	—	—	—
Goodwill	4,800	—	—	—	—	—	—	—	4,800	—	—	—
Carrying value	80,270	—	—	—	4,147	—	—	—	84,417	—	—	—

23. INVESTMENTS IN SUBSIDIARIES

	Company			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Equity investment, at cost	26,093	26,193	26,193	26,193
Less: Accumulated impairment	(7,331)	(8,793)	(9,227)	(9,248)
	18,762	17,400	16,966	16,945

- (a) The carrying amount of investments in subsidiaries and the movement in the related allowance for impairment are as follows:

	Company			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Beginning of the year/period	10,046	18,762	17,400	16,966
Additions	10,999	100	—	—
Impairment of subsidiaries	(2,283)	(1,462)	(434)	(21)
End of the year/period	<u>18,762</u>	<u>17,400</u>	<u>16,966</u>	<u>16,945</u>

During the years ended 31 December 2014, 2015 and 2016 and six months ended 30 June 2017, the Company provided for impairment of subsidiaries, of which were principally engaged in the optical business, amounting to S\$2,283,000, S\$1,462,000, S\$434,000 and S\$21,000 respectively, as the carrying amounts of the subsidiaries exceeded their recoverable amounts.

(b) Acquisition of subsidiary

2014

(i) Acquisition of subsidiary

On 27 January 2014, Advance Technology Investment Ltd (“ATL”), an indirect wholly-owned subsidiary of the Company, has acquired an additional 36% of the equity interest in Shanghai Huade Photoelectron Science & Technology Co. Ltd. (“SHD”), a 49% associated company, from Chinatex (HK) Holdings Ltd (Beijing), an existing shareholder of SHD, for a total consideration of RMB10,000 (equivalent to S\$2,084). As a result, the Group obtained control in SHD.

Details of the consideration paid, the assets acquired and liabilities assumed, and the effects on the cash flow of the Group, at the acquisition date are as follows:

	Group
	<i>S\$'000</i>
Identifiable assets acquired and liabilities assumed, at fair value	
Other current assets	64
Cash and cash equivalents	372
Plant and equipment	29
Investment property	3,962
Total assets	<u>4,427</u>
Trade and other payables	(989)
Borrowings	<u>(3,436)</u>
Total liabilities	<u>(4,425)</u>
Identifiable net assets	2
Non-controlling interests at proportionate share of the identifiable net assets	*
Consideration paid for 36% equity interest	<u>2</u>

* Amounts are less than S\$1,000

Subsequent to the acquisition, the Group repaid the loan to the previous shareholders. The effects on the cash flows of the Group were as follows:

	Group
	<i>S\$'000</i>
Effects on cash flows of the Group	
Cash paid	(2)
Less: Cash and cash equivalents in subsidiary acquired	<u>372</u>
Cash inflow on acquisition	<u>370</u>

2015

(i) *Acquisition of remaining 15% interest in Shanghai Huade Photoelectron Science & Technology Co. Ltd*

On 6 July 2015, the Group acquired the remaining 15% interest in Shanghai Huade Photoelectron Science & Technology Co. Ltd. Subsequent to the acquisition, Shanghai Huade Photoelectron Science & Technology Co. Ltd became a wholly-owned subsidiary of the Group. This acquisition is accounted for as a transaction with equity owners of the Group, the difference of S\$84,926 between the change in the carrying amount of the non-controlling interest and the fair value of the consideration paid has been recognised within equity attributable to the equity holders of the Company.

(c) The Group had the following subsidiaries as at 31 December 2014, 2015 and 2016 and 30 June 2017:

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by the Company						Proportion of ordinary shares held by the Group						Proportion of ordinary shares held by non-controlling interests					
			As at 31 December		As at 30 June		As at 31 December		As at 30 June		As at 31 December		As at 30 June		As at 31 December		As at 30 June			
			2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017		
Summit CD Manufacture Pte Ltd ^(a)	Manufacture and sale of optical discs and related components	Singapore	100	100	100	100	100	100	100	100	100	100	100	—	—	—	—			
Summit Hi-Tech Pte Ltd ^(a)	Dormant	Singapore	100	100	100	100	100	100	100	100	100	100	—	—	—	—	—			
SM Summit Holdings Pte Ltd ^(a)	Investment holding	Singapore	100	100	100	100	100	100	100	100	100	100	—	—	—	—	—			
Clean2Go Laundry Pte Ltd ^{(a),(b)}	Laundry and dry cleaning services	Singapore	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Advance Technology Investment Ltd ^{(b),(b)}	Investment holding	Hong Kong	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Shanghai Huade Photoelectron Science & Technology Co. Ltd ^{(c),(c)}	Dormant	People's Republic of China	—	—	—	—	—	85	100	100	100	100	15	—	—	—	—			
Summit Technology Australia Pty Ltd ^(d)	Dormant	Australia	100	100	100	100	100	100	100	100	100	100	—	—	—	—	—			
Summit Printing (Australia) Pty Ltd ^{(d),(f)}	Dormant	Australia	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Centurion Accommodation (Australia) Pty Ltd ^{(d),(f)}	Property investments	Australia	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
SM Summit Holdings (HK) Ltd ^(b)	Dormant	Hong Kong	100	100	100	100	100	100	100	100	100	100	—	—	—	—	—			
Summit CD Manufacture (HK) Ltd ^(b)	Dormant	Hong Kong	100	100	100	100	100	100	100	100	100	100	—	—	—	—	—			
Gaie Cosmos Investments Ltd ^(b)	Investment holding	British Virgin Islands	100	100	100	100	100	100	100	100	100	100	—	—	—	—	—			
PT Digital Media Technology ^{(c),(c)}	Ceased operations	Indonesia	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Centurion Dormitories Pte Ltd ^(a)	Investment holding	Singapore	100	100	100	100	100	100	100	100	100	100	—	—	—	—	—			
Westlife Dormitory Management Pte Ltd ^{(a),(f)}	Provision of management services	Singapore	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Westlife Dormitory (Tob Guan) Pte Ltd ^{(a),(f)}	Property investments and provision of dormitory accommodation services	Singapore	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Westlife Dormitory Investments Private Limited ^{(a),(f)}	Investment holding	Singapore	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Westlife Dormitory (Tias) Pte Ltd ^{(a),(m)}	Property investments and provision of dormitory accommodation services	Singapore	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Centurion Dormitories Holdings Pte Ltd ^(a)	Investment holding	Singapore	100	100	100	100	100	100	100	100	100	100	—	—	—	—	—			
Westlife Dormitory (Woodlands) Pte Ltd (formerly known as Westlife Dormitory (V One) Pte Ltd) ^{(a),(n)}	Property investments and provision of dormitory accommodation services	Singapore	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Westlife Dormitory (V Two) Pte Ltd ^{(a),(n)}	Investment holding	Singapore	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
PT Westlife Accommodation Cibitung ^{(b),(o)}	Property investments and provision of dormitory accommodation services	Indonesia	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Westlife Dormitory (V Three) Pte Ltd ^{(a),(o)}	Provision of dormitory services and trading	Singapore	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Centurion Dormitory Venture Pte Ltd ^(a)	Investment holding	Singapore	100	100	100	100	100	100	100	100	100	100	—	—	—	—	—			
Centurion-Lian Beig (Papua) Pte. Ltd. ^{(a),(p)}	Property investments and provision of dormitory accommodation services	Singapore	—	—	—	—	—	51	51	51	51	51	49	49	49	49	49			

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by the Company				Proportion of ordinary shares held by the Group				Proportion of ordinary shares held by non-controlling interests						
			As at 31 December		As at 30 June		As at 31 December		As at 30 June		As at 31 December		As at 30 June				
			2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017			
CSI Student Living (Séjé) Pte Ltd (formerly known as Westlite Dormitory (V Five) Pte Ltd) ^{(a),(o)}	Provision of student accommodation and services	Singapore	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
WLC Facility Services Pte Ltd ^{(a),(i)}	Provision of utilities and transportation to dormitories	Singapore	—	—	—	—	—	—	—	—	100	100	100	—	—	—	—
Centurion Dormitories Sdn Bhd ^{(i),(o)}	Investment holding	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Westlite Dormitory Management Sdn Bhd ^{(i),(o)}	Provision of management services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
WLC Management Services Sdn Bhd ^{(i),(o)}	Provision of dormitory management and dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Westlite Dormitory (Terengganu) Sdn Bhd ^{(i),(o)}	Property investments and provision of dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Westlite Dormitory (Cemerlang) Sdn Bhd ^{(i),(o)}	Property investments and provision of dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Westlite Dormitory (JB Techpark) Sdn Bhd ^{(i),(o)}	Property investments and provision of dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Westlite Dormitory (Tampoi) Sdn Bhd ^{(i),(o)}	Property investments and provision of dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Westlite Dormitory (Pasar Gudang) Sdn Bhd ^{(i),(o)}	Property investments and provision of dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Westlite Dormitory (PG II) Sdn Bhd ^{(i),(o)}	Property investments and provision of dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Westlite Dormitory (Serai) Sdn Bhd ^{(i),(o)}	Property investments and provision of dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Westlite Dormitory (SN II) Sdn Bhd ^{(i),(o)}	Property investments and provision of dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Westlite Dormitory (Puang Juru) Sdn Bhd ^{(i),(o)}	Property investments and provision of dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Westlite Dormitory (Baiti Miraki) Sdn Bhd (formerly known as WvVilla Development Sdn Bhd) ^{(i),(o)}	Property investments and provision of dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
First Megalink Sdn Bhd ^{(i),(o)}	Property investments and provision of dormitory accommodation services	Malaysia	—	—	—	—	—	—	—	—	100	100	100	—	—	—	—
Centurion Overseas Investments Pte Ltd ^(a)	Investment holding	Singapore	100	100	100	100	—	—	—	—	—	—	—	—	—	—	—
Centurion Overseas Ventures Ltd ^{(a),(o)}	Investment holding and provision of management services	Malaysia	—	—	—	—	—	—	—	100	100	100	100	—	—	—	—
Centurion Melbourne Student Village Trust ^{(a),(s)}	Trust	Australia	—	—	—	—	—	—	—	—	100	100	100	—	—	—	—
Centurion Melbourne Apartment Trust ^{(a),(s)}	Trust	Australia	—	—	—	—	—	—	—	—	100	100	100	—	—	—	—
Centurion Australia Investments Pty Ltd ^{(a),(o),(i)}	Provision of trustee services ^(v)	Australia	—	—	—	—	—	—	—	—	100	100	100	—	—	—	—
Centurion Student Services Pty Ltd ^{(a),(o)}	Provide management services and leasing services to students	Australia	—	—	—	—	—	—	—	—	100	100	100	—	—	—	—
Centurion Overseas Investments (I) Pte Ltd ^{(i),(o)}	Investment holding	Singapore	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Centurion Investments (IS A) Ltd ^{(i),(s)}	Investment holding	Jersey	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Centurion SA Investments Pte Ltd ^{(a),(s)}	Provision of trustee services ^(w)	Australia	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by the Company					Proportion of ordinary shares held by the Group					Proportion of ordinary shares held by non-controlling interests														
			As at 31 December		As at 30 June		As at 31 December		As at 30 June		As at 31 December		As at 30 June		As at 31 December		As at 30 June										
			2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017									
Centurion Adelaide Student Village Trust ^{(a),(b),(c)}	Trust	Australia	%	—	—	—	%	—	—	—	—	%	—	—	—	—	%	—	—	—	—	%	—	—	—	—	
Centurion Student Services (UK) Ltd ^{(a),(c)}	Provide management services and leasing services to students	United Kingdom	—	—	—	—	—	100	100	100	100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Centurion Investments (IS) Ltd ^{(a),(c)}	Property investments and provision of student accommodation	United Kingdom	—	—	—	—	—	100	100	100	100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Centurion Investments (IS I) Ltd ^{(a),(c)}	Property investments and provision of student accommodation	United Kingdom	—	—	—	—	—	100	100	100	100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Centurion Investments (IS II) Ltd ^{(a),(c)}	Property investments and provision of student accommodation	United Kingdom	—	—	—	—	—	100	100	100	100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Centurion Investments (IS III) Ltd ^{(a),(c)}	Property investments and provision of student accommodation	United Kingdom	—	—	—	—	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	—	—	—	—	—	—
Centurion Investments (IS IV) Ltd ^{(a),(c)}	Property investments and provision of student accommodation	United Kingdom	—	—	—	—	—	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	—	—	—	—	—
Centurion Investments (IS V) Ltd ^{(a),(c)}	Property investments and provision of student accommodation	United Kingdom	—	—	—	—	—	—	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	—	—	—	—
Centurion Investments (IS VI) Ltd ^{(a),(c)}	Property investments and provision of student accommodation	United Kingdom	—	—	—	—	—	—	—	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	—	—	—

- (a) Audited by PricewaterhouseCoopers LLP, Singapore
- (b) Not required to be audited under the laws of the country of incorporation
- (c) Audited by SBA Stone Forest CPA Co. Ltd
- (d) Audited by Crowe Horwath, Australia
- (e) Audited by KAP Y. Santosa & Rekan, Indonesia
- (f) Audited by PricewaterhouseCoopers, Malaysia
- (g) Audited by PricewaterhouseCoopers LLP, United Kingdom
- (h) Holdings through SM Summit Holdings Pte Ltd
- (i) Holdings through Advance Technology Investment Ltd
- (j) Holdings through Summit Technology Australia Pty Ltd
- (k) Holdings through Gate Cosmos Investments Ltd and SM Summit Holdings Pte Ltd
- (l) Holdings through Centurion Dormitories Pte Ltd
- (m) Holdings through Westlite Dormitory Investments Pte Ltd
- (n) Holdings through Centurion Dormitories Holdings Pte Ltd
- (o) Holdings through Westlite Dormitory (V Two) Pte Ltd and Gate Cosmos Investments Ltd
- (p) Holdings through Centurion Dormitory Venture Pte Ltd
- (q) Holdings through Centurion Dormitories Sdn Bhd
- (r) Holdings through Centurion Overseas Investments Pte Ltd
- (s) Holdings through Centurion Overseas Ventures Ltd
- (t) Holdings through Centurion Overseas Investments (II) Pte Ltd
- (u) Holdings through Centurion Investments (JS A) Ltd
- (v) Trustee for Centurion Melbourne Student Village Trust and Centurion Melbourne Apartment Trust
- (w) Trustee for Centurion Adelaide Student Village Trust
- (x) No auditor has been appointed as at 30 June 2017
- (y) In accordance to Rule 716 of The Singapore Exchange Securities Trading Limited — Listing Rules, the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its subsidiaries, joint ventures and associated companies would not compromise the standard and effectiveness of the audit of the Group.

(d) Carrying value of non-controlling interests

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Centurion-Lian Beng (Papan) Pte. Ltd. . .	930	780	6,884	10,353

Summarised Historical Financial Information of subsidiary with material non-controlling interest

Set out below is the summarized Historical Financial Information for the subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

Summarised balance sheets

	Centurion-Lian Beng (Papan) Pte. Ltd.			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Current				
Assets	11,132	8,153	8,208	14,365
Liabilities	(825)	(21,928)	(23,685)	(25,609)
Total current net assets/(liabilities)	10,307	(13,775)	(15,477)	(11,244)
Non-current				
Assets	—	158,000	201,159	202,078
Liabilities	(8,408)	(142,633)	(171,633)	(169,705)
Total non-current net (liabilities)/assets	(8,408)	15,367	29,526	32,373
Net assets	1,899	1,592	14,049	21,129

Summarised statement of comprehensive income

	Centurion-Lian Beng (Papan) Pte. Ltd.				
	For the year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
				(Unaudited)	
Revenue	—	—	5,769	219	12,473
(Loss)/profit before income tax	(102)	(306)	12,457	(905)	8,097
Income tax expense	—	—	—	(9)	(1,018)
(Loss)/profit after tax and total comprehensive (loss)/income	(102)	(306)	12,457	(914)	7,079
Total comprehensive (loss)/income allocated to non-controlling interests	(50)	(150)	6,104	(448)	3,469

No dividends were paid to non-controlling interests during the years ended 31 December 2014, 2015 and 2016 and for the six months ended 30 June 2016 and 2017.

Summarised cash flows

	Centurion-Lian Beng (Papan) Pte. Ltd.				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
				(Unaudited)	
Net cash (used in)/provided by operating activities	(313)	1,564	9,033	(7,924)	9,075
Net cash used in investing activities	(9,820)	(128,528)	(45,070)	(30,917)	(179)
Net cash provided by/(used in) financing activities	10,408	134,678	35,179	36,423	(3,492)
Net increase/(decrease) in cash and bank deposits	275	7,714	(858)	(2,418)	5,404
Cash and bank deposits at the beginning of the year/period	—	276	7,990	7,990	7,132
Cash and bank deposits at the end of the year/period	275	7,990	7,132	5,572	12,536

24. INVESTMENT PROPERTIES

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Beginning of the financial year/period	368,712	684,437	891,471	927,406
Acquisition of subsidiaries	3,962	—	—	—
Currency translation differences	(6,623)	(10,475)	(32,432)	2,514
Additions to investment properties	278,078	213,959	79,644	10,100
Over provision of construction costs	—	—	(2,202)	(1,360)
Net fair value gains/(losses) recognised in profit or loss	40,308	3,550	(3,121)	2,345
Transferred to assets held for sale (Note 20)	—	—	(5,954)	—
End of the financial year/period	<u>684,437</u>	<u>891,471</u>	<u>927,406</u>	<u>941,005</u>

Investment properties are leased to non-related parties under operating leases (Note 36(c)).

Certain investment properties and assets held for sale are pledged as security for the bank facilities extended to subsidiaries (Note 28(a)). The carrying values of these investment properties and assets held for sale for the years ended 31 December 2014, 2015 and 2016 and for the six months ended 30 June 2017 amounted to approximately S\$644,946,000, S\$872,537,000, S\$927,580,000 and S\$934,101,000 respectively.

The following amounts are recognised in profit or loss:

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Rental income (Note 6)	73,356	94,013	109,870	52,277	65,616
Direct operating expenses arising from:				(Unaudited)	
— Investment properties that generated rental income and service charges	(17,765)	(34,354)	(42,144)	(17,007)	(21,764)
— Investment properties that do not generate rental income	(118)	(183)	(13)	(4)	(85)
	<u>(118)</u>	<u>(183)</u>	<u>(13)</u>	<u>(4)</u>	<u>(85)</u>

The details of the Group's investment properties are as follows:

Location	Description	Existing use	Tenure	Unexpired term of lease	Note
Toh Guan Road, Singapore	8 blocks of workers dormitory	Commercial dormitory	Leasehold	41 years	(a)
Tuas South Ave 9, Singapore	8 blocks of workers dormitory and 1 amenity block	Commercial dormitory	Leasehold	0.8 years	(a)
Woodlands Avenue 10, Singapore	Two 13-storey blocks of workers dormitory	Commercial dormitory	Leasehold	27 years	(a)
Jalan Papan, Singapore	2 blocks of workers dormitory	Commercial dormitory	Leasehold	22 years	(b)
Johor Technology Park, Malaysia	5 blocks of workers dormitory and 1 amenity block	Commercial dormitory	Leasehold	95 years	(a)
Tebrau, Malaysia	2 blocks of workers dormitory and 1 amenity block	Commercial dormitory	Leasehold	44 years	(a)
Pasir Gudang, Malaysia	4 blocks of workers dormitory	Commercial dormitory	Leasehold	69 years	(a)
Tampoi, Malaysia	3 blocks of workers dormitory	Commercial dormitory	Freehold	—	(a)
Senai, Malaysia	2 blocks of workers dormitory	Commercial dormitory	Freehold	—	(a)
Senai II, Malaysia	4 blocks of workers dormitory	Commercial dormitory	Freehold	—	(a)
Bukit Minyak Penang, Malaysia	Under Construction	Commercial dormitory	Freehold	—	(a)

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Location	Description	Existing use	Tenure	Unexpired term of lease	Note
Shanghai Huade, China	Industry factory building	Factory rental	Leasehold	37.3 years	(a)
RMIT Village Student Accommodation Melbourne, Australia	456 bedrooms of accommodation	Student accommodation	Freehold	—	(a)
RMIT Village Car Park site Melbourne, Australia	Commercial car park	Commercial car park	Freehold	—	(a)
Manchester Student Village, Manchester, United Kingdom	Two 9-storey blocks and a 7-storey block	Student accommodation	Freehold	—	(a)
Manchester Student Village South, Manchester, United Kingdom	7 blocks with 8 clusters in each block and 4 blocks with 6 or 8 clusters in each block	Student accommodation	Freehold	—	(a)
The Grafton, Manchester, United Kingdom	1 block with 55 flats	Student accommodation	Freehold	—	(a)
Cathedral Campus, Liverpool, United Kingdom	Eighty seven 3-storey houses arranged in 14 terraced blocks around 3 courtyard areas	Student accommodation	Leasehold	241 years	(a)
Garth Heads, Newcastle, United Kingdom	4 blocks consisting of 34 flats with 185 beds	Student accommodation	Leasehold	104 years	(c)
Hotwells House, Bristol, United Kingdom	4 blocks consisting of 40 flats with 157 beds	Student accommodation	Leasehold	118 years	(c)
Weston Court, Manchester, United Kingdom	4 blocks consisting of flats with 140 beds	Student accommodation	Leasehold	118 years	(c)
Port Hedland, Australia	Land	Industrial	Freehold	—	(a)

Location	Description	Existing use	Tenure	Unexpired term of lease	Note
Jl, Wareng Kali Jambe Lambang Sari Village Sub district of Tambun Bekasi, West Java	Land	Residential	Leasehold	27 years	(a)
12-18 Synagogue Place Adelaide, South Australia	Land	Under construction	Freehold	—	(d)

(a) This is the Group's investment property as at 31 December 2014, 2015, 2016 and 30 June 2017.

(b) This is the Group's investment property as at 31 December 2015, 2016 and 30 June 2017.

(c) This is the Group's investment property as at 31 December 2016 and 30 June 2017.

(d) This is the Group's investment property as at 30 June 2017.

The unexpired term of lease is as at 30 June 2017.

Fair value hierarchy — Recurring fair value measurements

Description	Fair value measurements using		
	Quoted price in active markets for identical assets (Level 1) <i>S\$'000</i>	Significant other observable inputs (Level 2) <i>S\$'000</i>	Significant unobservable inputs (Level 3) <i>S\$'000</i>
As at 31 December 2014			
Investment properties:			
— Land and industrial property	—	2,461	7,568
— Commercial dormitories	—	—	443,380
— Student accommodation	—	—	231,028
	<u> </u>	<u> </u>	<u> </u>
As at 31 December 2015			
Investment properties:			
— Land and industrial property	—	—	6,181
— Commercial dormitories	—	—	641,646
— Student accommodation	—	—	243,644
	<u> </u>	<u> </u>	<u> </u>

Description	Fair value measurements using		
	Quoted price in active markets for identical assets (Level 1) <i>S\$'000</i>	Significant other observable inputs (Level 2) <i>S\$'000</i>	Significant unobservable inputs (Level 3) <i>S\$'000</i>
As at 31 December 2016			
Investment properties:			
— Land and industrial property	—	—	5,773
— Commercial dormitories	—	—	636,571
— Student accommodation	—	—	285,062
— Assets held for sale (Note 20)	—	—	5,954
	=====	=====	=====
As at 30 June 2017			
Investment properties:			
— Land and industrial property	—	—	7,116
— Commercial dormitories	—	—	637,814
— Student accommodation	—	—	296,075
— Assets held for sale (Note 20)	—	—	5,355
	=====	=====	=====

Valuation technique used to derive Level 2 fair value

Level 2 fair values of the Group's properties have been generally derived using the recent purchase price of the land.

Reconciliation of movements in Level 3 fair value measurement

Description	Land, industrial property and commercial dormitories <i>S\$'000</i>	Student accommodation <i>S\$'000</i>	Total <i>S\$'000</i>
For the year ended 31 December 2014			
Beginning of the year	283,555	—	283,555
Acquisitions of subsidiaries	3,962	—	3,962
Transfers to Level 3	85,157	—	85,157
Currency translation differences	(861)	(5,766)	(6,627)
Gains/(losses) recognised			
in profit or loss	43,442	(2,968)	40,474
Additions and subsequent expenditure on investment properties	35,693	239,762	275,455
End of the year	450,948	231,028	681,976
	=====	=====	=====

Description	Land, industrial property and commercial dormitories	Student accommodation	Total
	S\$'000	S\$'000	S\$'000
For the year ended 31 December 2015			
Beginning of the year	450,948	231,028	681,976
Transfers to Level 3	2,461	—	2,461
Currency translation differences	(9,143)	(1,332)	(10,475)
(Losses)/gains recognised in profit or loss	(2,657)	6,207	3,550
Additions and subsequent expenditure on investment properties	206,218	7,741	213,959
End of the year	<u>647,827</u>	<u>243,644</u>	<u>891,471</u>
For the year ended 31 December 2016			
Beginning of the year	647,827	243,644	891,471
Currency translation differences	(1,650)	(30,782)	(32,432)
(Losses)/gains recognised in profit or loss	(32,436)	29,315	(3,121)
Additions and subsequent expenditure on investment properties	34,185	45,459	79,644
Over provision of construction cost	(2,202)	—	(2,202)
Transfers to assets held for sale (Note 20)	(3,380)	(2,574)	(5,954)
End of the year	<u>642,344</u>	<u>285,062</u>	<u>927,406</u>
As at 30 June 2017			
Beginning of the period	642,344	285,062	927,406
Currency translation differences	(402)	2,916	2,514
Gains/(losses) recognised in profit or loss	970	1,375	2,345
Additions and subsequent expenditure on investment properties	3,378	6,722	10,100
Over provision of construction cost	(1,360)	—	(1,360)
End of the period	<u>644,930</u>	<u>296,075</u>	<u>941,005</u>

Description	Land, industrial property and commercial dormitories	Student accommodation	Total
	S\$'000	S\$'000	S\$'000
As at 30 June 2016 (unaudited)			
Beginning of the period	647,827	243,644	891,471
Currency translation differences	1,181	(26,615)	(25,434)
Additions and subsequent expenditure on investment properties	32,057	602	32,659
End of the period	<u>681,065</u>	<u>217,631</u>	<u>898,696</u>

There were no changes in valuation techniques during the years ended 31 December 2014, 2015 and 2016.

During the six months ended 30 June 2017, management changed the valuation techniques for selected investment properties and assets held for sale. Management has assessed that the change in valuation technique ensures consistency in the valuation across the investment properties in the different geographical locations and better reflects the fair value measurement of the properties. The change in valuation techniques and the key unobservable inputs are included within this note for investment properties and assets held for sale (Note 20). The change in valuation technique has not resulted in a material impact on the valuation of the investment properties.

The changes in valuation techniques are summarised in the table below.

Country	Description	Valuation technique for the years ended 31 December 2014, 2015 and 2016	Valuation technique for the six months ended 30 June 2017
Singapore	Commercial dormitories	Discounted cash flow approach and income capitalisation approach	Investment approach/Income capitalisation approach
People's Republic of China	Industrial property	Sales comparison approach	Investment approach
Malaysia	Commercial dormitories and assets held for sale	Discounted cash flow approach and cost approach	Investment approach and sales comparison approach
Australia	Student accommodation	Discounted cash flow approach	Investment approach

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

Valuation techniques and inputs used in Level 3 fair value measurement

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties and assets held for sale (Note 20) categorised under Level 3 of the fair value hierarchy:

Country	Description	Fair value at			Valuation technique	Unobservable inputs ^(a)	Range of unobservable inputs at			Relationship of unobservable inputs to fair value							
		31 December	2015	2016			30 June	31 December	2015		2016	30 June					
Singapore	Commercial dormitories	(S\$'000)	385,674	(S\$'000)	574,215	(S\$'000)	572,000	(S\$'000)	568,000	Discounted cash flow approach	Discount rate	7.5%–30%	7.5%–30%	7.5%	Not applicable	The higher the discount rate, the lower the valuation	
						Rental rate per room per month	S\$3,300–S\$6,800	S\$2,760–S\$7,040	S\$2,640–S\$7,040		Rental rate per room per month, the higher the valuation	S\$2,400–S\$7,920				The higher the rental rate per room per month, the higher the valuation	
						Estimated costs to completion	S\$36.3 million	S\$21.0 million	Not applicable		Estimated costs to completion, the lower the valuation	Not applicable				The higher the estimated costs to completion, the lower the valuation	
						Capitalisation rate	6.5%–27%	6.5%–27%	6.5%–28%	7.25%–7.50%	Income capitalisation/Investment approach	Capitalisation rate	6.5%–27%	6.5%–28%	7.25%–7.50%		The higher the capitalisation rate, the lower the valuation
Indonesia	Land		904		955		1,087		1,507	Sales comparison approach	Market value per square metre	S\$120–S\$130 per square metre	S\$150–S\$155 per square metre	S\$205–S\$210 per square metre		The higher the market price per square metre, the higher the valuation	

Country	Description	Fair value at				Valuation technique	Unobservable inputs ^(a)	Range of unobservable inputs at				Relationship of unobservable inputs to fair value
		31 December		30 June				31 December		30 June		
		2014	2015	2016	2017			2014	2015	2016	2017	
People's Republic of China	Industrial property	(S\$'000) 4,072	(S\$'000) 4,106	(S\$'000) 3,922	(S\$'000) 4,869	Sales comparison approach	Market value per square metre	S\$390–S\$400 per square metre	S\$390–S\$400 per square metre	S\$380–S\$390 per square metre	Not applicable	The higher the market price per square metre, the higher the valuation
						Investment approach	Rental rate per square metre per month	Not applicable	Not applicable	Not applicable	S\$4–S\$5 per square metre	The higher the rental rate per square metre per month, the higher the valuation
Malaysia	Commercial dormitories	57,706	67,431	64,571	69,814	Discounted cash flow approach	Discount rate	8%–8.5%	7%–9%	7.5%–9.0%	Not applicable	The higher the capitalisation rate, the lower the valuation
	Assets held for sale (Note 20)	nil	nil	3,380	3,366		Rental rate per room per month	S\$490–S\$2,300	S\$480–S\$2,200	S\$500–S\$900	S\$495–S\$870	The higher the rental rate per room per month, the higher the valuation
						Cost approach	Market price per square metre	S\$160–S\$200 per square metre	S\$130–S\$150 per square metre	S\$160–S\$165 per square metre	Not applicable	The higher the market price per square metre, the higher the valuation

Country	Description	Fair value at				Valuation technique	Unobservable inputs ^(a)	Range of unobservable inputs at				Relationship of unobservable inputs to fair value	
		31 December		30 June				31 December		30 June			
		2014	2015	2016	2017			2014	2015	2016	2017		
		(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)								
		2,592	1,120	764	740	Sales comparison approach	Market price per square metre	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	The higher the market price per square metre, the higher the valuation.
Australia	Land	2,592	1,120	764	740	Sales comparison approach	Market price per square metre	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	The higher the market price per square metre, the higher the valuation.
		159,682	170,946	208,604	212,018	Investment approach	Applied yield rate/capitalisation rate	6.75% – 7.25%	6.75% – 8.00%	6.25% – 8.26%	6.02% – 8.50%		The higher the yield rate, the lower the valuation
United Kingdom	Student accommodation	159,682	170,946	208,604	212,018	Investment approach	Applied yield rate/capitalisation rate	6.75% – 7.25%	6.75% – 8.00%	6.25% – 8.26%	6.02% – 8.50%		The higher the yield rate, the lower the valuation
		nil	nil	2,574	1,989		Rental rate per room per week	\$S185 – \$S330 per week	\$S185 – \$S440 per week	\$S160 – \$S400 per week	\$S150 – \$S385 per week		The higher the rental rate per room per week, the higher the valuation
	Assets held for sale (Note 20)	nil	nil	2,574	1,989		Rental rate per room per week	\$S185 – \$S330 per week	\$S185 – \$S440 per week	\$S160 – \$S400 per week	\$S150 – \$S385 per week		The higher the rental rate per room per week, the higher the valuation

Country	Description	Fair value at			Valuation technique	Unobservable inputs ^(a)	Range of unobservable inputs at			Relationship of unobservable inputs to fair value		
		31 December		30 June			31 December		30 June			
		2014	2015	2016			2017	2014	2015		2016	2017
Australia	Student accommodation	(S\$'000) 71,346	(S\$'000) 72,698	(S\$'000) 76,458	(S\$'000) 84,057	Discounted cash flow approach	Discount rate	10.75%	10.75%	10.95%	Not applicable	The higher the discount rate, the lower the valuation
						Investment approach	Rental rate per room per week	S\$325 per week	S\$285–S\$445 per week	S\$300–S\$495 per week	S\$300–S\$500 per week	The higher the rental rate per room per week, the higher the valuation
							Capitalisation rate	Not applicable	Not applicable	Not applicable	6.70%	The higher the capitalisation approach, the lower the valuation
						Sales comparison approach	Market value per square metre	Not applicable	Not applicable	Not applicable	S\$4,500–S\$10,500 per square metre	The higher the market value per square metre, the higher the valuation

(a) There were no significant inter-relationships between unobservable inputs.

Valuation processes of the Group

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties at the end of every year based on the properties highest and best use. As at 31 December 2014, 2015 and 2016 and 30 June 2017, the fair values of the properties have been determined by Suntec Real Estate Consultants Pte Ltd, C H Williams Talhar & Wong Sdn Bhd, Knight Frank Malaysia Sdn. Bhd, Savills Valuation Pty Ltd, KJPP Billy Anthony Lie & Rekan, Shanghai Cairul Real Estate Land Appraisal Co., Ltd, Colliers International Valuation UK LLP, Latrobe Holdings Pty Ltd Trading as LMW Hegney, AVS Property Valuers, Jones Lang LaSalle Advisory Services Pty Ltd, GVA Grimley Ltd, and Knight Frank Petty Limited.

At each year, the investment and finance department of the Group together with the Group Chief Executive Officer:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation reports;
- holds discussions with the independent valuers and;
- analyses the reasons for the fair value movements.

Changes in Level 2 and 3 fair values are analysed at each reporting date.

Discounted cash flow approach involves the discounting of future net income flows at an appropriate required rate of return applicable to that class of property to obtain the net present value. The net income is derived by deducting from the gross income, outgoings such as operating expenses and property tax, and after making allowances for vacancies.

Income capitalisation and investment approach involves capitalising the net income at an appropriate capitalisation rate to arrive at the fair value. The net income is derived by deducting gross rentals and other income, outgoings such as operating expenses and property tax, and after making allowances for vacancies.

Cost approach involves separately determining the values of the land and building and a summation of these values is taken to be the fair value of the property. The value of the land is arrived at by the comparison approach in which it takes reference to transactions of similar lands in the surrounding with adjustments made for any differences. The buildings are valued by reference to their depreciated replacement cost. It is determined by taking current replacement cost of the building as new and allowing for depreciation for obsolescence.

Sales comparison approach involves using the values of sale prices of comparable properties and comparing it directly to the subject property. Allowances are made for difference in the properties including land size, improvements and location. The most significant input into this valuation approach is selling price per metre.

The estimated costs to completion for investment property under construction are estimated by management using the budgets developed internally by the Group based on management's experience and knowledge of market conditions.

25. PROPERTY, PLANT AND EQUIPMENT

	Leasehold land and building	Leasehold improvements	Plant, machinery and equipment	Renovation, furniture and fittings	Motor vehicles	Office equipment and computers	Capital work-in- progress	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group								
As at 31 December 2014								
<i>Cost</i>								
Beginning of the year	1,848	—	5,154	3,282	542	323	311	11,460
Currency translation differences	(12)	—	(225)	(97)	(7)	(43)	—	(384)
Additions	—	—	666	1,147	72	477	15	2,377
Disposals	(9)	—	(389)	(293)	(44)	(161)	—	(896)
Reclassification	—	—	566	(566)	—	—	—	—
Transfer from capital work-in-progress	—	—	77	212	—	37	(326)	—
Acquisition of subsidiary	—	—	—	—	—	29	—	29
End of the year	<u>1,827</u>	<u>—</u>	<u>5,849</u>	<u>3,685</u>	<u>563</u>	<u>662</u>	<u>—</u>	<u>12,586</u>
<i>Accumulated depreciation</i>								
Beginning of the year	56	—	132	1,077	265	81	—	1,611
Currency translation differences	(46)	—	(231)	(73)	(10)	(43)	—	(403)
Disposals	—	—	(204)	(7)	(39)	(144)	—	(394)
Depreciation charge								
— Continuing operations (Note 7)	137	—	945	644	62	140	—	1,928
— Discontinued operations	—	—	2	11	—	13	—	26
Reclassification	—	—	166	(95)	10	5	—	86
End of the year	<u>147</u>	<u>—</u>	<u>810</u>	<u>1,557</u>	<u>288</u>	<u>52</u>	<u>—</u>	<u>2,854</u>
<i>Accumulated impairment</i>								
Beginning of the year	—	—	3,455	293	81	1	—	3,830
Currency translation differences	—	—	41	(12)	2	—	—	31
Disposals	—	—	(176)	(280)	(2)	30	—	(428)
Reclassification	—	—	(65)	—	(10)	(11)	—	(86)
End of the year	<u>—</u>	<u>—</u>	<u>3,255</u>	<u>1</u>	<u>71</u>	<u>20</u>	<u>—</u>	<u>3,347</u>
<i>Net book value</i>								
End of the year	<u>1,680</u>	<u>—</u>	<u>1,784</u>	<u>2,127</u>	<u>204</u>	<u>590</u>	<u>—</u>	<u>6,385</u>

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	Leasehold land and building	Leasehold improvements	Plant, machinery and equipment	Renovation, furniture and fittings	Motor vehicles	Office equipment and computers	Capital work-in- progress	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 December 2015								
<i>Cost</i>								
Beginning of the year	1,827	—	5,849	3,685	563	662	—	12,586
Currency translation differences .	(57)	—	(225)	(189)	(6)	(21)	—	(498)
Additions	—	—	531	2,105	23	410	2,899	5,968
Disposals	—	—	(172)	(169)	(96)	(3)	—	(440)
Reclassification	—	—	—	111	—	(111)	—	—
Transfer from/(to) capital work-in-progress	—	1,479	461	289	—	5	(2,234)	—
Transfer to current asset held for sale	—	—	(1,212)	(2)	—	—	—	(1,214)
End of the year	<u>1,770</u>	<u>1,479</u>	<u>5,232</u>	<u>5,830</u>	<u>484</u>	<u>942</u>	<u>665</u>	<u>16,402</u>
<i>Accumulated depreciation</i>								
Beginning of the year	147	—	810	1,557	288	52	—	2,854
Currency translation differences .	(14)	—	(107)	(100)	(6)	(14)	—	(241)
Disposals	—	—	(131)	(69)	(85)	—	—	(285)
Depreciation charge (Note 7) . .	131	58	905	845	67	285	—	2,291
Reclassification	—	—	—	14	—	(14)	—	—
Transfer to current asset held for sale	—	—	(633)	(1)	—	—	—	(634)
End of the year	<u>264</u>	<u>58</u>	<u>844</u>	<u>2,246</u>	<u>264</u>	<u>309</u>	<u>—</u>	<u>3,985</u>
<i>Accumulated impairment</i>								
Beginning of the year	—	—	3,255	1	71	20	—	3,347
Currency translation differences .	—	—	(59)	—	(2)	—	—	(61)
Reversal of impairment for the year (Note 9)	—	—	(35)	—	—	—	—	(35)
Disposals	—	—	—	—	(8)	—	—	(8)
Reclassification	—	—	(6)	(1)	—	7	—	—
Transfer to current asset held for sale	—	—	(535)	—	—	—	—	(535)
End of the year	<u>—</u>	<u>—</u>	<u>2,620</u>	<u>—</u>	<u>61</u>	<u>27</u>	<u>—</u>	<u>2,708</u>
<i>Net book value</i>								
End of the year	<u>1,506</u>	<u>1,421</u>	<u>1,768</u>	<u>3,584</u>	<u>159</u>	<u>606</u>	<u>665</u>	<u>9,709</u>

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	Freehold land and building	Leasehold land and building	Leasehold improvements	Plant, machinery and equipment	Renovation, furniture and fittings	Motor vehicles	Office equipment and computers	Capital work-in- progress	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group									
As at 31 December 2016									
<i>Cost</i>									
Beginning of the year	—	1,770	1,479	5,232	5,830	484	942	665	16,402
Adjustments	—	431	—	261	—	—	—	—	692
Currency translation differences	—	80	—	(57)	(162)	—	(3)	(15)	(157)
Additions	—	—	46	680	2,257	278	637	558	4,456
Disposals	—	—	—	(178)	(385)	(414)	(298)	—	(1,275)
Transfer from/(to) capital work-in-progress	666	—	—	(5)	210	—	24	(895)	—
Transfer to assets held for sale (Note 20)	—	(2,281)	—	—	—	—	—	—	(2,281)
End of the year	<u>666</u>	<u>—</u>	<u>1,525</u>	<u>5,933</u>	<u>7,750</u>	<u>348</u>	<u>1,302</u>	<u>313</u>	<u>17,837</u>
<i>Accumulated depreciation</i>									
Beginning of the year	—	264	58	844	2,246	264	309	—	3,985
Adjustments	—	431	—	1,573	—	—	—	—	2,004
Currency translation differences	—	26	—	(27)	(83)	5	2	—	(77)
Disposals	—	—	—	(110)	(253)	(257)	(267)	—	(887)
Depreciation charge (Note 7)	4	139	195	706	1,504	94	400	—	3,042
Transfer to assets held for sale (Note 20)	—	(860)	—	—	—	—	—	—	(860)
End of the year	<u>4</u>	<u>—</u>	<u>253</u>	<u>2,986</u>	<u>3,414</u>	<u>106</u>	<u>444</u>	<u>—</u>	<u>7,207</u>
<i>Accumulated impairment</i>									
Beginning of the year	—	—	—	2,620	—	61	27	—	2,708
Adjustments	—	—	—	(1,312)	—	—	—	—	(1,312)
Currency translation differences	—	—	—	—	—	1	1	—	2
Disposals	—	—	—	—	—	(8)	(28)	—	(36)
End of the year	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,308</u>	<u>—</u>	<u>54</u>	<u>—</u>	<u>—</u>	<u>1,362</u>
<i>Net book value</i>									
End of the year	<u>662</u>	<u>—</u>	<u>1,272</u>	<u>1,639</u>	<u>4,336</u>	<u>188</u>	<u>858</u>	<u>313</u>	<u>9,268</u>

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	Freehold land and building	Leasehold land and building	Leasehold improvements	Plant, machinery and equipment	Renovation, furniture and fittings	Motor vehicles	Office equipment and computers	Capital work-in- progress	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group									
As at 30 June 2017									
<i>Cost</i>									
Beginning of the period	666	—	1,525	5,933	7,750	348	1,302	313	17,837
Adjustments	—	—	—	—	(40)	—	—	—	(40)
Currency translation differences	(3)	—	—	(3)	8	(1)	(2)	—	(1)
Additions	—	—	—	125	324	171	55	944	1,619
Disposals	—	—	—	(30)	(65)	(80)	(177)	—	(352)
End of the period	<u>663</u>	<u>—</u>	<u>1,525</u>	<u>6,025</u>	<u>7,977</u>	<u>438</u>	<u>1,178</u>	<u>1,257</u>	<u>19,063</u>
<i>Accumulated depreciation</i>									
Beginning of the period	4	—	253	2,986	3,414	106	444	—	7,207
Currency translation differences	—	—	—	(1)	8	(1)	(2)	—	4
Disposals	—	—	—	(21)	(56)	(80)	(177)	—	(334)
Depreciation charge (Note 7)	2	—	99	350	891	44	235	—	1,621
End of the period	<u>6</u>	<u>—</u>	<u>352</u>	<u>3,314</u>	<u>4,257</u>	<u>69</u>	<u>500</u>	<u>—</u>	<u>8,498</u>
<i>Accumulated impairment</i>									
Beginning and end of the period	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,308</u>	<u>—</u>	<u>54</u>	<u>—</u>	<u>—</u>	<u>1,362</u>
<i>Net book value</i>									
End of the period	<u>657</u>	<u>—</u>	<u>1,173</u>	<u>1,403</u>	<u>3,720</u>	<u>315</u>	<u>678</u>	<u>1,257</u>	<u>9,203</u>

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	Freehold land and building	Leasehold land and building	Leasehold improvements	Plant, machinery and equipment	Renovation, furniture and fittings	Motor vehicles	Office equipment and computers	Capital work-in- progress	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group									
(Unaudited)									
As at 30 June 2016									
<i>Cost</i>									
Beginning of the period	—	1,770	1,479	5,232	5,830	484	942	665	16,402
Currency translation differences	—	(3)	—	(19)	(94)	(3)	(13)	14	(118)
Additions	—	—	27	229	355	122	94	949	1,776
Disposals	—	—	—	(22)	(251)	(137)	(233)	—	(643)
Transfer from/(to) capital work-in-progress	696	—	—	(3)	—	—	8	(701)	—
End of the period	<u>696</u>	<u>1,767</u>	<u>1,506</u>	<u>5,417</u>	<u>5,840</u>	<u>466</u>	<u>798</u>	<u>927</u>	<u>17,417</u>
<i>Accumulated depreciation</i>									
Beginning of the period	—	264	58	844	2,246	264	309	—	3,985
Currency translation differences	—	(1)	—	(3)	(42)	(1)	(7)	—	(54)
Disposals	—	—	—	(17)	(143)	(129)	(207)	—	(496)
Depreciation charge (Note 7)	2	66	97	336	739	55	163	—	1,458
End of the period	<u>2</u>	<u>329</u>	<u>155</u>	<u>1,160</u>	<u>2,800</u>	<u>189</u>	<u>258</u>	<u>—</u>	<u>4,893</u>
<i>Accumulated impairment</i>									
Beginning and end of the period	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,620</u>	<u>—</u>	<u>54</u>	<u>—</u>	<u>—</u>	<u>2,674</u>
<i>Net book value</i>									
End of the period	<u>694</u>	<u>1,438</u>	<u>1,351</u>	<u>1,637</u>	<u>3,040</u>	<u>223</u>	<u>540</u>	<u>927</u>	<u>9,850</u>

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ACCOUNTANT'S REPORT

	Plant, machinery and equipment	Renovation, furniture and fittings	Motor vehicles	Office equipment and computers	Capital work-in- progress	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Company						
As at 31 December 2014						
<i>Cost</i>						
Beginning of the year	6	863	822	517	—	2,208
Additions	—	8	72	125	—	205
Disposals	—	—	—	(38)	—	(38)
End of year	<u>6</u>	<u>871</u>	<u>894</u>	<u>604</u>	<u>—</u>	<u>2,375</u>
<i>Accumulated depreciation</i>						
Beginning of the year	6	845	768	470	—	2,089
Depreciation charge	—	5	20	31	—	56
Disposals	—	—	—	(35)	—	(35)
End of the year	<u>6</u>	<u>850</u>	<u>788</u>	<u>466</u>	<u>—</u>	<u>2,110</u>
<i>Net book value</i>						
<i>End of the year</i>	<u>—</u>	<u>21</u>	<u>106</u>	<u>138</u>	<u>—</u>	<u>265</u>
As at 31 December 2015						
<i>Cost</i>						
Beginning of the year	6	871	894	604	—	2,375
Additions	—	8	—	72	—	80
Disposals	—	—	(74)	—	—	(74)
End of the year	<u>6</u>	<u>879</u>	<u>820</u>	<u>676</u>	<u>—</u>	<u>2,381</u>
<i>Accumulated depreciation</i>						
Beginning of the year	6	850	788	466	—	2,110
Depreciation charge	—	7	33	72	—	112
Disposals	—	—	(74)	—	—	(74)
End of the year	<u>6</u>	<u>857</u>	<u>747</u>	<u>538</u>	<u>—</u>	<u>2,148</u>
<i>Net book value</i>						
<i>End of the year</i>	<u>—</u>	<u>22</u>	<u>73</u>	<u>138</u>	<u>—</u>	<u>233</u>

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	Plant, machinery and equipment	Renovation, furniture and fittings	Motor vehicles	Office equipment and computers	Capital work-in- progress	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Company						
As at 31 December 2016						
<i>Cost</i>						
Beginning of the year	6	879	820	676	—	2,381
Additions	—	—	—	86	—	86
End of the year	<u>6</u>	<u>879</u>	<u>820</u>	<u>762</u>	<u>—</u>	<u>2,467</u>
<i>Accumulated depreciation</i>						
Beginning of the year	6	857	747	538	—	2,148
Depreciation charge	—	7	33	76	—	116
End of the year	<u>6</u>	<u>864</u>	<u>780</u>	<u>614</u>	<u>—</u>	<u>2,264</u>
<i>Net book value</i>						
<i>End of the year</i>	<u>—</u>	<u>15</u>	<u>40</u>	<u>148</u>	<u>—</u>	<u>203</u>
As at 30 June 2017						
<i>Cost</i>						
Beginning of the period . . .	6	879	820	762	—	2,467
Additions	—	38	171	21	—	230
Disposals	—	—	(450)	—	—	(450)
End of the period	<u>6</u>	<u>917</u>	<u>541</u>	<u>783</u>	<u>—</u>	<u>2,247</u>
<i>Accumulated depreciation</i>						
Beginning of the period . . .	6	864	780	614	—	2,264
Depreciation charge	—	4	14	42	—	60
Disposals	—	—	(450)	—	—	(450)
End of the period	<u>6</u>	<u>868</u>	<u>344</u>	<u>656</u>	<u>—</u>	<u>1,874</u>
<i>Net book value</i>						
<i>End of the period</i>	<u>—</u>	<u>49</u>	<u>197</u>	<u>127</u>	<u>—</u>	<u>373</u>

	Plant, machinery and equipment	Renovation, furniture and fittings	Motor vehicles	Office equipment and computers	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Company					
(Unaudited)					
As at 30 June 2016					
<i>Cost</i>					
Beginning of the period	6	879	820	676	2,381
Additions	—	—	—	8	8
End of the period	<u>6</u>	<u>879</u>	<u>820</u>	<u>684</u>	<u>2,389</u>
<i>Accumulated depreciation</i>					
Beginning of the period	6	857	747	538	2,148
Depreciation charge	—	4	16	36	56
End of the period	<u>6</u>	<u>861</u>	<u>763</u>	<u>574</u>	<u>2,204</u>
<i>Net book value</i>					
<i>End of the period</i>	<u>—</u>	<u>18</u>	<u>57</u>	<u>110</u>	<u>185</u>

(a) As at 31 December 2014, 2015 and 2016 and 30 June 2017, the net book value of property, plant and equipment of the Group under finance lease agreements amounted to S\$nil, S\$16,100, S\$62,600 and S\$218,700 respectively (Note 29).

(b) The leasehold land and building of the Group as at 31 December 2014, 2015 and 2016 comprise:

Location	Tenure	Use of property
Indonesia MM 2100 Industrial Town Jl. Bali Blok HI-1 Cibitung Bekasi 17520	20 years lease from 30 September 2004, with an option to extend for a further 20 years	Industrial factory building
Indonesia Royal Palace Shophouse Complex, Block C No.15, Jl. Prof. Dr. Seopomo SH No. 178A, Tebet, South Jakarta	17 years lease from 27 July 2004	Marketing Office

The above properties have been reclassified as Assets Held for Sale (Note 20) as at 31 December 2016.

(c) The freehold land and building of the Group as at 31 December 2016 and 30 June 2017 comprise:

Location	Use of property
Malaysia No.17, Jalan Ekoperniagaan 1/23 Taman Ekoperniagaan 81100 Johor Bahru, Johor	Centralised office

26. INTANGIBLE ASSETS

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Composition:				
Goodwill arising on consolidation				
(Note (a))	207	207	207	207
Favourable lease agreement (Note (b)) . .	11,527	6,588	1,649	749
	<u>11,734</u>	<u>6,795</u>	<u>1,856</u>	<u>956</u>

(a) Goodwill arising on consolidation

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Cost</i>				
Beginning and end of the year/period . . .	13,238	13,238	13,238	13,238
<i>Accumulated impairment</i>				
Beginning and end of the year/period . . .	13,031	13,031	13,031	13,031
Net book value	<u>207</u>	<u>207</u>	<u>207</u>	<u>207</u>

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to the individual entity and business segment.

A summary of the goodwill allocation and key assumptions used for value-in-use calculations are as follows:

	As at				Growth rate				Discount rate			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000								
Cash-generating unit ("CGU")												
Dormitory accommodation												
Westlite Dormitory (Tebrau) Sdn Bhd	207	207	207	207	4%	4%	5%	5%	8.5%	8%	9%	9%

The recoverable amount of a CGU was determined based on value-in-use calculations. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a ten-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated above which is based on management's expectations of the market development. The discount rates applied to the cash flow projections were pre-tax and reflected a reasonable risk premium at the date of the assessment of the CGU.

Management did not foresee any change in key assumptions (including growth rate and discount rate) used in the value-in-use calculations would cause the recoverable amount below its carrying amount.

(b) Favourable lease agreement

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Cost</i>				
Beginning and end of the year/period . . .	25,521	25,521	25,521	25,521
<i>Accumulated amortisation</i>				
Beginning of the year/period	9,055	13,994	18,933	23,872
Amortisation charge	4,939	4,939	4,939	900
End of the year/period	13,994	18,933	23,872	24,772
<i>Net book value</i>	11,527	6,588	1,649	749

(c) Amortisation expense included in the consolidated income statement is analysed as follows:

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)	
Cost of sales (Note 7)	4,939	4,939	4,939	2,470	900

27. TRADE AND OTHER PAYABLES

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Trade payables to:								
— non-related parties . . .	2,880	2,027	1,827	2,077	312	114	32	179
— associated companies . .	—	49	120	123	—	—	—	—
	2,880	2,076	1,947	2,200	312	114	32	179
Non-trade payables								
— associated companies . .	—	751	1,789	2,388	—	—	—	—
— subsidiaries	—	—	—	—	953	600	5,403	6,135
Advanced rental	4,375	5,337	5,214	1,905	—	—	—	—
Deferred income	40	67	176	2,262	—	—	—	—
Deposits received	11,709	12,765	17,341	16,518	—	1	—	—
Accruals for operating expenses	10,828	8,366	11,622	12,081	3,555	3,121	3,449	3,836
Accrued construction costs payable	8,729	23,869	7,165	5,551	—	—	—	—
Other payables	671	1,242	1,993	2,113	196	454	594	1
Total trade and other payables	39,232	54,473	47,247	45,018	5,016	4,290	9,478	10,151

Non-trade payables to subsidiaries are unsecured, interest free and repayable on demand.

At 31 December 2014, 2015 and 2016 and 30 June 2017, the ageing analysis of the trade payables (including amounts due to related parties of trading in nature) based on invoice date were as follows:

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Up to 3 months	2,323	1,495	1,587	1,755
3 to 6 months	48	61	21	67
Over 6 months	509	520	339	378
	2,880	2,076	1,947	2,200

28. BORROWINGS

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
<i>Current</i>								
Bank borrowings								
(Note (a))	23,379	30,805	38,007	39,953	—	—	—	2,324
Loan from an associated company (Note (d))	—	3,445	—	—	—	—	—	—
Finance lease liabilities								
(Note (c) and Note 29) . . .	—	6	26	52	—	—	—	25
Notes payables (Note (b)) . .	—	100,000	—	—	—	100,000	—	—
Less: Transaction costs	—	(384)	—	—	—	(384)	—	—
	—	99,616	—	—	—	99,616	—	—
Interest payable	1,313	2,877	1,571	2,546	1,313	2,877	1,571	2,546
	24,692	136,749	39,604	42,551	1,313	102,493	1,571	4,895

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	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<i>Non-current</i>								
Bank borrowings								
(Note (a))	304,836	413,440	501,313	418,486	—	—	—	—
Finance lease liabilities								
(Note (c) and Note 29) . . .	—	10	34	21	—	—	—	—
Loan from non-controlling interests (Note (e))	4,120	—	4,900	6,370	—	—	—	—
Loan from an associated company (Note (d))	—	56,855	50,080	48,357	—	—	—	—
Loan from a subsidiary (Note (e))	—	—	—	—	—	—	70,000	—
Notes payables (Note (b)) . .	100,000	65,000	64,750	149,750	100,000	65,000	64,750	149,750
Less: Transaction costs	(875)	(461)	(283)	(791)	(875)	(461)	(283)	(791)
	99,125	64,539	64,467	148,959	99,125	64,539	64,467	148,959
	408,081	534,844	620,794	622,193	99,125	64,539	134,467	148,959
Total borrowings	432,773	671,593	660,398	664,744	100,438	167,032	136,038	153,854

The exposure of the borrowings of the Group to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
— not later than one year . .	24,692	136,749	39,604	42,551	1,313	102,493	1,571	4,895
— between one to five years	237,557	272,398	284,051	356,522	99,125	64,539	64,467	148,959
— after five years	170,524	262,446	336,743	265,671	—	—	70,000	—
	432,773	671,593	660,398	664,744	100,438	167,032	136,038	153,854

As at 31 December 2014, 2015, and 2016, and 30 June 2017, the Group's bank borrowings were repayable as follows:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Within one year	23,379	30,805	38,007	39,953	—	—	—	2,324
Between one and two years . .	29,730	82,321	38,275	35,927	—	—	—	—
Between two and five years . .	108,702	99,061	162,321	151,097	—	—	—	—
After five years	166,404	232,058	300,717	231,462	—	—	—	—
	<u>328,215</u>	<u>444,245</u>	<u>539,320</u>	<u>458,439</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,324</u>

As at 31 December 2014, 2015, and 2016, and 30 June 2017, the Group's and Company's other loans were repayable as follows:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Within one year	1,313	105,944	1,597	2,598	1,313	102,493	1,571	2,571
Between one and two years . .	—	6,781	67,936	67,937	—	—	64,467	64,558
Between two and five years . .	99,125	84,235	15,519	101,561	99,125	64,539	—	84,401
After five years	4,120	30,388	36,026	34,209	—	—	70,000	—
	<u>104,558</u>	<u>227,348</u>	<u>121,078</u>	<u>206,305</u>	<u>100,438</u>	<u>167,032</u>	<u>136,038</u>	<u>151,530</u>

(a) Bank borrowings

The interests on the bank borrowings are calculated based on their floating rates. The carrying amounts of the non-current borrowings approximated their fair values.

As at 31 December 2014, 2015, 2016 and 30 June 2017, total borrowings include secured liabilities of S\$328,215,000, S\$444,261,000, S\$539,380,000, and S\$458,512,000 respectively (including finance leases) for the Group. These borrowings are secured over certain bank deposits (Note 15), certain investment properties (Note 24) and assets held for sale (Note 20).

(b) Notes payables

In 2014, the Company has updated its S\$300 million Multicurrency Medium Term Note (“MTN”) programme established on 6 September 2013 and increased the maximum aggregate principal amount of notes that may be issued under the MTN from S\$300 million to S\$500 million with effect from 29 October 2014.

In 2015, the Company issued notes amounting to S\$65 million. The notes bear a fixed rate of 5.25% per annum payable semi-annually in arrear and have a tenure of 3 years.

In 2016, the Company refreshed its S\$500 million Multicurrency Medium Term Note (“MTN”) programme established on 6 September 2013.

The Group was in a net current liability position of S\$52.7 million as at 31 December 2015. The Group’s net current liability position mainly arose from the reclassification of notes payable of S\$99.1 million from non-current liability to current liability as the amount was due for repayment on October 2016.

At the date of the report for the year ended 31 December 2015, the available credit facilities of S\$75 million would have adequately allowed the Group to repay its debt as and when they fall due.

Pursuant to the MTN Programme updated on 7 October 2016, the Company issued S\$65,000,000 5.25 per cent. notes due 2020 (“**2020 Tranche 001 Notes**”) on 12 April 2017. The net proceeds from the 2020 Tranche 001 Notes have been fully utilised for the repayment of loan facilities extended by DBS Bank Ltd.

Pursuant to the MTN Programme updated on 7 October 2016, the Company issued S\$20,000,000 5.25 per cent. notes due 2020 to be consolidated and form a single series with the existing Tranche 001 2020 Notes on 19 May 2017.

As at 31 December 2014, 2015 and 2016 and 30 June 2017, we noted the Group was in compliance with all relevant financial covenants and the borrowings have been classified and presented appropriately based on the agreed terms.

(c) Finance lease liabilities

The finance lease liabilities are secured on certain property, plant and equipment purchased under finance leases of the Group (Note 25(a)). The Group’s weighted average effective interest rates of finance lease liabilities as at 31 December 2014, 2015 and 2016 and 30 June 2017 are nil%, 2.8%, 2.8% and 2.8%, respectively per annum. The carrying amounts of the finance lease liabilities approximated their fair values.

(d) Loan from an associated company

The loan from an associated company is unsecured with fixed repayment terms.

The interest on the loan from an associated company is calculated based on the floating rates. The carrying amount of the non-current borrowing approximated their fair values.

(e) Loan from a subsidiary and loan from non-controlling interests

The loan from a subsidiary and loan from non-controlling interest are unsecured with no fixed terms of repayment and repayment has been agreed to not be within the next twelve months. The interest on the loan from a subsidiary and loan from non-controlling interests are calculated based on the floating rates. The carrying amounts of the non-current borrowings approximated their fair values.

(f) Fair value of current and non-current borrowings

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Notes payables	106,070	164,949	64,543	150,144	106,070	164,949	64,543	150,144

The fair values are within Level 2 of the fair value hierarchy. The fair values of the notes payables are based on indicative mid-market prices obtained from the bank.

29. FINANCE LEASE LIABILITIES

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Minimum lease payments due:				
— Not later than one year	—	6	28	54
— Between one and five years	—	11	37	23
Less: Future finance charges	—	(1)	(5)	(4)
Present value of finance lease liabilities .	—	16	60	73

The present value of finance lease liabilities are analysed as follows:

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
Not later than one year (Note 28)	—	6	26	52
Later than one year (Note 28)				
— Between one and five years	—	10	34	21
Total	—	16	60	73
	<u>—</u>	<u>16</u>	<u>60</u>	<u>73</u>

30. OTHER LIABILITIES

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Current</i>				
Provision for post-employment benefits				
(Note (b))	—	113	—	—
Provision for reinstatement costs	—	—	286	323
	—	113	286	323
	<u>—</u>	<u>113</u>	<u>286</u>	<u>323</u>

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Non-current</i>				
Provision for long service leave				
(Note (a))	37	33	30	34
Provision for post-employment benefits				
(Note (b))	239	—	—	—
Provision for reinstatement costs	—	149	22	31
Accrued rental expenses	—	531	448	407
Others	—	20	—	—
	276	733	500	472
	<u>276</u>	<u>733</u>	<u>500</u>	<u>472</u>

(a) The movement in provision for long service leave during the year/period is as follows:

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Beginning of the year/period	281	37	33	30
Currency translation differences	5	(2)	1	—
Provision made/(reversed)	11	(2)	(4)	4
Paid during the year/period	(260)	—	—	—
End of the year/period	<u>37</u>	<u>33</u>	<u>30</u>	<u>34</u>

(b) The movement in provision for post-employment benefits which is an unfunded defined post-employment benefit plan during the year/period is as follows:

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Beginning of the year/period	365	239	113	—
Currency translation differences	9	(8)	1	—
Provision (reversed)/made (Note 11) . . .	(75)	198	12	—
Paid during the year/period	(60)	(316)	(126)	—
End of the year/period	<u>239</u>	<u>113</u>	<u>—</u>	<u>—</u>

Provision for post-employment benefits on an unfunded defined benefit plan is estimated based on the applicable labor law and regulation following the cessation of the Group's Indonesian optical disc manufacturing operations.

(c) Carrying amounts and fair values

At the balance sheet date, the carrying amounts of the other non-current liabilities approximated their fair values.

31. DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the balance sheets as follows:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Deferred income tax liabilities:								
— to be settled within								
one year	859	894	850	193	6	1	3	7
— to be settled after more								
than one year	2,269	1,488	493	3,709	20	26	20	12
	<u>3,128</u>	<u>2,382</u>	<u>1,343</u>	<u>3,902</u>	<u>26</u>	<u>27</u>	<u>23</u>	<u>19</u>
Deferred income tax asset:								
— to be recovered after								
more than one year	(60)	(19)	(4)	—	—	—	—	—
	<u>(60)</u>	<u>(19)</u>	<u>(4)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Movement in the deferred income tax account is as follows:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Beginning of the year/period	3,013	3,068	2,363	1,339	25	26	27	23
Currency translation								
differences	(23)	(120)	(16)	(5)	—	—	—	—
Charged/(credited) to profit								
or loss (Note 12(a))	78	(585)	(1,008)	2,568	1	1	(4)	(4)
End of the year/period	<u>3,068</u>	<u>2,363</u>	<u>1,339</u>	<u>3,902</u>	<u>26</u>	<u>27</u>	<u>23</u>	<u>19</u>

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. As at 31 December 2014, 2015, 2016 and 30 June 2017, the Group has unrecognised tax losses of S\$8,737,000, S\$8,254,000, S\$8,844,000, and S\$7,991,000, respectively, and capital allowances of S\$456,000, S\$262,000, S\$941,000, and S\$710,000, respectively, at the balance sheet date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses and capital allowances have no expiry date.

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

Group

Deferred income tax liabilities

	Accelerated tax depreciation	Amortisation of intangible asset	Fair value gain-net	Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 December 2014					
Beginning of the year	532	2,832	—	(129)	3,235
Currency translation differences .	(26)	—	—	—	(26)
Charged/(credited) to					
profit or loss	76	(840)	831	(23)	44
End of the year	<u>582</u>	<u>1,992</u>	<u>831</u>	<u>(152)</u>	<u>3,253</u>
As at 31 December 2015					
Beginning of the year	582	1,992	831	(152)	3,253
Currency translation differences .	(17)	—	(114)	—	(131)
Charged/(credited) to					
profit or loss	106	(840)	122	(8)	(620)
End of the year	<u>671</u>	<u>1,152</u>	<u>839</u>	<u>(160)</u>	<u>2,502</u>
As at 31 December 2016					
Beginning of the year	671	1,152	839	(160)	2,502
Currency translation differences .	2	—	(16)	—	(14)
(Credited)/charged to					
profit or loss	(103)	(840)	(81)	1	(1,023)
End of the year	<u>570</u>	<u>312</u>	<u>742</u>	<u>(159)</u>	<u>1,465</u>

APPENDIX I**ACCOUNTANT'S REPORT**

	Accelerated tax depreciation	Amortisation of intangible asset	Fair value gain-net	Others	Total
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
As at 30 June 2017					
Beginning of the period	570	312	742	(159)	1,465
Currency translation differences .	1	—	(2)	(3)	(4)
Charged/(credited) to					
profit or loss	62	(154)	2,656	—	2,564
End of the period	<u>633</u>	<u>158</u>	<u>3,396</u>	<u>(162)</u>	<u>4,025</u>
As at 30 June 2016					
(Unaudited)					
Beginning of the period	671	1,152	839	(160)	2,502
Currency translation differences .	(1)	—	—	17	16
Credited to					
profit or loss	(17)	(421)	—	—	(438)
End of the period	<u>653</u>	<u>731</u>	<u>839</u>	<u>(143)</u>	<u>2,080</u>

Deferred income tax assets

	Provisions
	<i>S\$'000</i>
As at 31 December 2014	
Beginning of the year	(222)
Currency translation differences	3
Charged to profit and loss	34
End of the year	<u>(185)</u>
As at 31 December 2015	
Beginning of the year	(185)
Currency translation differences	11
Charged to profit and loss	35
End of the year	<u>(139)</u>
As at 31 December 2016	
Beginning of the year	(139)
Currency translation differences	(2)
Charged to profit and loss	15
End of the year	<u>(126)</u>
As at 30 June 2017	
Beginning of the period	(126)
Currency translation differences	(1)
Charged to profit and loss	4
End of the period	<u>(123)</u>
As at 30 June 2016 (Unaudited)	
Beginning of the period	(139)
Currency translation differences	3
Charged to profit and loss	9
End of the period	<u>(127)</u>

Company

Deferred income tax liabilities

	Accelerated tax depreciation	Others	Total
	S\$'000	S\$'000	S\$'000
As at 31 December 2014			
Beginning of the year	10	15	25
Charged/(credited) to profit or loss	16	(15)	1
End of the year	<u>26</u>	<u>—</u>	<u>26</u>
As at 31 December 2015			
Beginning of the year	26	—	26
Charged to profit or loss	1	—	1
End of the year	<u>27</u>	<u>—</u>	<u>27</u>
As at 31 December 2016			
Beginning of the year	27	—	27
Credited to profit or loss	(4)	—	(4)
End of the year	<u>23</u>	<u>—</u>	<u>23</u>
As at 30 June 2017			
Beginning of the period	23	—	23
Credited to profit or loss	(4)	—	(4)
End of the period	<u>19</u>	<u>—</u>	<u>19</u>
As at 30 June 2016 (Unaudited)			
Beginning of the period	27	—	27
Credited to profit or loss	(6)	—	(6)
End of the period	<u>21</u>	<u>—</u>	<u>21</u>

32. SHARE CAPITAL AND TREASURY SHARES

	Group and Company		Group		Company	
	No. of ordinary shares		Amount			
	Issued share capital	Treasury shares	Share capital	Treasury shares	Share capital	Treasury shares
	'000	'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 December 2014						
Beginning of the year	756,061	—	89,431	—	200,742	—
Issuance of shares pursuant to warrants exercised . . .	811	—	405	—	405	—
End of the year	<u>756,872</u>	<u>—</u>	<u>89,836</u>	<u>—</u>	<u>201,147</u>	<u>—</u>
As at 31 December 2015						
Beginning of the year	756,872	—	89,836	—	201,147	—
Treasury shares purchased .	—	(5,071)	—	(2,107)	—	(2,107)
Issuance of shares pursuant to warrants exercised . . .	1	—	1	—	1	—
End of the year	<u>756,873</u>	<u>(5,071)</u>	<u>89,837</u>	<u>(2,107)</u>	<u>201,148</u>	<u>(2,107)</u>
As at 31 December 2016						
Beginning of the year	756,873	(5,071)	89,837	(2,107)	201,148	(2,107)
Treasury shares purchased .	—	(11,838)	—	(4,391)	—	(4,391)
End of the year	<u>756,873</u>	<u>(16,909)</u>	<u>89,837</u>	<u>(6,498)</u>	<u>201,148</u>	<u>(6,498)</u>
As at 30 June 2016 (Unaudited)						
Beginning of the year	756,873	(5,071)	89,837	(2,107)	201,148	(2,107)
Treasury shares purchased .	—	(11,838)	—	(4,391)	—	(4,391)
End of the period	<u>756,873</u>	<u>(16,909)</u>	<u>89,837</u>	<u>(6,498)</u>	<u>201,148</u>	<u>(6,498)</u>
As at 30 June 2017						
Beginning of the period . . .	756,873	(16,909)	89,837	(6,498)	201,148	(6,498)
Treasury shares purchased .	—	(2,541)	—	(1,119)	—	(1,119)
End of the period	<u>756,873</u>	<u>(19,450)</u>	<u>89,837</u>	<u>(7,617)</u>	<u>201,148</u>	<u>(7,617)</u>

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

On 1 August 2011, the Company completed the acquisition of Westlite Dormitory (Toh Guan) Pte. Ltd. (then known as Centurion Dormitory (Westlite) Pte Ltd) (“Transaction”). The acquisition was accounted for as a reverse acquisition according to Business Combination accounting standard. Consequently, the Group’s share capital amount differs from that of the Company. More information on the Transaction and the accounting can be found in the Company’s published financial statements for the year ended 31 December 2011.

On 28 October 2013, the Company issued 75,605,231 warrants pursuant to the issue of Bonus Warrants on the basis of one warrant for every ten existing ordinary shares in the capital of the Company held by entitled shareholders. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of S\$0.50 for each ordinary share. Each warrant may be exercised at any time during the period of four years commencing on and including the date of issue of the warrants and expiring on the fourth anniversary of the date of issue of the warrants. The net proceeds of S\$406,249 in relation to the issuance of new shares pursuant to warrants exercised, have not been utilised to date.

(a) Treasury shares

During the years ended 31 December 2014, 2015 and 2016 and for the six months ended 30 June 2016 and 2017, the Company acquired nil, 5,071,400, 11,837,500, 11,837,500 and 2,540,700 shares respectively, in the Company in the open market during the year. The total amount paid to acquire the shares was S\$nil, S\$2,107,000, S\$4,391,000, S\$4,391,000 and S\$1,119,000 respectively, and this was presented as a component within shareholders’ equity.

On 22 November 2017, 19,449,600 treasury shares held by the Company were cancelled pursuant to Section 76K of the Companies Act (Cap. 50) of Singapore.

33. OTHER RESERVES

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
(a) Composition								
Fair value reserve	152	34	12	(13)	302	184	162	137
Currency translation reserve	(10,484)	(19,465)	(38,401)	(36,768)	—	—	—	—
Capital reserve	17,095	17,095	17,095	17,095	—	—	—	—
	<u>6,763</u>	<u>(2,336)</u>	<u>(21,294)</u>	<u>(19,686)</u>	<u>302</u>	<u>184</u>	<u>162</u>	<u>137</u>

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
(b) Movements								
(i) Fair value reserve								
Beginning of the year/period	206	152	34	12	509	302	184	162
Fair value losses on available-for-sale financial assets (Note 19)	(207)	(118)	(22)	(25)	(207)	(118)	(22)	(25)
Reclassification to profit or loss (Note 9)	153	—	—	—	—	—	—	—
End of the year/period	<u>152</u>	<u>34</u>	<u>12</u>	<u>(13)</u>	<u>302</u>	<u>184</u>	<u>162</u>	<u>137</u>

	Group				
	As at 31 December			As at 30 June	
	2014	2015	2016	2017	
	S\$'000	S\$'000	S\$'000	S\$'000	
(ii) Currency translation reserve					
Beginning of the year/period		(4,967)	(10,484)	(19,465)	(38,401)
Net exchange differences on translation of Historical Financial Information of foreign subsidiaries and associated companies		(5,517)	(8,981)	(18,936)	1,633
End of the year/period		<u>(10,484)</u>	<u>(19,465)</u>	<u>(38,401)</u>	<u>(36,768)</u>
(iii) Capital reserve					
Beginning and end of the year/period		<u>17,095</u>	<u>17,095</u>	<u>17,095</u>	<u>17,095</u>

In 2011, the consolidated financial statements of the Group represent the continuation of Westlite Dormitory (Toh Guan) Pte. Ltd. ("Westlite") accounts, which included a shareholder loan accounted for as "Other liabilities" in Westlite's accounts for the year ended 31 December 2010. The novation of the loan from Westlite's former shareholder to Westlite's new shareholder (Centurion Corporation Limited) means that the loan is effectively settled in the consolidated financial statements of the Group, recognised under "capital reserve" of the Group.

Other reserves are non-distributable.

34. RETAINED PROFITS

- (a) As at 31 December 2014, 2015 and 2016 and 30 June 2017, retained profits of the Group are distributable except for the amount of S\$nil, S\$2,107,000, S\$6,498,000 and S\$7,617,000 respectively, utilised to purchase treasury shares and accumulated retained profits of associated companies amounting to S\$nil, S\$80,714,000, S\$75,799,000 and S\$75,557,000 respectively, which are included in the Group's retained profits.
- (b) Movement in retained profits for the Company is as follows:

	Company			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Beginning of the year/period	9,863	16,916	12,202	15,487
Net profit	15,378	6,639	18,161	7,511
Dividend paid (Note 35)	(8,325)	(11,353)	(14,876)	(7,399)
End of the year/period	<u>16,916</u>	<u>12,202</u>	<u>15,487</u>	<u>15,599</u>

35. DIVIDENDS

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<i>Ordinary dividends paid</i>								
Interim exempt dividend paid in respect of current year of 1.0 cent (2015: 0.5 cent, 2014: 0.5 cent) per share	3,784	3,784	7,400	—	3,784	3,784	7,400	—
Final exempt dividend paid in respect of the previous year of 1.0 cent (2016: 1.0 cent, 2015: 1.0 cent, 2014: 0.6 cent) per share	4,541	7,569	7,476	7,399	4,541	7,569	7,476	7,399
	<u>8,325</u>	<u>11,353</u>	<u>14,876</u>	<u>7,399</u>	<u>8,325</u>	<u>11,353</u>	<u>14,876</u>	<u>7,399</u>

On 7 August 2017, an interim dividend of 1.0 cent per share amounting to S\$7,957,000 was declared. The dividend was paid on 15 September 2017. The Historical Financial Information do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the year ending 31 December 2017.

36. COMMITMENTS**(a) Capital commitments**

Capital expenditures contracted for at the balance sheet date but not recognised in the Historical Financial Information, excluding those relating to investments in joint ventures (Note 22) and investments in associated companies (Note 21), are as follows:

	Group			
	As at 31 December			As at 30 June
	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Property, plant and equipment	136	35	199	5
Investment properties	137,598	41,073	23,720	99,268
	<u>137,734</u>	<u>41,108</u>	<u>23,919</u>	<u>99,273</u>

(b) Operating lease commitments — where the Group is a lessee

The Group leases various buildings under non-cancellable operating lease agreements. The leases have varying terms and renewal rights.

The future aggregate minimum lease payments under non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities, are as follows:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Not later than one year	3,124	6,778	5,822	6,570	1,039	909	520	520
Between one and five years	3,689	19,103	19,399	19,137	909	—	975	715
Later than five years	—	42,543	37,941	35,640	—	—	—	—
	<u>6,813</u>	<u>68,424</u>	<u>63,162</u>	<u>61,347</u>	<u>1,948</u>	<u>909</u>	<u>1,495</u>	<u>1,235</u>

(c) Operating lease income commitments — where the Group is a lessor

Operating lease income commitments are mainly for the investment properties of the Group. The lease rental income terms are negotiated for an average term of 12 months.

The future minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Not later than one year	54,933	66,469	76,813	64,947	648	455	132	132
Between one and five years	4,739	9,910	16,421	22,730	565	—	247	181
	<u>59,672</u>	<u>76,379</u>	<u>93,234</u>	<u>87,677</u>	<u>1,213</u>	<u>455</u>	<u>379</u>	<u>313</u>

(d) Corporate guarantees

As at 31 December 2014, 2015 and 2016 and 30 June 2017, the Group has provided corporate guarantees in favour of financial institutions in respect of facilities granted to associated companies and a joint venture amounting to S\$47,386,000, S\$86,981,000, S\$79,614,000 and S\$77,885,000 respectively. At 31 December 2014, 2015 and 2016 and 30 June 2017, the amount of the guaranteed loans drawn down by associated companies and a joint venture amounted to S\$46,401,000, S\$83,090,000, S\$79,614,000 and S\$77,885,000 respectively.

As at 31 December 2014, 2015 and 2016 and 30 June 2017, the Company has provided corporate guarantees in favour of financial institutions in respect of facilities granted to subsidiaries, associated companies and joint venture amounting to S\$455,317,000, S\$511,268,000, S\$560,738,000 and S\$488,692,000 respectively. As at 31 December 2014, 2015 and 2016 and 30 June 2017, the amount of the guaranteed loans drawn down by the subsidiaries, associated companies and joint venture amounted to S\$367,793,000, S\$478,083,000, S\$556,551,000 and S\$474,403,000 respectively.

As at 31 December 2014, 2015, 2016 and 30 June 2017, the fair value of the corporate guarantee was insignificant.

Except for the corporate guarantees disclosed above, the Group and the Company did not have any other contingent liabilities as at 31 December 2014, 2015 and 2016 and 30 June 2017.

(e) Continuing financial support

The Company has provided an undertaking to provide continuing financial support to certain subsidiaries, to enable the subsidiaries to meet their obligations as and when they fall due.

37. RELATED PARTY TRANSACTIONS

In addition to information disclosed elsewhere in the Historical Financial Information, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)	
Sales to associated companies . .	6	—	—	—	—
Services provided to immediate holding corporation	2	10	10	5	5
Services provided to associated companies/joint ventures	647	738	682	340	330
Purchases from associated companies	—	155	—	—	—
Purchases from a company which a director has an interest	5	—	4	4	18
Interest charged by associated company	—	749	1,489	791	599
	—	749	1,489	791	599

Outstanding balances at 31 December 2014, 2015, 2016 and 30 June 2017 arising from sales and purchases of goods are set out in Notes 16 and 27.

(b) Key management personnel compensation

The key management personnel compensation is as follows:

	Group				
	Year ended 31 December			Six months ended 30 June	
	2014	2015	2016	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
				(Unaudited)	
Wages and salaries	3,533	3,875	3,870	1,964	1,974
Employer's contribution to defined contribution plans, including Central Provident Fund	82	107	103	51	51
	<u>3,615</u>	<u>3,982</u>	<u>3,973</u>	<u>2,015</u>	<u>2,025</u>

Included in above, total compensation to directors of the Company for the years ended 31 December 2014, 2015, 2016 and for the six months ended 30 June 2016 and 2017 amounted to S\$1,890,000, S\$348,000, S\$380,000, S\$191,000 and S\$210,000 respectively.

38. IMMEDIATE AND ULTIMATE HOLDING CORPORATION

The Company's immediate holding corporation is Centurion Properties Pte Ltd, incorporated in Singapore. The ultimate holding corporation is Centurion Global Ltd, incorporated in the British Virgin Islands.

39. ACQUISITIONS OF STUDENT ACCOMMODATIONS**Student accommodation in Australia**

On 13 December 2013, the Group entered into a Contract of Sale Property with Siruya Pty Ltd (in its capacity as trustee for the GPO Melbourne Trust) and Transfield (OMH) Pty Ltd (together known as, the "Vendor") for the following acquisitions:

- (i) the student accommodation facility (the "Property") located at 5-17 Flemington Road, North Melbourne; and
- (ii) its adjoining car park building (the "Car Park Building").

The transaction was completed on 10 February 2014.

The acquisition is in line with the Group's business strategy to expand its scope of business to include student accommodation business and enable the Group to embark on new business opportunities in the new markets. The acquisition will further expand the Group's regional presence and foray into the Australia market.

Details of the consideration paid, the assets acquired and liabilities assumed, and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	<i>S\$'000</i>
(a) Purchase consideration	
Cash paid	68,292
Total purchase consideration	68,292
(b) Effect on cash flows of the Group	
Cash paid (as above)	68,292
Cash outflow on acquisition	68,292
	At fair value
	<i>S\$'000</i>
(c) Identifiable assets acquired and liabilities assumed	
Investment properties	68,292
Total identifiable net assets	68,292

(d) Acquisition-related costs

Acquisition-related costs of S\$186,000 were incurred in connection with the above acquisition.

(e) Revenue and profit contribution

The acquired student accommodation in Australia contributed revenue of S\$8,108,000 and net profit of S\$2,562,000 which includes fair value loss of S\$179,000 to the Group from the period from 10 February 2014 to 31 December 2014.

Had the student accommodation in Australia been acquired from 1 January 2014, consolidated revenue and consolidated profit for the year ended 31 December 2014 would have been S\$84,643,000 and S\$111,419,000 respectively.

Student accommodation in the United Kingdom

On 15 July 2014, the Group entered into sale and purchase agreements with various parties for the following acquisitions:

- (i) Manchester Student Village (“MSV”), a freehold property located at Lower Chatham Street, Manchester, M1 5SX, United Kingdom;
- (ii) Manchester Student Village South (“MSVS”), a freehold property located at 357A Great Western Street, Manchester, M14 4AH, UK;
- (iii) The Grafton (“Grafton”), a freehold property located at 60 Grafton Street, Manchester, M13 9NU, UK; and
- (iv) Cathedral Campus (“CC”), a long leasehold interest property located at 1 Dean Patey Court, Cathedral Gate, Off Upper Duke Street, Liverpool, L1 7BT, United Kingdom.

The transaction was completed on 2 September 2014.

The acquisition is in line with the Group’s business strategy to expand its student accommodation business and to embark on opportunities in new markets. The acquisition will enable the Group to expand its presence into a key education and growing student market in Europe.

Details of the consideration paid, the assets acquired and liabilities assumed, and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	<i>\$\$'000</i>
(a) Purchase consideration	
Cash paid	161,238
Total purchase consideration	161,238
(b) Effect on cash flows of the Group	
Cash paid (as above)	161,238
Cash outflow on acquisition	161,238
	At fair value
	<i>\$\$'000</i>
(c) Identifiable assets acquired and liabilities assumed	
Investment properties	161,238
Total identifiable net assets	161,238

(d) Acquisition-related costs

Acquisition-related costs of S\$2,861,000 were incurred in connection with the above acquisition.

(e) Revenue and profit contribution

The acquired student accommodation in the United Kingdom contributed revenue of S\$6,443,000 and net loss of S\$1,244,000 which includes fair value loss of S\$2,789,000 to the Group from the period from 2 September 2014 to 31 December 2014.

Had the student accommodation in the United Kingdom been acquired from 1 January 2014, consolidated revenue and consolidated profit for the year ended 31 December 2014 would have been S\$96,107,000 and S\$115,747,000 respectively.

On 30 April 2016, the Group entered into sale and purchase agreements with various parties for the following acquisitions:

- (i) Hotwells House, a long leasehold interest property located at 192-216 Hotwell Road, Bristol BS8 4UR, United Kingdom;
- (ii) Beechwood House, a long leasehold interest property located at 9-11 Ladybarn Lane, Fallowfield, Manchester M14 6NQ, United Kingdom;
- (iii) Weston Court, a long leasehold interest property located at 45-47 Cromwell Range, Fallowfield, Manchester M14 6HH, United Kingdom; and
- (iv) Garth Heads, a long leasehold interest property located at Melbourne Street, Newcastle Upon Tyne NE1 2JE, United Kingdom.

The transaction was completed on 1 July 2016.

The acquisition is in line with the Group's business strategy to expand its student accommodation business and to embark on opportunities in new markets. The acquisition will enable the Group to expand its presence into a key education and growing student market in Europe.

Details of the consideration paid, the assets acquired and liabilities assumed, and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	<i>S\$'000</i>
(a) Purchase consideration	
Cash paid	40,124
Total purchase consideration	40,124
(b) Effect on cash flows of the Group	
Cash paid (as above)	40,124
Cash outflow on acquisition	40,124
	At fair value
	<i>S\$'000</i>
(c) Identifiable assets acquired and liabilities assumed	
Investment properties	41,341
Total identifiable net assets	41,341

(d) Acquisition-related costs

Acquisition-related costs of S\$1,324,000 were incurred in connection with the above acquisition.

(e) Revenue and profit contribution

The acquired student accommodation in the United Kingdom contributed revenues of S\$2,086,000 and net profit of S\$3,387,000 which includes fair value gain of S\$3,447,000 to the Group from the period from 1 July 2016 to 31 December 2016.

Had the student accommodation in the United Kingdom been acquired from 1 January 2016, consolidated revenue and consolidated profit for the year ended 31 December 2016 would have been S\$122,939,000 and S\$36,048,000 respectively.

40. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amount of the different categories of financial instruments is as disclosed on the face of the balance sheet and in Note 19 to the Historical Financial Information, except for the following:

	Group				Company			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2014	2015	2016	2017	2014	2015	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Loans and receivables	81,536	147,072	93,163	96,867	30,026	99,825	41,351	49,435
Financial liabilities								
at amortised cost	467,627	721,395	703,041	706,390	105,454	171,322	145,516	164,005

41. EVENTS OCCURRING AFTER BALANCE SHEET DATE

- (a) On 7 August 2017, the Company has declared an interim dividend of S\$1.0 cent per share amounting to S\$7,957,000. The dividend was paid on 15 September 2017.
- (b) In July and August 2017, the Group entered into six conditional agreements for the proposed acquisitions of six Purpose Built Student Accommodation assets, which the Group intends to have an interest of up to 30%, across five states in The United States of America (“USA”) for an aggregate purchase consideration of approximately US\$206.0 million (equivalent to approximately S\$282.4 million). Completion of the proposed acquisitions is expected to take place in the fourth quarter of 2017. Management also intends to procure other third party investors to acquire the remaining interests by setting up an investment management platform to manage the investment in such portfolio assets on behalf of these potential investors. It is also anticipated that the Group will enter into a joint venture with a partner which is an established student accommodation manager in the USA to manage the operations of these assets after completion. For the financial period ended 30 September 2017, the Group has paid deposits of US\$4.5 million (equivalent to approximately S\$6.1 million) for the proposed acquisition.
- (c) In July and September 2017, the Group incorporated three wholly-owned subsidiaries, namely Centurion U.S. Student Accommodation Holdings Pte. Ltd. (formerly known as Centurion Overseas Investments (III) Pte. Ltd.), PC Portfolio Pte. Ltd., and Centurion Accommodation Pte. Ltd.

- (d) Centurion announced on 1 November 2017 that the tenure for Westlite Tuas will expire on 30 January 2018, after the 9-month extension of lease offered by the Ministry of National Development (“MND”), MND has not granted a further extension of the lease as the site is needed for redevelopment. Centurion is in the process of making arrangements to move the workers to the other workers accommodation owned by the Group as well as to a pre-arranged workers accommodation nearby with available bed capacity. Concurrently, Centurion is working with the Building and Construction Authority on the reinstatement and return of the land by 30 January 2018.

- (e) On 22 November 2017, 19,449,600 treasury shares held by the Company were cancelled pursuant to Section 76K of the Companies Act (Cap. 50) of Singapore.

III. SUBSEQUENT HISTORICAL FINANCIAL INFORMATION

No audited Historical Financial Information have been prepared for the Company or any of the subsidiaries now comprising the Group in respect of any period subsequent to 30 June 2017 and up to the date of this report. Except as disclosed in Note 35 in Section II, no dividend or distribution has been declared, made or paid by the Company or any of the subsidiaries now comprising the Group in respect of any period subsequent to 30 June 2017.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

A. UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

Under the Singapore Listing Manual pursuant to which the Shares were listed on SGX-ST, the Company is required to publish its interim financial results on a quarterly basis.

The information set out in this Appendix IA does not form part of the Accountant’s Report prepared by the reporting accountant of the Company, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong as set out in Appendix I to this prospectus, and is included herein for information only.

The following is the unaudited interim condensed financial information, which comprises the audited company and consolidated balance sheets as at 31 December 2016, the unaudited company and consolidated balance sheets as at 30 September 2017; the unaudited consolidated statement of comprehensive income; the unaudited consolidated statement of cash flows and the unaudited company and the unaudited consolidated statements of changes in equity for the three and nine months ended 30 September 2016 and 2017; and certain explanatory notes, prepared in accordance with International Financial Reporting Standards (“**IFRSs**”) for the purpose of inclusion in this prospectus.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENTS

		Three months ended 30 September		Nine months ended 30 September		
		2016	2017	2016	2017	
		S\$'000	S\$'000	S\$'000	S\$'000	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
Note						
	Revenue	6	28,130	32,253	85,501	103,522
	Cost of sales		(11,246)	(10,489)	(30,354)	(32,151)
	Gross profit		16,884	21,764	55,147	71,371
	Other income and gains	8	729	396	1,145	1,181
	Net fair value (losses)/gains on investment properties and assets held for sale		—	(1,478)	—	265
	Expenses					
	— Distribution expenses		(340)	(329)	(1,031)	(809)
	— Administrative expenses		(4,315)	(6,215)	(12,290)	(17,793)
	— Finance expenses	10	(5,928)	(5,621)	(16,743)	(15,669)
	Share of profit of associated companies		1,590	1,139	4,370	2,607
	Profit before income tax	7	8,620	9,656	30,598	41,153
	Income tax expense	11	(1,480)	(2,253)	(5,684)	(10,511)
	Total profit		7,140	7,403	24,914	30,642
	Profit attributable to:					
	Equity holders of the Company		7,554	6,061	25,776	25,831
	Non-controlling interests		(414)	1,342	(862)	4,811
			7,140	7,403	24,914	30,642
	Earnings per share for profit attributable to equity holders of the Company					
	— Basic earnings per share	12(a)	1.02	0.80	3.46	3.47
	— Diluted earnings per share	12(b)	1.02	0.80	3.46	3.47

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three months ended 30 September		Nine months ended 30 September	
	2016	2017	2016	2017
<i>Note</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Total profit	7,140	7,403	24,914	30,642
Other comprehensive income/(loss):				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Available-for-sale financial assets				
— Fair value gains/(losses)	2	63	(16)	38
Currency translation gains/(losses) arising from consolidation	202	2,639	(16,292)	4,272
Other comprehensive income/(loss), net of tax	204	2,702	(16,308)	4,310
Total comprehensive income	<u>7,344</u>	<u>10,105</u>	<u>8,606</u>	<u>34,952</u>
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	7,758	8,763	9,468	30,141
Non-controlling interests	(414)	1,342	(862)	4,811
	<u>7,344</u>	<u>10,105</u>	<u>8,606</u>	<u>34,952</u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

INTERIM CONDENSED BALANCE SHEETS

		Group		Company	
		As at	As at	As at	As at
		31 December	30 September	31 December	30 September
		2016	2017	2016	2017
	<i>Note</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
		(Audited)	(Unaudited)	(Audited)	(Unaudited)
ASSETS					
Current assets					
Cash and bank balances		82,545	101,637	34,584	53,447
Trade and other receivables	13	7,835	8,902	6,419	15,875
Inventories		103	93	—	—
Other assets		3,802	11,088	257	538
Available-for-sale financial assets		2,174	12,166	2,174	12,166
		96,459	133,886	43,434	82,026
Assets held for sale		7,375	6,744	—	—
		103,834	140,630	43,434	82,026
Non-current assets					
Trade and other receivables	13	—	—	294,623	300,885
Other assets		130	1,248	130	130
Investments in associated companies	14	77,236	77,370	1,298	1,298
Investments in subsidiaries	15	—	—	16,966	16,898
Investment properties	16	927,406	950,365	—	—
Property, plant and equipment	17	9,268	9,010	203	356
Deferred income tax assets		4	—	—	—
Intangible assets		1,856	507	—	—
		1,015,900	1,038,500	313,220	319,567
Total assets		1,119,734	1,179,130	356,654	401,593

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

		Group		Company	
		As at 31 December	As at 30 September	As at 31 December	As at 30 September
		2016	2017	2016	2017
<i>Note</i>		<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)
LIABILITIES					
Current liabilities					
Trade and other payables	18	47,247	54,959	9,478	10,431
Current income tax liabilities . .		10,478	9,982	816	869
Borrowings	19	39,604	109,867	1,571	72,761
Other liabilities		286	325	—	—
		<u>97,615</u>	<u>175,133</u>	<u>11,865</u>	<u>84,061</u>
Non-current liabilities					
Borrowings	19	620,794	552,363	134,467	84,438
Other liabilities		500	462	—	—
Deferred income tax liabilities .		1,343	4,071	23	18
		<u>622,637</u>	<u>556,896</u>	<u>134,490</u>	<u>84,456</u>
Total liabilities		<u>720,252</u>	<u>732,029</u>	<u>146,355</u>	<u>168,517</u>
NET ASSETS		<u>399,482</u>	<u>447,101</u>	<u>210,299</u>	<u>233,076</u>
EQUITY					
Capital and reserves					
attributable to the equity					
holders of the Company					
Share capital	20	89,837	118,979	201,148	230,290
Treasury shares	20	(6,498)	(7,617)	(6,498)	(7,617)
Other reserves	21	(21,294)	(16,984)	162	200
Retained profits	22	330,553	341,028	15,487	10,203
		<u>392,598</u>	<u>435,406</u>	<u>210,299</u>	<u>233,076</u>
Non-controlling interests		6,884	11,695	—	—
Total equity		<u>399,482</u>	<u>447,101</u>	<u>210,299</u>	<u>233,076</u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company					Non-	
	Share	Treasury	Other	Retained	Total	controlling	Total equity
	Capital	shares	reserves	profits		interests	
<i>Note</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
For the three months ended 30 September 2017 (Unaudited) . . .							
Beginning of the period	89,837	(7,617)	(19,686)	342,924	405,458	10,353	415,811
Profit for the period . . .	—	—	—	6,061	6,061	1,342	7,403
Other comprehensive income for the period .	—	—	2,702	—	2,702	—	2,702
Total comprehensive income for the period	—	—	2,702	6,061	8,763	1,342	10,105
Dividends relating to 2017 paid	—	—	—	(7,957)	(7,957)	—	(7,957)
Proceeds from warrants exercised	29,142	—	—	—	29,142	—	29,142
Total transactions with owners, recognised directly in equity . . .	29,142	—	—	(7,957)	21,185	—	21,185
End of the period	<u>118,979</u>	<u>(7,617)</u>	<u>(16,984)</u>	<u>341,028</u>	<u>435,406</u>	<u>11,695</u>	<u>447,101</u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

	Attributable to equity holders of the Company					Non-	
	Share Capital	Treasury shares	Other reserves	Retained profits	Total	controlling interests	Total equity
<i>Note</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
For the three months ended 30 September 2016 (Unaudited)							
Beginning of the period	89,837	(6,498)	(18,848)	327,468	391,959	332	392,291
Profit/(loss) for the period	—	—	—	7,554	7,554	(414)	7,140
Other comprehensive income for the period .	—	—	204	—	204	—	204
Total comprehensive income/(loss) for the period	—	—	204	7,554	7,758	(414)	7,344
Dividends relating to 2016 paid	—	—	—	(7,400)	(7,400)	—	(7,400)
Total transactions with owners, recognised directly in equity . . .	—	—	—	(7,400)	(7,400)	—	(7,400)
End of the period	89,837	(6,498)	(18,644)	327,622	392,317	(82)	392,235

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

	Attributable to equity holders of the Company						
	Share Capital	Treasury shares	Other reserves	Retained profits	Total	Non- controlling interests	Total equity
	<i>Note</i> S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
For the nine months ended 30 September 2017 (Unaudited)							
Beginning of the period	89,837	(6,498)	(21,294)	330,553	392,598	6,884	399,482
Profit for the period . . .	—	—	—	25,831	25,831	4,811	30,642
Other comprehensive income for the period .	—	—	4,310	—	4,310	—	4,310
Total comprehensive income for the period	<u>—</u>	<u>—</u>	<u>4,310</u>	<u>25,831</u>	<u>30,141</u>	<u>4,811</u>	<u>34,952</u>
Dividends relating to 2016 paid	—	—	—	(7,399)	(7,399)	—	(7,399)
Dividends relating to 2017 paid	—	—	—	(7,957)	(7,957)	—	(7,957)
Proceeds from warrants exercised	29,142	—	—	—	29,142	—	29,142
Purchase of treasury shares	—	(1,119)	—	—	(1,119)	—	(1,119)
Total transactions with owners, recognised directly in equity . . .	<u>29,142</u>	<u>(1,119)</u>	<u>—</u>	<u>(15,356)</u>	<u>12,667</u>	<u>—</u>	<u>12,667</u>
End of the period	<u><u>118,979</u></u>	<u><u>(7,617)</u></u>	<u><u>(16,984)</u></u>	<u><u>341,028</u></u>	<u><u>435,406</u></u>	<u><u>11,695</u></u>	<u><u>447,101</u></u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

	Attributable to equity holders of the Company						
	Share Capital	Treasury shares	Other reserves	Retained profits	Total	Non- controlling interests	Total equity
	<i>SS'000</i>	<i>SS'000</i>	<i>SS'000</i>	<i>SS'000</i>	<i>SS'000</i>	<i>SS'000</i>	<i>SS'000</i>
<i>Note</i>							
For the nine months period ended 30 September 2016 (Unaudited)							
Beginning of the period	89,837	(2,107)	(2,336)	316,722	402,116	780	402,896
Profit/(loss) for the period	—	—	—	25,776	25,776	(862)	24,914
Other comprehensive loss for the period . . .	—	—	(16,308)	—	(16,308)	—	(16,308)
Total comprehensive (loss)/income for the period	<u>—</u>	<u>—</u>	<u>(16,308)</u>	<u>25,776</u>	<u>9,468</u>	<u>(862)</u>	<u>8,606</u>
Dividend relating to 2015 paid	—	—	—	(7,476)	(7,476)	—	(7,476)
Dividend relating to 2016 paid	—	—	—	(7,400)	(7,400)	—	(7,400)
Purchase of treasury shares	—	(4,391)	—	—	(4,391)	—	(4,391)
Total transactions with owners, recognised directly in equity . . .	<u>—</u>	<u>(4,391)</u>	<u>—</u>	<u>(14,876)</u>	<u>(19,267)</u>	<u>—</u>	<u>(19,267)</u>
End of the period	<u><u>89,837</u></u>	<u><u>(6,498)</u></u>	<u><u>(18,644)</u></u>	<u><u>327,622</u></u>	<u><u>392,317</u></u>	<u><u>(82)</u></u>	<u><u>392,235</u></u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2017	2016	2017
	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash flows from operating activities				
Total profit	7,140	7,403	24,914	30,642
Adjustments for:				
— Income tax expense	1,480	2,253	5,684	10,511
— Depreciation and amortization	1,918	1,177	5,846	3,698
— Allowance for impairment of trade and other receivables	11	—	128	110
— Net gain on disposal of property, plant and equipment	(46)	(8)	(125)	(11)
— Fair value losses/(gains) on investment properties and assets held for sale	—	1,478	—	(265)
— Interest income	(348)	(274)	(1,139)	(620)
— Dividend income	(32)	(29)	(87)	(79)
— Finance expenses	5,928	5,621	16,743	15,669
— Share of profit of associated companies	(1,590)	(1,139)	(4,370)	(2,607)
— Unrealised currency translation differences	(1,375)	(183)	1,005	(300)
Operating cash flow before working capital changes	13,086	16,299	48,599	56,748
Change in working capital				
— Inventories	23	31	261	10
— Trade and other receivables	680	482	(216)	(1,222)
— Other assets	(1,306)	(856)	(1,306)	(1,420)
— Trade and other payables	12,651	10,589	10,952	9,484
Cash generated from operations	25,134	26,545	58,290	63,600
Income tax paid	(2,680)	(2,937)	(6,552)	(8,061)
Net cash provided by operating activities	22,454	23,608	51,738	55,539

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2017	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	168	22	407	44
Purchases of property, plant and equipment	(1,512)	(396)	(3,050)	(1,949)
Additions to investment properties	(5,405)	(5,811)	(86,564)	(16,224)
Interest received	348	274	1,139	620
Dividends received	32	29	87	79
Dividends received from associated companies	—	861	—	1,722
Deposits paid	—	(6,115)	—	(6,115)
Short-term bank deposits charged as security to bank	1,271	—	(1,254)	(171)
Deposits paid for acquisition of investment property	(34)	(1,118)	(34)	(1,118)
Purchase of available-for-sale financial assets — listed debt securities	—	(4,104)	—	(9,954)
Net cash used in investing activities . .	(5,132)	(16,358)	(89,269)	(33,066)

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2017	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash flows from financing activities				
Proceeds from borrowings	3,651	6,469	62,724	93,282
Repayment of borrowings	(4,245)	(10,062)	(18,448)	(94,123)
Proceeds from exercise of warrants	—	29,142	—	29,142
Purchase of treasury shares	—	—	(4,391)	(1,119)
Interest paid	(4,898)	(6,885)	(14,481)	(15,220)
Dividends paid to equity holders of the Company	(7,400)	(7,957)	(14,876)	(15,356)
Cash provided by non-controlling interest	—	—	4,900	1,470
Repayment of loan to associated company	—	(861)	—	(1,722)
Listing expenses paid	—	(51)	—	(211)
Net cash (used in)/provided by financing activities	(12,892)	9,795	15,428	(3,857)
Net increase/(decrease) in cash and cash equivalents held	4,430	17,045	(22,103)	18,616
Cash and cash equivalents				
Beginning of the period	106,965	81,905	134,388	80,219
Effects of currency translation on cash and cash equivalents	(433)	160	(1,323)	275
End of the period	110,962	99,110	110,962	99,110

II. NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION**1 General information**

Centurion Corporation Limited (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 45 Ubi Road 1, #05-01, Singapore 408696.

The principal activities of the Company include investment holding and provision of management services.

The Unaudited Interim Condensed Financial Information is presented in thousands of Singapore Dollars (S\$’000) unless otherwise stated.

2 Basis of preparation and accounting policies

The interim condensed financial information comprises the audited company and consolidated balance sheets as at 31 December 2016, the unaudited company and consolidated balance sheets as at 30 September 2017, the unaudited consolidated statement of comprehensive income, the unaudited consolidated statement of cash flows and the unaudited company and consolidated statements of changes in equity for the three and nine months ended 30 September 2016 and 2017, and certain explanatory notes.

The interim condensed financial information has been prepared by the directors in accordance with International Accounting Standard 34 “Interim Financial Reporting” and the applicable disclosure requirements set out in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The significant accounting policies adopted in the preparation of the interim condensed financial information are consistent with those adopted in the preparation of the financial information for each of the years ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2016 and 2017, details of which are set out in Note 2 of Section II in the Appendix I with section headed “Accountant’s Report” in this prospectus, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of amendments to IFRSs effective for the financial year ending 31 December 2017.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

On 1 January 2017, the Group adopted the new or amended IFRS and Interpretations of IFRS (“INT IFRS”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRS and INT IFRS.

IAS 27 (Amendment)	Separate financial statements (Equity method in separate financial statements)
IAS 16 (Amendment)	Property, plant and equipment (Clarification of acceptable methods of depreciation and amortisation)
IAS 16 (Amendment)	Property, plant and equipment (Bearer plants)
IAS 1 (Amendment)	Presentation of financial statements (Disclosure initiative)
IFRS 10 (Amendment)	Consolidated financial statements
IFRS 12 (Amendment)	Disclosure of Interests in other entities
IAS 28 (Amendment)	Investments in associates and joint ventures (Investment entities: Applying the consolidation exception) (Editorial corrections in June 2015)
IFRS 11 (Amendment)	Joint Arrangements (Accounting for acquisitions of interests in joint operations)
IFRS 5	Non-current assets held for sale and discontinued operation (Methods of disposal)
IFRS 7	Financial instruments: Disclosures (Servicing contracts and interim financial statements)
IAS 7	Statement of cash flows (Disclosure initiative)
IAS 12	Income taxes (Recognition of deferred tax assets for unrealised losses)

The adoption of these new or amended IFRS and INT IFRS did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior years except for the need to provide disclosure with regards to IAS 7. See Note 19 for the disclosure made.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

The followings are the new standards and amendments to standards that are relevant to the Group, which have been published but are not yet effective for the Track Record Period and which the Group has not early adopted:

		Effective for accounting periods beginning on or after
IAS 28 and IFRS 10	Sale or contribution of assets between an investor and its associate or joint venture	To be determined
IAS 28 (Amendment)	Measuring an associate or joint venture at fair value	1 January 2018
IAS 40 (Amendment)	Transfer of investment property	1 January 2018
IFRIC 22	Foreign currency and advance consideration	1 January 2018
IFRS 2 (Amendment)	Share-based payment classification and measurement	1 January 2018
IFRS 4 (Amendment)	Applying IFRS 9 financial instruments with IFRS 4 insurance contracts	1 January 2018
IFRS 9	Financial instruments	1 January 2018
IFRS 15	Revenue from contracts with customers	1 January 2018
IFRS 16	Leases	1 January 2019
IFRS 17	Insurance contracts	1 January 2021
IFRS 1 (Amendment)	Deletion of short-term exemptions for first-time adopters	1 January 2018
IFRIC 23	Uncertainty over income tax treatments issued	1 January 2019

The adoption of these new standards, amendments and interpretations is not expected to have significant impact on the Historical Financial Information of the Group, except for the following amendments and new standards:

IFRS 9 “Financial instruments” replaces the whole of IAS 39. IFRS 9 has three financial asset classification categories for investments in debt instruments: amortised cost, fair value through other comprehensive income (“OCI”) and fair value through profit or loss. Classification is driven by the entity’s business model for managing the debt instruments and their contractual cash flow characteristics. Investments in equity instruments are always measured at fair value. However, management can make an irrevocable election to present changes in fair value in OCI, provided the instrument is not held for trading. If the equity instrument is held for trading, changes in fair value are presented in profit or loss. For financial liabilities there are two classification categories: amortised cost and fair value through profit or loss. Where non-derivative financial liabilities are designated at fair value through profit or loss, the changes in the fair value due to changes in the liability’s own credit risk are recognised in OCI, unless such changes in fair value would create an accounting mismatch in profit or loss, in which case, all fair value movements are recognised in profit or loss. There is no subsequent recycling of the amounts in OCI to profit or loss. For financial liabilities held for trading (including derivative financial liabilities), all changes in fair value are presented in profit or loss.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

IFRS 9 also introduces a new model for the recognition of impairment losses the expected credit losses (ECL) model, which constitutes a change from the incurred loss model in IAS 39. IFRS 9 contains a ‘three stage’ approach, which is based on the change in credit quality of financial assets since initial recognition. Assets move through the three stages as credit quality changes and the stages dictate how an entity measures impairment losses and applies the effective interest rate method. The new rules mean that on initial recognition of a non-credit impaired financial asset carried at amortised cost a day-1 loss equal to the 12-month ECL is recognised in profit or loss. In the case of accounts receivables this day-1 loss will be equal to their lifetime ECL. Where there is a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL.

During the Track Record Period, the Group’s financial assets and financial liabilities were carried at amortised costs without significant impairment on the former. The Group however, has investments in available-for-sale financial assets which are carried at fair value, and under IFRS 9, there is no subsequent recycling of the fair value differences to profit or loss. Apart from this, the implementation of IFRS 9 is not expected to result in any other significant impact on the Group’s financial position and results of operations.

IFRS 15 “Revenue from Contracts with Customers” This new standard replaces the previous revenue standards: IAS 18 “Revenue” and IAS 11 “Construction Contracts”, and the related Interpretations on revenue recognition. IFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract; (3) Determine the transaction price; (4) Allocate transaction price to performance obligations; and (5) Recognise revenue when performance obligation is satisfied. The core principle is that the Group should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. It moves away from a revenue recognition model based on an “earnings processes” to an “asset liability” approach based on transfer of control. IFRS 15 provides specific guidance on capitalisation of contract cost, license arrangements and principal versus agent considerations. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity’s contracts with customers. The Group’s major revenue stream is namely rental income generated from workers and students accommodation assets which will be accounted for based on IFRS 16. Management has performed a preliminary assessment on the other streams of revenue and expects that the implementation of the IFRS 15 would not result in any significant impacts on the Group’s financial position and results of operations. However, the Group will be required to provide a cohesive set of additional disclosure requirement under IFRS 15 upon its adoption.

IFRS 15 is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

IFRS 16 Leases This new standard addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of Historical Financial Information about the leasing activities of both lessees and lessors. A key change arising from IFRS 16 is that most operating leases will be accounted for on balance sheet for lessees. The Group is a lessee of various properties which are currently classified as operating leases. The Group's future operating lease commitments, which are not reflected in the consolidated balance sheets, under non-cancellable operating lease of S\$59,447,000 as at 30 September 2017, set out in Note 24(b). IFRS 16 provides new provisions for the accounting treatment of leases and will in the future no longer allow lessees to recognise certain leases outside of the consolidated balance sheets. Instead, when the Group is the lessee, almost all leases must be recognised in the form of an asset (for the right of use) and a financial liability (for the payment obligation). Thus, each lease will be mapped in the Group's consolidated balance sheets. Short-term leases of less than twelve months and leases of low-value assets are exempt from the reporting obligation.

The new standard will therefore result in an increase in right-to-issue asset and an increase in lease liability in the consolidated balance sheets. As for the financial performance impact in the consolidated income statements and comprehensive income, rental expenses will be replaced with straight-line depreciation expense on the right-of-use asset and interest expenses on the lease liability. The combination of the straight-line depreciation of the right-of-use asset and the effective interest rate method applied to the lease liability will result in a higher total charge to profit or loss in the initial years of the lease, and decreasing expenses during the latter part of the lease term. The Group has disclosed its non-cancellable operating lease commitments in Note 24(b). As a result of the adoption of the new standard, there will be no operating lease commitment.

Nevertheless, it is expected that there will be no material impact on the total expenses to be recognised by us over the entire lease period and our total net profit over the lease period is not expected to be materially affected. The adoption of IFRS 16 would not affect our total cash flows in respect of the leases. We are continuing to assess the specific magnitude of the adoption of IFRS 16 to the relevant financial statement areas and will conduct a more detailed assessment on the impact as information become available closer to the planned initial date of the adoption of 1 January 2019.

For lessors, the accounting stays almost the same. Although the standard provides guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), this does not impact the Group as there are no such arrangements in place.

The Company has issued corporate guarantees to banks for borrowings of its subsidiaries, associated companies and joint ventures. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries, associated companies or joint ventures fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's balance sheets except when the fair value is determined to be insignificant.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries', associated companies' and joint ventures' borrowings, unless it is probable that the Company will reimburse the bank for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's balance sheets.

Intra-group transactions are eliminated on consolidation.

3 Estimates

The preparation of interim condensed financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preparation of the Financial Information for each of the years ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2016 and 2017, with the exception of changes in estimates that are required in determining the provision for income taxes and disclosure of unusual items.

4 Financial risk management

4.1 Management financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial information do not include all financial risk management information and disclosures required in the preparation of the Financial Information for each of the years ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2016 and 2017, details of which are set out in Note 3 of Section II in the Appendix I with section headed "Accountant's Report" in this prospectus.

The Group's risk management policies are consistent with those policies adopted during the Track Record Periods.

4.2 Liquidity risk

Compared to the Track Record Periods, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

4.3 Fair value measurements

	<u>Level 1</u>
	<i>S\$'000</i>
As at 31 December 2016 (Audited)	
Available-for-sale financial assets	2,174
	<u><u>2,174</u></u>
As at 30 September 2017 (Unaudited)	
Available-for-sale financial assets	12,166
	<u><u>12,166</u></u>

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group and Company is the current bid price. These instruments are included in Level 1.

The carrying amount less impairment provision of trade and other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of current borrowings approximated their carrying amount.

5 Segment information

Management has determined the operating segments based on the reports reviewed by the Senior Management that are used to make strategic decisions. The Senior Management comprises the Group Chief Executive Officer, the Group Chief Financial Officer, and the Chief Executive Officer of each business/geographic segment.

The Senior Management manages and monitors the business in three business segments which is the manufacture and sale of optical discs and related data storage products (“Optical”), provision of dormitory accommodation and services for workers (“Workers accommodation”) and provision of accommodation and services for students (“Student accommodation”).

The results of the respective countries within the Student accommodation and Workers accommodation business segments are aggregated into a single operating segment respectively as they share similar economic characteristics.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

The segment information provided to the Senior Management for the reportable segments for the three months ended 30 September 2016 is as follows:

	Optical	Workers accommodation	Student accommodation	Total
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Three months ended 30 September 2016				
Sales (Unaudited)				
Total segment sales	588	21,180	6,550	28,318
Inter-segment sales	(188)	—	—	(188)
Sales to external parties	400	21,180	6,550	28,130
Segment results	(174)	11,482	1,270	12,578
Finance expense	19	(3,841)	(2,106)	(5,928)
Interest income				348
Dividend income				32
Share of (loss)/profit of associated companies	(7)	1,597	—	1,590
Profit before tax				8,620
Income tax expense				(1,480)
Net profit				7,140
Other segment items:				
Depreciation	55	448	180	683
Amortisation	—	1,235	—	1,235

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

The segment information provided to the Senior Management for the reportable segments for the three months ended 30 September 2017 is as follows:

	Optical	Workers accommodation	Student accommodation	Total
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Three months ended 30 September 2017				
Sales (Unaudited)				
Sales to external parties	298	25,106	6,849	32,253
Segment results	61	14,593	1,808	16,462
Finance expense	(16)	(3,525)	(2,080)	(5,621)
Listing expenses				(1,149)
Interest income				274
Dividend income				29
Fair value gains/(losses) on investment				
properties and assets held for sale	244	(1,155)	(567)	(1,478)
Share of (loss)/profit of associated companies	(4)	1,143	—	1,139
Profit before tax				9,656
Income tax expense				(2,253)
Net profit				7,403
Other segment items:				
Depreciation	10	544	176	730
Amortisation	—	447	—	447

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

The segment information provided to the Senior Management for the reportable segments for the nine months ended 30 September 2016 is as follows:

	<u>Optical</u>	<u>Workers accommodation</u>	<u>Student accommodation</u>	<u>Total</u>
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Nine months ended 30 September 2016				
Sales (Unaudited)				
Total segment sales	2,360	60,924	22,784	86,068
Inter-segment sales	(567)	—	—	(567)
Sales to external parties	1,793	60,924	22,784	85,501
Segment results	(145)	34,191	7,699	41,745
Finance expense	16	(10,827)	(5,932)	(16,743)
Interest income				1,139
Dividend income				87
Share of (loss)/profit of associated companies	(8)	4,378	—	4,370
Profit before tax				30,598
Income tax expense				(5,684)
Net profit				24,914
Other segment items:				
Depreciation	168	1,204	769	2,141
Amortisation	—	3,705	—	3,705

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

The segment information provided to the Senior Management for the reportable segments for the nine months ended 30 September 2017 is as follows:

	Optical	Workers accommodation	Student accommodation	Total
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Nine months ended 30 September 2017				
Sales (Unaudited)				
Sales to external parties	1,219	76,918	25,385	103,522
Segment results	363	47,804	9,322	57,489
Finance expense	(46)	(10,094)	(5,529)	(15,669)
Listing expenses				(4,238)
Interest income				620
Dividend income				79
Fair value gains/(losses) on investment properties and assets held for sale	1,262	(1,202)	205	265
Share of (loss)/profit of associated companies	(12)	2,619	—	2,607
Profit before tax				41,153
Income tax expense				(10,511)
Net profit				30,642
As at 30 September 2017 (Unaudited)				
Segment assets	8,465	676,442	341,184	1,026,091
Short-term bank deposits				63,144
Available-for-sale financial assets				12,166
Tax recoverable				359
Investments in associated companies				77,370
Consolidated total assets				1,179,130
Segment liabilities	900	34,051	20,795	55,746
Borrowings				662,230
Current income tax liabilities				9,982
Deferred income tax liabilities				4,071
Consolidated total liabilities				732,029
Other segment items:				
Capital expenditure	7	6,039	13,016	19,062
Depreciation	28	1,547	776	2,351
Amortisation	—	1,347	—	1,347

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

Segment assets consist primarily of property, plant and equipment, investment properties, intangible assets, inventories, receivables, other assets, assets held for sale and cash on hand and at bank, and exclude deferred tax assets, investments in associated companies, available-for-sale financial assets and short-term bank deposits. Segment liabilities comprise operating liabilities and exclude items such as tax liabilities and bank borrowings. Capital expenditure comprises additions to property, plant and equipment and investment properties.

Geographical information

The Group's three business segments operate in four main geographical areas:

- Singapore — the Company is headquartered and has operations in Singapore. The operations in this area are principally the manufacture and sale of optical discs, provision of workers accommodation and provision of student accommodation;
- Australia — the operations in this area are principally the provision of student accommodation and property investments;
- Malaysia — the operations in this area are principally the provision of workers accommodation;
- United Kingdom — the operations in this area are principally the provision of student accommodation;
- Other countries — the operations are principally property investments.

	Sales for continuing operations			
	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2017	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Singapore	20,908	24,219	59,945	74,982
Australia	2,240	2,304	6,385	6,519
Malaysia	1,665	2,085	4,888	5,847
United Kingdom	3,317	3,645	14,140	16,174
Other countries	—	—	143	—
	28,130	32,253	85,501	103,522

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

	Non-current assets	
	As at 31 December	As at 30 September
	2016	2017
	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)
Singapore	656,491	649,732
Australia	77,631	87,783
Malaysia	67,276	73,861
United Kingdom	209,480	220,532
Other countries	5,022	6,592
	<u>1,015,900</u>	<u>1,038,500</u>

6 Revenue

	Group			
	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2017	2016	2017
	<i>S\$'000</i> (Unaudited)	<i>S\$'000</i> (Unaudited)	<i>S\$'000</i> (Unaudited)	<i>S\$'000</i> (Unaudited)
Sale of goods	388	298	1,767	1,219
Rendering of services	433	509	1,117	1,454
Rental income from investment properties ...	25,361	29,702	77,638	95,318
Rental income from operating leases	890	826	2,075	2,498
Others	1,058	918	2,904	3,033
Total revenue	<u>28,130</u>	<u>32,253</u>	<u>85,501</u>	<u>103,522</u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

7 Profit before income tax

	Group			
	Three months ended 30 September		Nine months ended 30 September	
	2016	2017	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit before income tax has been arrived at after charging:				
Purchase of raw materials and consumables	132	92	427	443
Changes in inventories	23	31	261	10
Depreciation of property, plant and equipment	683	730	2,141	2,351
Amortisation of intangible asset	1,235	447	3,705	1,347
Total depreciation and amortisation	1,918	1,177	5,846	3,698
Employee compensation	3,561	4,515	11,378	12,853
Rental expense on operating leases	1,976	2,049	5,117	5,874
Utilities	1,626	1,865	4,475	5,526
Legal and professional fees	540	728	1,268	1,521
Listing expenses	—	1,149	—	4,238
	—	1,149	—	4,238

8 Other income and gains

	Group			
	Three months ended 30 September		Nine months ended 30 September	
	2016	2017	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Rental income	84	64	295	233
Interest income	348	274	1,139	620
Dividend income	32	29	87	79
Other gains/(losses) (Note 9)	265	29	(376)	249
	729	396	1,145	1,181
	729	396	1,145	1,181

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

9 Other gains/(losses)

	Group			
	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2017	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Currency exchange gain/(loss) — net . . .	156	24	(787)	46
Net gain on disposal of plant and equipment	46	8	125	11
Government grants	25	11	217	136
Others	38	(14)	69	56
	<u>265</u>	<u>29</u>	<u>(376)</u>	<u>249</u>

10 Finance expenses

	Group			
	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2017	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Interest expense:				
— bank borrowings	5,533	5,272	17,289	14,644
— finance lease liabilities	1	1	1	2
— associated company	363	233	1,154	832
— non-controlling interest	31	117	63	193
Less: Borrowing costs capitalised in investment properties	—	(2)	(1,764)	(2)
Finance expenses recognised in profit or loss	<u>5,928</u>	<u>5,621</u>	<u>16,743</u>	<u>15,669</u>

For the year ended 31 December 2016 and nine months ended 30 September 2017 and, borrowing costs on general financing were capitalised at a rate of 0.27% and Nil.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

11 Income tax expense

Singapore income tax has been provided at the rate of 17% on the estimated assessable profits for the Track Record Period. Taxation on overseas profits has been calculated on the estimated assessable profits for the Track Record Period at the rates of taxation prevailing in the countries in which the Group operates.

	Group			
	Three months ended 30 September		Nine months ended 30 September	
	2016	2017	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
For current period				
Current income tax				
— Singapore	1,643	1,899	5,278	6,226
— Foreign	207	225	1,204	1,551
	1,850	2,124	6,482	7,777
Deferred income tax	(209)	154	(637)	749
	1,641	2,278	5,845	8,526
(Over)/under provision in prior years period				
Current income tax	(54)	(35)	(54)	2
Deferred income tax	(107)	10	(107)	1,983
	(161)	(25)	(161)	1,985
	<u>1,480</u>	<u>2,253</u>	<u>5,684</u>	<u>10,511</u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

12 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares purchased by the Company (Note 20(a)).

	Total			
	Three months ended 30 September		Nine months ended 30 September	
	2016	2017	2016	2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net profit attributable to equity holders of the Company (S\$'000)	7,554	6,061	25,776	25,831
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	739,964	754,125	744,476	744,296
Basic earnings per share (cents)	<u>1.02</u>	<u>0.80</u>	<u>3.46</u>	<u>3.47</u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

(b) Diluted earnings per share

Diluted earnings per share attributable to equity holders of the Company is calculated as follows:

	Total			
	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2017	2016	2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net profit attributable to equity holders of the Company (S\$'000)	7,554	6,061	25,776	25,831
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	739,964	754,125	744,476	744,296
Adjustments for ('000)				
— Warrants	—	1,139	—	—
	739,964	755,264	744,476	744,296
Diluted earnings per share (cents)	1.02	0.80	3.46	3.47

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

13 Trade and other receivables

During the year ended 31 December 2016 and the nine months ended 30 September 2017, the Company provided additional allowance for impairment of S\$329,000 and S\$42,000 respectively, for current and non-current loans to subsidiaries and wrote back allowances for impairment of non-trade receivables from subsidiaries of S\$108,000 and S\$Nil respectively.

The majority of the group's sales are on cash terms. The remaining amounts are with credit terms of 30 days to 60 days and which are mostly covered by customers' rental deposits. At 31 December 2016 and 30 September 2017, the ageing analysis of the trade receivables based on invoice date were as follows:

	Group	
	As at 31 December	As at 30 September
	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>
	(Audited)	(Unaudited)
Up to 3 months	3,429	4,174
3 to 6 months	339	201
Over 6 months	944	815
	<u>4,712</u>	<u>5,190</u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

14 Investments in associated companies

	Group		Company	
	As at 31 December	As at 30 September	As at 31 December	As at 30 September
	2016	2017	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Audited)	(Unaudited)	(Audited)	(Unaudited)
Equity investment, at cost			1,668	1,668
Less: Accumulated impairment			(370)	(370)
			<u>1,298</u>	<u>1,298</u>
Beginning of the year/period	83,097	77,236		
Currency translation differences	(32)	(4)		
Share of profit	5,398	2,607		
Dividends received	(11,120)	(2,584)		
Share of profit in excess of investments in an associated company	(107)	115		
End of the year/period	<u>77,236</u>	<u>77,370</u>		

(a) There are no contingent liabilities relating to the Group's interests in the associated companies.

15 Investments in subsidiaries

	Company	
	As at 31 December	As at 30 September
	2016	2017
	<i>S\$'000</i>	<i>S\$'000</i>
	(Audited)	(Unaudited)
Equity investment, at cost	26,193	26,193
Less: Accumulated impairment	(9,227)	(9,295)
	<u>16,966</u>	<u>16,898</u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

The carrying amount of investments in subsidiaries and the movement in the related allowance for impairment are as follows:

	Company	
	As at 31 December	As at 30 September
	2016	2017
	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)
Beginning of the year/period	17,400	16,966
Impairment of subsidiaries	(434)	(68)
End of the year/period	16,966	16,898

During the year ended 31 December 2016 and nine months ended 30 September 2017, the Company provided for impairment of subsidiaries amounting to S\$434,000 and S\$68,000 respectively, as the carrying amounts of the subsidiaries exceeded their recoverable amounts.

16 Investment properties

	Group	
	As at 31 December	As at 30 September
	2016	2017
	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)
Beginning of the year/period	891,471	927,406
Currency translation differences	(32,432)	6,207
Additions to investment properties	79,644	17,246
Over provision of construction costs	(2,202)	(1,360)
Net fair value (losses)/gains recognised in profit or loss . .	(3,121)	866
Transferred to assets held for sale	(5,954)	—
End of the year/period	927,406	950,365

Investment properties are leased to non-related parties under operating leases (Note 24(c)).

Certain investment properties and assets held for sale are pledged as security for the bank facilities extended to subsidiaries (Note 19). The carrying values of these investment properties and assets held for sale for as at 31 December 2016 and 30 September 2017 amounted to approximately S\$927,580,000 and S\$944,566,000 respectively.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

Fair value hierarchy — Recurring fair value measurements

Description	Fair value measurements using		
	Quoted price in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
As at 31 December 2016 (Audited)			
Investment properties:			
— Land and industrial property	—	—	5,773
— Commercial dormitories	—	—	636,571
— Student accommodation	—	—	285,062
	—	—	927,406
	—	—	927,406
As at 30 September 2017 (Unaudited)			
Investment properties:			
— Land and industrial property	—	—	7,325
— Commercial dormitories	—	—	637,802
— Student accommodation	—	—	305,238
	—	—	950,365
	—	—	950,365

Reconciliation of movements in Level 3 fair value measurement

Description	Land, industrial property and commercial dormitories	Student accommodation	Total
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	As at 31 December 2016 (Audited)		
Beginning of the year	647,827	243,644	891,471
Currency translation differences	(1,650)	(30,782)	(32,432)
(Losses)/gains recognised in profit or loss	(32,436)	29,315	(3,121)
Additions and subsequent expenditure on investment properties	34,185	45,459	79,644
Over provision of construction cost	(2,202)	—	(2,202)
Transfers to assets held for sale	(3,380)	(2,574)	(5,954)
End of the year	642,344	285,062	927,406
	642,344	285,062	927,406

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

Description	Land, industrial property and commercial dormitories	Student accommodation	Total
	S\$'000	S\$'000	S\$'000
As at 30 September 2017 (Unaudited)			
Beginning of the period	642,344	285,062	927,406
Currency translation differences	(274)	6,481	6,207
Gains recognised in profit or loss	58	808	866
Additions and subsequent expenditure on investment properties	4,359	12,887	17,246
Over provision of construction cost	(1,360)	—	(1,360)
End of the period	<u>645,127</u>	<u>305,238</u>	<u>950,365</u>

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

During the nine months ended 30 September 2017, management changed the valuation techniques for selected investment properties and assets held for sale. Management has assessed that the change in valuation technique ensures consistency in the valuation across the investment properties in the different geographical locations and better reflects the fair value measurement of the Properties. The change in valuation techniques and the key unobservable inputs are included within this note for investment properties and assets held for sale. The change in valuation technique has not resulted in a material impact on the valuation of the investment properties.

The changes in valuation techniques are summarised in the table below.

Country	Description	Valuation technique for the year ended 31 December 2016	Valuation technique for the nine months ended 30 September 2017
Singapore	Commercial dormitories	Discounted cash flow approach and income capitalisation approach	Investment approach/Income capitalisation approach Investment approach
People's Republic of China	Industrial property	Sales comparison approach	Investment approach
Malaysia	Commercial dormitories and assets held for sale	Discounted cash flow approach and cost approach	Investment approach and sales comparison approach
Australia	Student accommodation	Discounted cash flow approach	Investment approach

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

Valuation techniques and inputs used in Level 3 fair value measurement

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties and assets held for sale categorised under Level 3 of the fair value hierarchy:

Country	Description	Fair value at		Valuation technique	Unobservable inputs ^(a)	Range of unobservable inputs at		Relationship of unobservable inputs in fair value
		31 December 2016	30 September 2017			31 December 2016	30 September 2017	
		S\$'000	S\$'000					
Singapore	Commercial dormitories	572,000	566,202	Discounted cash flow approach	Discount rate	7.5%	Not applicable	The higher the discount rate, the lower the valuation
					Rental rate per room per month	S\$2,640-S\$7,040	S\$2,200-S\$7,920	The higher the rental rate per room per month, the higher the valuation
					Estimated costs to completion	Not applicable	Not applicable	The higher the estimated costs to completion, the lower the valuation
				Income capitalisation/ Investment approach	Capitalisation rate	6.5%-28%	7.25%-7.5%	The higher the capitalisation rate, the lower the valuation
Indonesia	Land	1,087	1,455	Sales comparison approach	Market value square metre	S\$150-S\$155 per square metre	S\$146-S\$293 per square metre	The higher the market price per square metre, the higher the valuation
People's Republic of China	Industrial property	3,922	5,123	Sales comparison approach	Market value per square metre	S\$380-S\$390 per square metre	Not applicable	The higher the market price per square metre, the higher the valuation

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

Country	Description	Fair value at		Valuation technique	Unobservable inputs ^(a)	Range of unobservable inputs at		Relationship of unobservable inputs in fair value
		31 December 2016	30 September 2017			31 December 2016	30 September 2017	
		<i>SS'000</i>	<i>SS'000</i>					
				Investment approach	Rental rate per square metre per month	Not applicable	S\$5-S\$6 per square metre	The higher the rental rate per square metre per month, the higher the valuation
					Capitalisation rate	Not applicable	5.0%-6.5%	The higher the capitalisation rate, the lower the valuation
Malaysia	Commercial dormitories	64,571	71,602	Discounted cash flow approach	Discount rate	7.5%-9.0%	Not applicable	The higher the discount rate, the lower the valuation
	Assets held for sale	3,380	3,374		Rental rate per room per month	S\$500-S\$900	S\$500-S\$860	The higher the rental rate per room per month, the higher the valuation
				Cost approach	Market price per square metre	S\$160-S\$165 per square metre	Not applicable	The higher the market price per square metre, the higher the valuation
					Depreciated replacement costs	S\$3.4 million to S\$3.5 million	S\$6.5 million to S\$6.6 million	The higher the depreciated replacement costs, the higher the valuation
				Investment approach	Capitalisation rate	Not applicable	9.5%-10.5%	The higher the capitalisation rate, the lower the valuation

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

Country	Description	Fair value at		Valuation technique	Unobservable inputs ^(a)	Range of unobservable inputs at		Relationship of unobservable inputs in fair value
		31 December 2016	30 September 2017			31 December 2016	30 September 2017	
		<i>S\$'000</i>	<i>S\$'000</i>					
				Sales comparison approach	Market value per square metre	Not applicable	S\$160-S\$185 per square metre	The higher the market value per square metre, the higher the valuation
Australia	Land	764	745	Sales comparison approach	Market price per square metre	S\$170-S\$180 per square metre	S\$160-S\$170 per square metre	The higher the market price per square metre, the higher the valuation
United Kingdom	Student accommodation	208,604	219,784	Investment approach	Applied yield rate/capitalisation rate	6.25%-8.26%	6.00%-8.50%	The higher the yield rate, the lower the valuation
	Assets held for sale (Note 20)	2,574	2,020		Rental rate per room per week	S\$160-S\$400 per week	S\$150-S\$450 per week	The higher the rental rate per room per week, the higher the valuation
Australia	Student accommodation	76,458	85,454	Discounted cash flow approach	Discount rate	10.95%	Not applicable	The higher the discount rate, the lower the valuation
				Investment approach	Rental rate per room per week	S\$300-S\$495 per week	S\$300-S\$500 per week	The higher the rental rate per room per week, the higher the valuation
					Capitalisation rate	Not applicable	6.7%	The higher the capitalisation approach, the lower the valuation

(a) There were no significant inter-relationships between unobservable inputs.

Valuation processes of the Group

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties at the end of every year based on the properties highest and best use. As at 31 December 2016 and 30 September 2017, the fair values of the properties have been determined by Suntec Real Estate Consultants Pte Ltd, C H Williams Talhar & Wong Sdn Bhd, Knight Frank Malaysia Sdn. Bhd, Savills Valuation Pty Ltd, KJPP Billy Anthony Lie & Rekan, Shanghai Cairul Real Estate Land Appraisal Co., Ltd, Colliers International Valuation UK LLP, Latrobe Holdings Pty Ltd Trading as LMW Hegney, AVS Property Valuers, Jones Lang LaSalle Advisory Services Pty Ltd and Knight Frank Patty Limited.

At each end of year/period, the investment and finance department of the Group together with the Group Chief Executive Officer:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation reports;
- holds discussions with the independent valuers; and
- analyses the reasons for the fair value movements.

Changes in Level 2 and 3 fair values are analysed at each reporting date.

Discounted cash flow approach involves the discounting of future net income flows at an appropriate required rate of return applicable to that class of property to obtain the net present value. The net income is derived by deducting from the gross income, outgoings such as operating expenses and property tax, and after making allowances for vacancies.

Income capitalisation and investment approach involves capitalising the net income at an appropriate capitalisation rate to arrive at the fair value. The net income is derived by deducting gross rentals and other income, outgoings such as operating expenses and property tax, and after making allowances for vacancies.

Cost approach involves separately determining the values of the land and building and a summation of these values is taken to be the fair value of the property. The value of the land is arrived at by the comparison approach in which it takes reference to transactions of similar lands in the surrounding with adjustments made for any differences. The buildings are valued by reference to their depreciated replacement cost. It is determined by taking current replacement cost of the building as new and allowing for depreciation for obsolescence.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

Sales comparison approach involves using the values of sale prices of comparable properties and comparing it directly to the subject property. Allowances are made for difference in the properties including land size, improvements and location. The most significant input into this valuation approach is selling price per metre.

The estimated costs to completion for investment property under construction are estimated by management using the budgets developed internally by the Group based on management's experience and knowledge of market conditions.

17 Property, plant and equipment

During the year ended 31 December 2016 and the nine months ended 30 September 2017, the additions to the Group's property, plant and equipment amounted to S\$4,456,000 and S\$2,158,000 respectively.

18 Trade and other payables

At 31 December 2016 and 30 September 2017, the ageing analysis of the trade payables (including amounts due to related parties of trading in nature) based on invoice date were as follows:

	Group	
	As at 31 December 2016	As at 30 September 2017
	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)
Up to 3 months	1,587	3,084
3 to 6 months	21	760
Over 6 months	339	590
	1,947	4,434

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

19 Borrowings

	Group		Company	
	As at 31 December 2016	As at 30 September 2017	As at 31 December 2016	As at 30 September 2017
	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)
Current				
Bank borrowings	38,007	42,406	—	5,325
Finance lease liabilities	26	43	—	18
Notes payables	—	64,750	—	64,750
Less: Transaction costs	—	(144)	—	(144)
	—	64,606	—	64,606
Interest payable	1,571	2,812	1,571	2,812
	<u>39,604</u>	<u>109,867</u>	<u>1,571</u>	<u>72,761</u>
Non-current				
Bank borrowings	501,313	414,044	—	—
Finance lease liabilities	34	15	—	—
Loan from non-controlling interests	4,900	6,370	—	—
Loan from an associated company	50,080	47,496	—	—
Loan from a subsidiary	—	—	70,000	—
Notes payables	64,750	85,000	64,750	85,000
Less: Transaction costs	(283)	(562)	(283)	(562)
	<u>64,467</u>	<u>84,438</u>	<u>64,467</u>	<u>84,438</u>
	<u>620,794</u>	<u>552,363</u>	<u>134,467</u>	<u>84,438</u>
Total borrowings	<u><u>660,398</u></u>	<u><u>662,230</u></u>	<u><u>136,038</u></u>	<u><u>157,199</u></u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

The reconciliation of liabilities arising from financing activities as at 31 December 2016 and 30 September 2017 are as follows:

	31 December 2016	Cash flows	Non-cash changes			30 September 2017
			Non-cash items	Interest expense	Currency translation differences	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Bank borrowings and finance lease liabilities . .	539,380	(85,179)	—	—	2,307	456,508
Notes payable	64,467	84,338	—	239	—	149,044
Loan from non-controlling interests	4,900	1,470	—	—	—	6,370
Loan from associate company	50,080	(1,722)	(862) ⁽ⁱ⁾	—	—	47,496
Interest payable	1,571	(3,399)	—	4,640	—	2,812
Accrued interest expense . .	1,335	(11,821)	—	10,790	—	304
	<u>661,733</u>	<u>(16,313)</u>	<u>(862)</u>	<u>15,669</u>	<u>2,307</u>	<u>662,534</u>

(i) During the nine months ended 30 September 2017, the Group repaid the loan to associated company amounting to S\$862,000 via offsetting of dividends received from associated company.

As at 31 December 2016 and 30 September 2017, the Group's and company's bank borrowings were repayable as follows:

	Group		Company	
	As at 31 December 2016	As at 30 September 2017	As at 31 December 2016	As at 30 September 2017
	S\$'000 (Audited)	S\$'000 (Unaudited)	S\$'000 (Audited)	S\$'000 (Unaudited)
Within one year	38,007	42,406	—	5,325
Between one and two years	38,275	36,047	—	—
Between two and five years	162,321	152,242	—	—
After five years	300,717	225,755	—	—
	<u>539,320</u>	<u>456,450</u>	<u>—</u>	<u>5,325</u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

As at 31 December 2016 and 30 September 2017, the Group's and company's other loans were repayable as follows:

	Group		Company	
	As at 31 December 2016	As at 30 September 2017	As at 31 December 2016	As at 30 September 2017
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
	(Audited)	(Unaudited)	(Audited)	(Unaudited)
With one year	1,597	67,461	1,571	67,436
Between one and two years	67,936	3,460	64,467	—
Between two and five years	15,519	102,566	—	84,438
After five years	36,026	32,293	70,000	—
	121,078	205,780	136,038	151,874

20 Share capital and treasury shares

	No. of ordinary shares Group and Company		Amount			
	Issued share capital	Treasury shares	Group		Company	
			Share capital	Treasury shares	Share capital	Treasury shares
	<i>'000</i>	<i>'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
As at 31 December 2016						
(Audited)						
Beginning of the year . . .	756,873	(5,071)	89,837	(2,107)	201,148	(2,107)
Treasury shares purchased	—	(11,838)	—	(4,391)	—	(4,391)
End of the year	756,873	(16,909)	89,837	(6,498)	201,148	(6,498)
As at 30 September 2017						
Beginning of the period . .	756,873	(16,909)	89,837	(6,498)	201,148	(6,498)
Treasury shares purchased.	—	(2,541)	—	(1,119)	—	(1,119)
Issuance of shares						
pursuant to warrants						
exercised	58,284	—	29,142	—	29,142	—
	815,157	(19,450)	118,979	(7,617)	230,290	(7,617)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

(a) Warrants

On 28 October 2013, the Company issued 75,605,231 warrants pursuant to the issue of Bonus Warrants on the basis of one warrant for every ten existing ordinary shares in the capital of the Company held by entitled shareholders. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of S\$0.50 for each ordinary share. Each warrant may be exercised at any time during the period of four years commencing on and including the date of issue of the warrants and expiring on the fourth anniversary of the date of issue of the warrants.

In previous financial years, the Company had received net proceeds of S\$406,249 in relation to the issuance of new share pursuant to warrants exercised. During the period ended 30 September 2017, additional 58,283,887 warrants were exercised and correspondingly the Company issued 58,283,887 new shares and received the proceeds of S\$29,141,943. The total proceeds of S\$29,548,192 have not been utilised to date.

In accordance with the terms and conditions of the warrants, the rights to subscribe for new ordinary shares in the capital of the company expired at 5:00 p.m. on 27 October 2017. The warrants were de-listed from the official list of the SGX-ST with effect from 9:00 a.m. on 30 October 2017.

(b) Treasury shares

During the year ended 31 December 2016 and the nine months ended 30 September 2017, the Company acquired 11,837,500 and 2,540,700 shares, respectively, in the Company in the open market. The total amount paid to acquire the shares was S\$4,391,000 and S\$1,119,000, respectively, and this was presented as a component within shareholders' equity.

On 22 November 2017, 19,449,600 treasury shares held by the Company were cancelled pursuant to Section 76K of the Companies Act (Cap. 50) of Singapore.

21 Other reserves

	Group		Company	
	As at 31 December 2016	As at 30 September 2017	As at 31 December 2016	As at 30 September 2017
	S\$'000 (Audited)	S\$'000 (Unaudited)	S\$'000 (Audited)	S\$'000 (Unaudited)
(a) Composition				
Fair value reserve	12	50	162	200
Currency translation reserve	(38,401)	(34,129)	—	—
Capital reserve	17,095	17,095	—	—
	<u>(21,294)</u>	<u>(16,984)</u>	<u>162</u>	<u>200</u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

	Group		Company	
	As at 31 December 2016	As at 30 September 2017	As at 31 December 2016	As at 30 September 2017
	S\$'000 (Audited)	S\$'000 (Unaudited)	S\$'000 (Audited)	S\$'000 (Unaudited)
(b) Movements				
(i) Fair value reserve				
Beginning of the year/period .	34	12	184	162
Fair value (losses)/gains on available-for-sale financial assets	(22)	38	(22)	38
End of the year/period	<u>12</u>	<u>50</u>	<u>162</u>	<u>200</u>
(ii) Currency translation reserve				
Beginning of the year/period .	(19,465)	(38,401)		
Net exchange differences on translation of Historical Financial Information of foreign subsidiaries and associated companies	(18,936)	4,272		
End of the year/period	<u>(38,401)</u>	<u>(34,129)</u>		
(iii) Capital reserve				
Beginning and end of the year/period	<u>17,095</u>	<u>17,095</u>		

In 2011, the consolidated financial statements of the Group represent the continuation of Westlite Dormitory (Toh Guan) Pte. Ltd. (“Westlite”) accounts, which included a shareholder loan accounted for as “Other liabilities” in Westlite’s accounts for the year ended 31 December 2010. The novation of the loan from Westlite’s former shareholder to Westlite’s new shareholder (Centurion Corporation Limited) means that the loan is effectively settled in the consolidated financial statements of the Group, recognised under “capital reserve” of the Group.

Other reserves are non-distributable.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

22 Retained profits

- (a) As at 31 December 2016 and 30 September 2017, retained profits of the Group are distributable except for the amount of S\$6,498,000 and S\$7,617,000 respectively, utilised to purchase treasury shares and accumulated retained profits of associated companies amounting to S\$75,799,000 and S\$75,937,000 respectively, which are included in the Group's retained profits.
- (b) Movement in retained profits for the Company is as follows:

	Company	
	As at 31 December 2016	As at 30 September 2017
	S\$'000 (Audited)	S\$'000 (Unaudited)
Beginning of the year/period	12,202	15,487
Net profit	18,161	10,072
Dividend paid	(14,876)	(15,356)
End of the year/period	15,487	10,203

23 Dividends

	Group		Company	
	As at 31 December 2016	As at 30 September 2017	As at 31 December 2016	As at 30 September 2017
	S\$'000 (Audited)	S\$'000 (Unaudited)	S\$'000 (Audited)	S\$'000 (Unaudited)
<i>Ordinary dividends paid</i>				
Interim exempt dividend paid in respect of current year/period of 1.0 cent (2016: 1.0 cent) per share	7,400	7,957	7,400	7,957
Final exempt dividend paid in respect of the previous year/period of 1.0 cent (2016: 1.0 cent) per share	7,476	7,399	7,476	7,399
	14,876	15,356	14,876	15,356

On 7 August 2017, an interim dividend of 1.0 cent per share amounting to S\$7,957,000 was declared. The dividend was paid on 15 September 2017. This dividend was accounted for in shareholders' equity as an appropriation of retained profits in the period ended 30 September 2017.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

24 Commitments

(a) Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the Historical Financial Information, excluding those relating to investments in associated companies (Note 14), are as follows:

	Group	
	As at 31 December 2016	As at 30 September 2017
	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)
Property, plant and equipment	199	517
Investment properties	23,720	93,952
	<u>23,919</u>	<u>94,469</u>

(b) Operating lease commitments — where the Group is a lessee

The Group leases various buildings under non-cancellable operating lease agreements. The Company leases an office building under a non-cancellable lease agreement. The leases have varying terms and renewal rights.

The future aggregate minimum lease payments under non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities, are as follows:

	Group		Company	
	As at 31 December 2016	As at 30 September 2017	As at 31 December 2016	As at 30 September 2017
	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)
Not later than one year	5,822	5,952	520	520
Between one and five years	19,399	19,006	975	585
Later than five years	37,941	34,489	—	—
	<u>63,162</u>	<u>59,447</u>	<u>1,495</u>	<u>1,105</u>

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

(c) *Operating lease income commitments — where the Group is a lessor*

Operating lease income commitments are mainly for the investment properties of the Group. The lease rental income terms are negotiated for an average term of 12 months.

The future minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	Group		Company	
	As at 31 December 2016	As at 30 September 2017	As at 31 December 2016	As at 30 September 2017
	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)
Not later than one year	76,813	67,630	132	132
Between one and five years	16,421	10,221	247	148
Later than five years	—	9,229	—	—
	93,234	87,080	379	280

(d) *Corporate guarantees*

As at 31 December 2016 and 30 September 2017, the Group has provided corporate guarantees in favour of financial institutions in respect of facilities granted to associated companies and a joint venture amounting to S\$79,614,000 and S\$77,027,000 respectively. As at 31 December 2016 and 30 September 2017, the amount of the guaranteed loans drawn down by associated companies and a joint venture amounted to S\$79,614,000 and S\$77,027,000 respectively.

As at 31 December 2016 and 30 September 2017, the Company has provided corporate guarantees in favour of financial institutions in respect of facilities granted to subsidiaries, associated companies and joint venture amounting to S\$560,738,000 and S\$573,991,000 respectively. As at 31 December 2016 and 30 September 2017, the amount of the guaranteed loans drawn down by the subsidiaries, associated companies and joint venture amounted to S\$556,551,000 and S\$469,641,000 respectively.

As at 31 December 2016 and 30 September 2017, the fair value of the corporate guarantee was insignificant.

Except for the corporate guarantees disclosed above, the Group and the Company did not have any other contingent liabilities as at 31 December 2016 and 30 September 2017.

(e) *Continuing financial support*

The Company has provided an undertaking to provide continuing financial support to certain subsidiaries, to enable the subsidiaries to meet their obligations as and when they fall due.

APPENDIX IA UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION

25 Related party transactions

In addition to information disclosed elsewhere in the Historical Financial Information, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	Group			
	Three months ended 30 September		Nine months ended 30 September	
	2016	2017	2016	2017
	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)	<i>S\$'000</i> (Audited)	<i>S\$'000</i> (Unaudited)
Services provided to immediate holding corporation	2	51	7	56
Services provided to associated companies	170	160	510	490
Purchases from a company which a director has an interest	—	4	4	22
Interest charged by associated company .	91	302	882	901
	91	302	882	901

(b) Key management personnel compensation

The key management personnel compensation is as follows:

	Group			
	Three months ended 30 September		Nine months ended 30 September	
	2016	2017	2016	2017
	<i>S\$'000</i> (Unaudited)	<i>S\$'000</i> (Unaudited)	<i>S\$'000</i> (Unaudited)	<i>S\$'000</i> (Unaudited)
Wages and salaries	1,004	980	2,961	2,954
Employer's contribution to defined contribution plans, including Central Provident Fund	25	25	77	77
	1,029	1,005	3,038	3,031

Included in above, total compensation to directors of the Company for the three months ended 30 September 2016 and 2017 and nine months ended 30 September 2016 and 2017 amounted to S\$94,000, S\$105,000, S\$284,000 and S\$316,000 respectively.

26 Immediate and ultimate holding corporation

The Company's immediate holding corporation is Centurion Properties Pte Ltd, incorporated in Singapore. The ultimate holding corporation is Centurion Global Ltd, incorporated in the British Virgin Islands.

27 Events occurring after balance sheet date

In July and August 2017, the Group entered into six conditional agreements for the proposed acquisitions of six Purpose Built Student Accommodation assets, which the Group intends to have an interest of up to 30%, across five states in The United States of America ("USA") for an aggregate purchase consideration of approximately US\$206.0 million (equivalent to approximately S\$282.4 million). Completion of the proposed acquisitions is expected to take place in the fourth quarter of 2017. Management also intends to procure other third party investors to acquire the remaining interests by setting up an investment management platform to manage the investment in such portfolio assets on behalf of these potential investors. It is also anticipated that the Group will enter into a joint venture with a partner which is an established student accommodation manager in the USA to manage the operations of these assets after completion. For the financial period ended 30 September 2017, the Group has paid deposits of US\$4.5 million (equivalent to approximately S\$6.1 million) for the proposed acquisition.

Centurion announced on 1 November 2017 that the tenure for Westlite Tuas will expire on 30 January 2018, after the 9-month extension of lease offered by the Ministry of National Development ("MND"), MND has not granted a further extension of the lease as the site is needed for redevelopment. Centurion is in the process of making arrangements to move the workers to the other workers accommodation owned by the Group as well as to a pre-arranged workers accommodation nearby with available bed capacity. Concurrently, Centurion is working with the Building and Construction Authority on the reinstatement and return of the land by 30 January 2018.

On 22 November 2017, 19,449,600 treasury shares held by the Company were cancelled pursuant to Section 76K of the Companies Act (Cap. 50) of Singapore.

B. REPORT FROM THE REPORTING ACCOUNTANT

The following is the text of a report set out on pages IA-51 to IA-52, received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, in connection with the unaudited interim financial information of our Company for the three months and nine months ended 30 September 2017 for the purposes of incorporation in this Prospectus.



羅兵咸永道

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**TO THE BOARD OF DIRECTORS OF CENTURION CORPORATION LIMITED**

(incorporated in Singapore with limited liability)

Introduction

We have reviewed the interim financial information set out on pages IA-1 to IA-50, which comprises the interim condensed balance sheets of Centurion Corporation Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 September 2017 and the related interim condensed consolidated income statements and interim condensed consolidated statements of comprehensive income for the three months and nine months then ended, interim condensed consolidated statements of changes in equity and cash flows for the nine months then ended, and a summary of significant accounting policies and other explanatory notes. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

Other matters

The comparative information for the interim condensed balance sheets is based on the audited financial statements as at 31 December 2016. The comparative information for the interim condensed consolidated income statements and interim condensed consolidated statements of comprehensive income, changes in equity and cash flows, and the related explanatory notes for the three months and/or nine months ended 30 September 2016 has not been audited or reviewed.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong
29 November 2017

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

The information set out in this appendix does not form part of the Accountant's Report from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, the reporting accountant of the Company, as set out in Appendix I to this prospectus, and is included herein for information purposes only.

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountant's Report set out in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following is an illustrative and pro forma statement of adjusted consolidated net tangible assets of the Group which has been prepared in accordance with Rule 4.29 of the Listing Rules and on the basis of the notes set out below for the purpose of illustrating the effect of the Share Offer on the consolidated net tangible assets of our Group attributable to the equity holders of the Company as at 30 June 2017 as if Share Offer had taken place on 30 June 2017.

This unaudited pro forma statement of adjusted consolidated net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group had the Share Offer been completed as at 30 June 2017 or at any future date.

	Audited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 June 2017	Estimated net proceeds from the Share Offer	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company	Unaudited pro forma adjusted consolidated net tangible assets per share	Unaudited pro forma adjusted consolidated net tangible assets per share
	<i>S\$'000</i> <i>(Note 1)</i>	<i>S\$'000</i> <i>(Note 2)</i>	<i>S\$'000</i>	<i>S\$</i> <i>(Note 3)</i>	<i>HK\$</i> <i>(Note 4)</i>
Based on an Offer Price of					
HK\$3.00 per Share	404,502	15,133	419,635	0.54	3.04
Based on an Offer Price of					
HK\$3.30 per Share	404,502	16,946	421,448	0.54	3.05

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

Notes:

1. The audited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 30 June 2017 is extracted from the Accountant's Report set out in Appendix I to this prospectus which is based on the audited consolidated net assets of the Group attributable to the equity holders of the Company as at 30 June 2017 of S\$405,458,000 less intangible assets of S\$956,000.
2. The estimated net proceeds from the Share Offer are based on the Offer Price of HK\$3.00 and HK\$3.30 per Share respectively, after deduction of relevant estimated underwriting fees and other related fees and expenses payable by the Group (excluding approximately S\$3,089,000 listing-related expenses which have been accounted for in the consolidated income statement up to 30 June 2017).
3. The unaudited pro forma adjusted consolidated net tangible assets per share is arrived at after the adjustments as described in note 2 above and is based on that approximately 773,424,000 shares were in issue immediately after the Listing excluding the shares issued pursuant to conversion of warrants between 1 July 2017 to the Latest Practicable Date (assuming that the Share Offer had been completed on 30 June 2017).
4. For the purpose of this unaudited pro forma adjusted consolidated net tangible assets per share, the amounts stated in Singapore dollars are converted into Hong Kong dollar at a rate of S\$1.00 to HK\$5.60. No representation is made that Singapore dollars has been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.
5. No adjustments have been made to the unaudited pro forma adjusted net tangible assets of the Group to reflect any trading result or other transactions of the Group entered into subsequent to 30 June 2017. In particular, the unaudited pro forma net adjusted tangible assets of our Group has not taken into account (i) the cash dividend of approximately S\$7,957,000 declared on 7 August 2017 and paid on 15 September 2017 and (ii) the net proceeds of approximately S\$33,677,000 from exercise of warrants at an exercise price of S\$0.50 per share, which resulted in approximately 67,355,000 of the Company's shares being issued, during the period from 1 July 2017 to the Latest Practicable Date. The unaudited pro forma net tangible assets per Share would have been HK\$2.97 (equivalent to S\$0.53) per Share based on the Offer Price of HK\$3.00 and HK\$2.98 (equivalent to S\$0.53) per Share based on the Offer Price of HK\$3.30, respectively, if the dividend of approximately S\$7,957,000 and net proceeds for exercise of warrants of approximately S\$33,677,000 had been accounted for based on 840,779,000 Shares in issue.

B. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.



羅兵咸永道

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****To the Directors of Centurion Corporation Limited**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Centurion Corporation Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted net tangible assets of the Group as at 30 June 2017, and related notes (the "Unaudited Pro Forma Financial Information") as set out on pages II-1 to II-2 of the Company's prospectus dated 29 November 2017, in connection with the proposed initial public offering of the shares of the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed initial public offering on the Group's financial position as at 30 June 2017 as if the proposed initial public offering had taken place at 30 June 2017. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's financial information for the period ended 30 June 2017, on which an accountant's report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed initial public offering at 30 June 2017 would have been as presented.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong,
29 November 2017

The following is the text of a report prepared for the purpose of incorporation in this prospectus received from Knight Frank Petty Limited, an independent valuer, in connection with its valuations as at 30 September 2017 of the properties.



Knight Frank Petty Limited
4th Floor, Shui On Centre
6-8 Harbour Road
Wan Chai, Hong Kong

29 November 2017

The Directors
Centurion Corporation Limited
45 Ubi Road 1
#05-01
Singapore 408696

Dear Sirs

Valuation in respect of various properties in Australia, the United Kingdom, Singapore, Indonesia, Malaysia and the People’s Republic of China (collectively known as the “Properties”)

In accordance with the instructions to us to value the property interests held by Centurion Corporation Limited (hereinafter to as the “Company”) and its subsidiaries or its associated companies (hereinafter together referred to as the “Group”) in Australia, the United Kingdom, Singapore, Indonesia, Malaysia and the People’s Republic of China (the “PRC”), we confirm that we have carried out inspection, made relevant enquiries and carried out searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Properties as at 30 September 2017 (the “Valuation Date”) for new listing application (“the Listing Application”) in Hong Kong.

Basis of Valuation

In arriving at our opinion of the market value, we followed “The RICS Valuation — Global Standards 2017” issued by the Royal Institution of Chartered Surveyors (“RICS”) and the “International Valuation Standards” published by the International Valuation Standards Council (“IVSC”). Under the said standards, Market Value is defined as:

“the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

The market value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction), and without offset for any associated taxes or potential taxes.

The market value is also the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

Our valuation complies with the requirements as set out in “The RICS Valuation — Global Standards 2017” issued by RICS, the “International Valuation Standards” published by IVSC and Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Valuation Methodology

In forming our opinion of value of the property interests in Group I which are held by the Group for investment in Australia, in Group VII which are held by the Group for investment in Malaysia, in Group VIII which are held by the Group for owner occupation in Malaysia, in Group IX which are held by the Group for future development in Malaysia, in Group X which are held by the Group for sale in Malaysia and in Group XI which are leased by the Group for investment under long lease in Malaysia, we have adopted the investment approach by capitalising the rental income derived from the existing tenancies, where applicable, with due provision for the reversionary income potential of the property interests and Direct Comparison Method by making reference to comparable sale transactions as available in the relevant market where applicable.

In forming our opinion of value of the property interests in Group II which are held by the Group for investment in the United Kingdom in Group III which are held by the Group for sale in the United Kingdom, in Group IV which are held by the Group for investment in Singapore and in Group XII which are held by the Group for investment in the PRC, we have adopted the investment approach by capitalising the rental income derived from the existing tenancies, where applicable, with due provision for the reversionary income potential of the property interests.

In forming our opinion of value of the property interests in Groups V and VI which are held by the Group for sale and future development respectively in Indonesia, we have adopted the Direct Comparison Method by making reference to comparable sale transactions as available in the relevant market where applicable.

The property interests in Group XIII are leased by the Group in Singapore. We are of the opinion that the property interests have no commercial value due to the prohibition against assignment or sub-letting or otherwise due to the lack of substantial profit rent and/or short term nature of the property interests.

Valuation Assumptions and Conditions

Our valuation is subject to the following assumptions and conditions:-

Title Documents and Encumbrances

We were provided with legal opinion prepared by the respective local lawyer confirming the title of the property interests. We have also assumed that the property interests are not subject to any unusual or onerous covenants, restrictions, encumbrances or outgoing.

In our valuations of property interests in the PRC, we have assumed that the transferable land use rights in respect of the property interests for specific terms at nominal annual land use fees have been granted and that, any premiums payable have already been fully settled. We have also assumed that the grantees or the users of the property interests have free and uninterrupted rights to use or to assign the property interests for the whole of the unexpired terms as granted. We have relied on the legal advice given by the Group and its legal adviser, on the PRC laws, regarding the title to each of the property interests in the PRC.

Disposal Costs and Liabilities

No allowance has been made in our report for any charges, mortgages or amounts owing on the property interests nor for any expenses or taxation which may be incurred in effecting a sale.

Source of Information

We have relied to a very considerable extent on information given by the Company. We have accepted advice given to us on such matters as planning approval, statutory notice, easement, tenure, site area, floor areas, number of carparking spaces and all other relevant matters. We have not verified the correctness of any information, including their translation supplied to us concerning the property interests, whether in writing or verbally by yourselves, your representatives or by your legal or professional advisers or by any (or any apparent) occupier of the property interests or contained on the register of title. We assume that this information is complete and correct.

Inspection

We inspected the Properties in May and June 2017. The inspections of the Properties were undertaken by local Knight Frank valuation team in each respective country. Nevertheless, we have assumed in our valuation that the Properties were in satisfactory exterior and interior decorative order without any unauthorised extension or structural alterations or illegal uses as at the Valuation Date, unless otherwise stated.

Identity of Property to be valued

We have exercised reasonable care and skill (but will not have an absolute obligation to you) to ensure that the Properties, identified by the property addresses in your instructions, are the property interests inspected by us and contained within our valuation report. If there is ambiguity as to the property address, or the extent of the property interests to be valued, this should be drawn to our attention in your instructions or immediately upon receipt of our report.

Property Insurance

We have valued the Properties on the assumption that, in all respects, they are insurable against all usual risks including terrorism, flooding and rising water table at normal, commercially acceptable premiums.

Areas and Age

In our valuations, we have relied upon areas as available from a quoted source. Otherwise, dimensions and areas would be measured on-site or scaled off from plans and calculated in accordance with, where appropriate, each local measurement guidelines and are quoted to a reasonable approximation, with reference to their source.

We have also assumed that the site areas, floor areas, measurements and dimensions shown on the documents handed to us are correct and in approximations only. Where the age of the building is estimated, this is for guidance only.

Structural and Services Condition

We have not undertaken any structural surveys, test the services or arrange for any investigations to be carried out to determine whether any deleterious materials have been used in the construction of the property interests. Our valuation has therefore been undertaken on the basis that the property interests were in satisfactory repair and condition and contains no deleterious materials and that services function satisfactorily.

Ground Condition

We have assumed there to be no unidentified adverse ground or soil conditions and that the load bearing qualities of the site of the property interests are sufficient to support the building constructed or to be constructed thereon; and that the services are suitable for any existing or future development. Our valuation is therefore prepared on the basis that no extraordinary expenses or delays will be incurred in this respect.

Environmental Issues

We are not environmental specialists and therefore we have not carried out any scientific investigations of sites or buildings to establish the existence or otherwise of any environmental contamination, nor have we undertaken searches of public archives to seek evidence of past activities that might identify potential for contamination. In the absence of appropriate investigations and where there is no apparent reason to suspect potential for contamination, our valuation is prepared on the assumption that the Properties are unaffected. Where contamination is suspected or confirmed, but adequate investigation has not been carried out and made available to us, then the valuation will be qualified.

Compliance with Relevant Ordinances and Regulations

We have assumed that the property interests was constructed, occupied and used in full compliance with, and without contravention of any Ordinances, statutory requirement and notices except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, consents, approvals and authorisation have been obtained, except only where otherwise stated.

Exchange Rate

Unless otherwise stated, all money amounts stated in our valuations are in the respective local currency of each country. Australian Dollar (“AUD”) is adopted for property interests situated in Australia. Great British Pound (“GBP”) is adopted for property interests situated in the United Kingdom. Singapore Dollar (“SGD”) is adopted for property interests situated in Singapore. Indonesian Rupiah (“RP”) is adopted for property interests situated in Indonesia. Malaysian Ringgit (“RM”) is adopted for property interests situated in Malaysia. Renminbi (“RMB”) is adopted for property interest situated in the PRC.

Limitations on Liability

In accordance with our standard practice, we must state that this valuation is for the use of the party to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents. We do not accept liability to any third party or for any direct or indirect consequential losses or loss of profits as a result of this valuation.

Knight Frank has prepared the valuation based on information and data available to us as at the Valuation Date. It must be recognised that the real estate market is subject to market fluctuations, while changes in policy direction and social environment could be immediate and have sweeping impact on the real estate market. It should therefore be noted that any market violation, policy and social changes or other unexpected incidents after the Valuation Date may affect the value of the Property.

Area Conversion

The area conversion factors in this report are taken as follows:

1 sq m = 10.764 sq ft.

1 sq m = 0.0001 ha.

We enclose herewith our valuation report.

Yours faithfully

For and on behalf of

Knight Frank Petty Limited

Thomas H M Lam

FRICS FHKIS RPS(GP) RICS Registered Valuer

*Senior Director, Head of Valuation &
Consultancy*

Alswick C H Chan

FRICS FHKIS RPS(GP) RICS Registered Valuer

*Executive Director, Head of Valuation &
Professional Services*

Notes : Thomas is a qualified valuer who has over 17 years of experiences in market research, valuation and consultancy in the PRC, Hong Kong, Macao, Asia Pacific region and the United Kingdom.

Alswick C H Chan is a qualified valuer who has over 26 years of experiences in valuation, land administration and development consultancy in Hong Kong. He is now responsible for property valuations, land exchanges, lease modifications and premium assessments, development feasibilities, etc.

SUMMARY OF VALUATIONS

Property Interest	Market Value in Existing State as at 30 September 2017 <i>(AUD)</i>	Interest Attributable to the Group <i>(%)</i>	Market Value in Existing State Attributable to the Group as at 30 September 2017 <i>(AUD)</i>
Group I — Property Interests held by the Group for Investment in Australia			
1. RMIT-Village 5-17 Flemington Road, North Melbourne, VIC-3051, Australia	76,650,000	100	76,650,000
2. Project Port Hedland Lot 465, 466, 470 & 471, Anderson Street, Port Hedland, Western Australia	700,000	100	700,000
3. dwell Adelaide 12-18 Synagogue Place, Adelaide, SA 5000 South Australia	3,630,000	100	3,630,000
	Total of Group I:		80,980,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	<i>(GBP)</i>	<i>(%)</i>	<i>(GBP)</i>
Group II — Property Interests held by the Group for Investment in the United Kingdom			
4. dwell Manchester Student Village Lower Chatham Street, Manchester, M1 5SX, United Kingdom	56,010,000	100	56,010,000
5. dwell Manchester Student Village South 357A Great Western Street, Manchester, M14 4AH, United Kingdom	21,940,000	100	21,940,000
6. dwell The Grafton 60 Grafton Street, Manchester, M13 9NU, United Kingdom	10,880,000	100	10,880,000
7. dwell Cathedral Campus 1 Dean Patey Court, Cathedral Gate, Off Upper Duke Street, Liverpool, L1 7BT, United Kingdom	12,440,000	100	12,440,000
8. dwell Hotwells House 192-216 Hotwells Road, Bristol, BS8 4UR, United Kingdom	9,810,000	100	9,810,000
9. dwell Weston Court 45-47 Cromwell Range, Fallowfield, Manchester, M14 6HH, United Kingdom	4,780,000	100	4,780,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	<i>(GBP)</i>	<i>(%)</i>	<i>(GBP)</i>
10. dwell Garth Heads Melbourne Street, Newcastle Upon Tyne, NE1 2JE, United Kingdom	4,940,000	100	4,940,000
	Total of Group II:		120,800,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	<i>(GBP)</i>	<i>(%)</i>	<i>(GBP)</i>

Group III — Property Interests held by the Group for sale in the United Kingdom

11. dwell Beechwood House 9-11 Ladybarn Lane, Fallowfield, Manchester, M14 6NQ, United Kingdom	1,110,000	100	1,110,000
	Total of Group III:		1,110,000

Property Interest	Market Value in Existing State as at 30 September 2017 <i>(SGD)</i>	Interest Attributable to the Group <i>(%)</i>	Market Value in Existing State Attributable to the Group as at 30 September 2017 <i>(SGD)</i>
Group IV — Property Interests held by the Group for Investment in Singapore			
12. Westlite Mandai Accommodation 32/34/36 Mandai Estate Singapore 629939/40/41	266,000,000	45	119,700,000
13. Westlite Toh Guan Accommodation 14 to 28 (Even No.) Toh Guan Road East Singapore 608589/90/91/92/93/94/95/96	226,000,000	100	226,000,000
14. Westlite Woodlands Accommodation 2 Woodlands Sector 2 Singapore 737723	139,000,000	100	139,000,000
15. ASPRI-Westlite Papan Accommodation 5/5C/5D Jalan Papan Singapore 619421	201,000,000	51	102,510,000
	Total of Group IV:		587,210,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	(RP)	(%)	(RP)

Group V — Property Interests held by the Group for Sale in Indonesia

16.	Royal Palace C.15, Jalan Prof. Dr. Soepomo, SH No. 178A, Rukun Tetangga/Rukun Warga/Kelurahan Mentang Dalam, Kecamatan, Jakarta Selatan, Indonesia	5,233,000,000	100	5,233,000,000
17.	Industrial factory at MM2100 Industrial Town Jl. Bali Blok H1-1, Cibitung, Bekasi 17520, Indonesia	31,349,000,000	100	31,349,000,000

Total of Group V: 36,582,000,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	(RP)	(%)	(RP)

Group VI — Property Interests held by the Group for Future Development in Indonesia

18.	Vacant Land at Jl Wareng Kali Jambe Lambang Sari Village, sub-district of Tambun Bekasi, West Java, Jakarta, Indonesia	14,450,000,000	100	14,450,000,000
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Total of Group VI: 14,450,000,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	<i>(RM)</i>	<i>(%)</i>	<i>(RM)</i>
Group VII: Property Interests held by the Group for Investment in Malaysia			
19. Westlite Johor Technology Park Accommodation PLO 46 , Jalan Teknologi 5, Taman Teknologi Johor, 81400 Senai, Johor, Malaysia	47,000,000	100	47,000,000
20. Westlite Pasir Gudang Accommodation Block Nos. 72, 73, 74 & 75, Off Jalan Tembusu, Taman Air Biru, 81700 Pasir Gudang, Johor, Malaysia	17,100,000	100	17,100,000
21. Westlite Senai Accommodation Lot 6212, Taman Perindustrian Senai, Mukim Senai, Daerah Kulaijaya, Johor, Malaysia	21,300,000	100	21,300,000
22. Westlite Senai II Accommodation Lot 6214, Taman Perindustrian Senai, Mukim Senai, Daerah Kulaijaya, Johor, Malaysia	50,900,000	100	50,900,000
23. Westlite Bukit Minyak Land Jalan Sri Tambun 1, 14100 Simpang Ampat, Penang, Malaysia	29,360,000	100	29,360,000
Total of Group VII:			165,660,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	<i>(RM)</i>	<i>(%)</i>	<i>(RM)</i>

Group VIII — Property Interests held by the Group for Owner Occupation in Malaysia

24. No. 17, Jalan Ekoperniagaan 1/23, Taman Ekoperniagaan, 81100 Johor Bahru, Johor, Malaysia	2,200,000	100	2,200,000
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Total of Group VIII: 2,200,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	<i>(RM)</i>	<i>(%)</i>	<i>(RM)</i>

Group IX — Property Interests held by the Group for Future Development in Malaysia

25. Westlite Nusajaya Land Lot 1108, Mukim of Jeram Batu, District of Pontian, Johor, Malaysia	11,700,000	49	5,733,000
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Total of Group IX: 5,733,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	(RM)	(%)	(RM)

Group X — Property Interests held by the Group for Sale in Malaysia

26	Westlite Desa Cemerlang Accommodation Lot 2152, Batu 13 ¼, Jalan Sungai Tiram, 81800 Ulu Tiram, Johor, Malaysia	5,100,000	100	5,100,000
27.	Westlite Tampoi Accommodation Lot 2051, No. 6, Jalan Bayu, Taman Perindustrian Tampoi Jaya, 81200 Johor Bahru, Johor, Malaysia	46,500,000	100	46,500,000

Total of Group X: 51,600,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	(RM)	(%)	(RM)

Group XI — Property Interests leased by the Group for Investment under long lease in Malaysia

28.	Westlite Tebrau Accommodation PLO 250, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor, Malaysia	16,000,000	100	16,000,000
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Total of Group XI: 16,000,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	(RMB)	(%)	(RMB)

Group XII — Property Interests held by the Group for Investment in the PRC

29. Block Nos. 4 and 5 located at No. 558 Gangye Road Xiaokunshan Town Songjiang District Shanghai The People's Republic of China	25,300,000	100	25,300,000
Total of Group XII:			25,300,000

Property Interest	Market Value in Existing State as at 30 September 2017	Interest Attributable to the Group	Market Value in Existing State Attributable to the Group as at 30 September 2017
	(SGD)	(%)	(SGD)

Group XIII — Property Interests leased by the Group in Singapore

30. Westlite Tuas Accommodation 90 Tuas South Avenue 9 — Tuas Lodge I Singapore 637397			No commercial value
31. dwell Selegie 1A Short Street Singapore 188210			No commercial value
Total of Group XIII:			No commercial value

VALUATION

Group I — Property Interests held by the Group for Investment in Australia

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
1. RMIT-Village 5-17 Flemington Road, North Melbourne, VIC-3051, Australia	<p>The property consists of 456 bed student apartment complex managed by Campus Living and branded RMIT Village with a reported gross building area of 15,019 sq m. The facility is constructed over 3 to 6 levels being constructed of concrete pier and beam and solid brick construction with mansard roof. It was completed in about 1971 and was converted to student accommodation in 2005.</p> <p>A Planning Permit and development plans are in place for the development of a 12-storey block on a site of about 402 sq m, where the current tavern/café is located and with 4 2 bedroom studios affected (deducted). A further 2 levels, above the existing 6 levels, are proposed across the Flemington Road building alignment.</p> <p>Located on the Bedford Street alignment is a brick multi level pay and display commercial car park</p>	<p>As at the Valuation Date, the property is leased primarily for students. Under a management agreement the student component is operated by Campus Living for the student accommodation component. We estimate an EBITDAR of AUD3,783,000 pa. The multi level car park is leased to Wilson Parking Australia 1992 Pty Ltd for a term of 3 years commencing from 15 January 2015 at a monthly rent of AUD39,583 gross. The current passing monthly rent is AUD41,994 gross after application of 3% annual reviews. A one year option is provided to the tenant. An internal lease between the</p>	<p>AUD76,650,000 (Australian Dollars Seventy Six Million Six Hundred and Fifty Thousand)</p>

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
	completed in about 1971 which has a highest and best use as a development site of 2,051 sq m.	proprietor and Centurion Student Services Pty Ltd has been ignored.	

Notes:

- (1) The valuation is prepared by Knight Frank Valuations in Victoria, Australia. This project is handled by David Thomas Way API Member No. 62454 RICS Member No. 1301352 with 23 years of relevant experience of property valuation and consultancy work in Victoria, Australia.
- (2) The registered owners of the property were Centurion Melbourne Student Village Trust and Centurion Melbourne Apartment Trust as at the Valuation Date.
- (3) Based on our calculation, the value of the property on a clear-site basis was estimated at AUD73,900,000.

Pursuant to the information provided by the Company, as at the valuation date, the total construction cost incurred was estimated at approximately AUD1,790,000 and other development expenses incurred (such as professional fees) was approximately AUD960,000 respectively.

- (4) The breakdown of market value of the property as at the Valuation Date is as follows:

Student Village and small development site:	AUD59,500,000
Bedford Street Car Park Development Site:	AUD14,400,000
Total cost incurred	AUD2,750,000
Total:	AUD76,650,000

- (5) As at the Valuation Date, the property was subject to the following encumbrances:-
 - i. Mortgage in favour of United Overseas Bank Ltd dated 7 April 2014.
- (6) The property was situated within an area zoned 'Mixed Use (MUZ)', 'Design and Development Overlay Schedule 61 (DDO61)', 'Design and Development Overlay Schedule 61 Area 2 (DDO61A2)', 'Design and Development Overlay Schedule 61 Area 5 (DDO61A5)', 'Design and Development Overlay Schedule 65 (DDO65)' and 'Parking Overlay Precinct 12 (PO12)'.
- (7) Our valuation reflects a going concern yield of 6.7% on the student accommodation operating component and an initial yield of 5.1% having regard to the total value inclusive of two development site components, excluding the income derived from the car park. The initial yield including car park rent is 5.8%.

(8) A title search was undertaken 5 June 2017 particulars of which are tabled as follows:

Volume	11487	11487	11487	11487
Folio	964	963	965	973
Land / Lot	Crown Allotments 12 & 13	1	3 and 4	Lot 1 and 2
Plan of Subdivision	Section 10 at North Melbourne Parish of Jika Jika.	Title Plan 836184M	Title Plan 836180V	Title Plan 836180V
Area (sq m)	2,086	453	1,609	2,051

(9) The valuation has been undertaken on the freehold interest going concern “as-is”.

(10) We have been provided with a legal opinion on the title to the property issued by the Group’s legal adviser which contains, inter-alia, the following information:-

i. the property is held under good and marketable title, which is legal, valid, binding and enforceable.

(11) We have adopted investment approach for student accommodation portion. Investment yield of 6.7% was adopted.

(12) The following comparables were considered in development site portion:-

Comparable	(i)	(ii)	(iii)
Address	Spencer Street	Dudley Street	Adderley Street
Suburb	West Melbourne	West Melbourne	West Melbourne
Zoning	Mixed Use Zone DDO12	Mixed Use Zone DDO12/ DDO33	Mixed Use Zone DDO29
Land Area (sq m)	268	374	351
Tenure	Freehold	Freehold	Freehold
Sale Price	AUD3,660,000	AUD3,800,000	AUD2,650,000
Unit Rate (per sq m)	AUD13,657	AUD10,160	AUD7,549
Date	March 2017	November 2016	October 2016

Comparable	(iv)	(v)	(vi)
Address	Lothian Street	Bouverie Street	Spencer Street
Suburb	North Melbourne	Carlton	West Melbourne
Zoning	Mixed Use Zone DDO23/ DDO 32/DDO66/HO/ PO	Capital City Zone Schedule 5 DDO61/HO	Mixed Use Zone DDO12/ DDO33
Land Area (sq m)	306	506	485
Tenure	Freehold	Freehold	Freehold
Sale Price	AUD2,390,000	AUD5,500,000	AUD3,800,000
Unit Rate (per sq m)	AUD7,810	AUD10,870	AUD7,835
Date	October 2016	March 2016	March 2016

These comparables were the relevant transactions recorded. These are all regular shaped site except for Comparable (vi) which is L shaped. Factors such as location, land area, development potential, site layout and approval of planning permit were considered.

(13) The following comparables were considered in development site portion:-

Comparable	(i)	(ii)	(iii)
Address	Dudley Street	La Trobe Street	Wreckyn Street
Suburb	West Melbourne	West Melbourne	North Melbourne
Zoning	Mixed Use Zone DDO33	Mixed Use Zone DDO12/ DDO33	Mixed Use Zone DDO61/ DDO65
Land Area (sq m)	1,304	1,877	2,271
Tenure	Freehold	Freehold	Freehold
Sale Price	AUD18,500,000	AUD24,000,000	AUD16,500,000
Unit Rate (per sq m)	AUD14,187	AUD12,786	AUD7,266
Date	May 2017	April 2017	December 2016

Comparable	(iv)	(v)	(vi)
Address	Victoria Street & Merrifield Street	Ireland Street	Shiel Street
Suburb	Brunswick	West Melbourne	North Melbourne
Zoning	Commercial 1 Zone DDO18/DCPO1/EAO/ PO	Mixed Use Zone DDO28	Mixed Use Zone EAO
Land Area (sq m)	2,065	4,795	1,311
Tenure	Freehold	Freehold	Freehold
Sale Price	AUD8,460,000	AUD24,000,000	AUD7,350,000
Unit Rate (per sq m)	AUD4,097	AUD5,005	AUD5,606
Date	November 2016	July 2016	March 2016

These comparables were the relevant transactions recorded. These are all regular shaped site except for Comparables (ii), (iii) and (v) which is irregular shaped. Comparable (v) is also an island site bounded by four street frontages. Factors such as location, land area, development potential, site layout and approval of planning permit were considered.

VALUATION

	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
2.	Project Port Hedland Lot 465, 466, 470 & 471, Anderson Street, Port Hedland, Western Australia	The property comprises four adjoining lots with a combined land area of 4,434 sq m. The property is level with the road grade and is close to the west end of Port Hedland. It offers an underlying zoning of industry, which allows for a number of different industrial use that would be suitable for this location. The property currently has three transportable style fibro and iron donga villas with one unit offering three bedrooms, one bathroom and two villas offering two bedrooms and one bathroom.	As at the Valuation Date, the property was leased to a residential tenant on a periodic basis at a monthly rent of AUD3,939 inclusive of rates, management fee and other outgoings.	AUD700,000 (Australian Dollars Seven Hundred Thousand)

Notes:

- (1) The valuation is prepared by LMW valuation team in Perth, Western Australia. This project is handled by our local qualified valuers registered in Western Australia. Our local valuers have about 10 to 30 years of relevant experience of property valuation and consultancy work in Perth and Regional Western Australia.
- (2) The registered owner of the property was Centurion Accommodation (Australia) Pty Ltd as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) The property was situated within an area zoned Industrial as at the Valuation Date.
- (5) Our valuation reflects an equivalent gross yield of 6.75% as at the Valuation Date.

(6) A private title search was made at Landgate on 17 May 2017. Brief particulars of the title are as follows:

Legal Description : Lot 465 on Deposited Plan 208641 Certificate of Title Volume 1252 Folio 346;
 Lot 466 on Deposited Plan 208641 Certificate of Title Volume 1264 Folio 556;
 Lot 470 on Deposited Plan 208641 Certificate of Title Volume 440 Folio 16A;
 and
 Lot 471 on Deposited Plan 208641 Certificate of Title Volume 1375 Folio 142
 Tenure : Freehold
 Land Area : 4,434 sq m
 Gross Floor Area : 299 sq m

(7) We have been provided with a legal opinion on the title to the property issued by the Group’s legal adviser which contains, inter-alia, the following information:-

i. the property is held under good and marketable title, which is legal, valid, binding and enforceable.

(8) The current use as residential was approved prior to 1976. Such residential use, although appears to be non-conforming to the current zoning of industrial, is subject to existing use rights as the current use was approved prior to the rezoning to industrial use. Such existing use rights are deemed to be an approved use unless such use is ceased.

(9) The following comparables were considered in development site portion:-

Comparable	(i)	(ii)	(iii)
Address	Cherratta Road, Karratha Industrial Estate	Edgar Street, Port Hedland	Bell Street, Port Hedland
Property Type	Industrial	Residential	Industrial
Land Area (sq m)	3,361	1,012	6,972
Tenure	Freehold	Freehold	Freehold
Sale Price	AUD260,000	AUD220,000	AUD650,000
Unit Rate (per sq m)	AUD77	AUD217	AUD93
Date	January 2017	January 2017	May 2016
Remarks	Smaller land holding in inferior location	Inferior improvements	Inferior location

These comparables were the relevant transactions recorded in the surrounding locality of the property. Factors such as location, land area and improvements on land were considered.

VALUATION

	<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Market Value in existing state as at 30 September 2017</u>
3.	dwelling Adelaide 12-18 Synagogue Place, Adelaide, SA 5000 South Australia	The property comprises an irregular shaped development site. At the date of valuation construction works had commenced for a 20 level circa 268 bed purpose built student accommodation facility.	As at the Valuation Date, the property comprised a vacant residential development site, under construction.	AUD3,630,000 (Australian Dollars Three Million Six Hundred and Thirty Thousand)
		We understand the property previously comprised a circa 1925 built, vacant four level building of red brick construction.		

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Adelaide, Australia. This project is handled by our local qualified valuer with the Australian Property Institute. Our local valuer has over 20 years of relevant experience of property valuation and consultancy work in Adelaide.
- (2) The registered owner of the Property was Centurion SA Investments Pty Ltd as at the Valuation Date.
- (3) Based on our calculation, the value of the property on a clear-site basis was estimated at AUD3,500,000.

Pursuant to the information provided by the Company, as at the valuation date, the development expenses incurred (such as professional fees) was approximately AUD130,000.
- (4) As at the Valuation Date, the Property was subject to the following encumbrances:
 - i. Mortgage in favour of S.P.G.G. Investments Pty Ltd vide Dealing Number 12743738.
- (5) The Property is situated within the Capital City Zone Main Street Policy Area 14 as at the Valuation Date.

- (6) A private title search was made through the Government of South Australia Department of Planning, Transport and Infrastructure, Lands Title Office on the 2 June 2017. Brief particulars of the title are as follows:-

Volume	6190
Folio	734
Allotment/Piece/Section	Allotment 201
Plan Reference	Deposited Plan 114632
Hundred	Adelaide

- (7) The valuation has been undertaken on “as-is” basis.
- (8) We have been provided with a legal opinion on the title to the property issued by the Group’s legal adviser which contains, inter-alia, the following information:-
- i. the property is held under good and marketable title, which is legal, valid, binding and enforceable.
- (9) The following comparables were considered:-

Comparable	(i)	(ii)	(iii)
Address	Coglin Street	Gouger Street	Grote Street
Sale Date	Jan 17	Dec 16	Dec 16
Sale Price	AUD3,780,000	AUD4,050,000	AUD3,200,000
Site Area (sq m)	603	755	731
Unit Rate (per sq m)	AUD6,269	AUD5,364	AUD4,378
Max Building Height	43 m	53 m	53 m

Comparable	(iv)	(v)	(vi)
Address	Wakefield Street	North Terrace	Flinders Street
Sale Date	Jul 16	Jun 16	Apr 16
Sale Price	AUD3,700,000	AUD12,000,000	AUD2,150,060
Site Area (sq m)	824	1,236	378
Unit Rate (per sq m)	AUD4,490	AUD9,709	AUD5,689
Max Building Height	53 m	No prescribed height limit	No prescribed height limit

These comparables were the relevant transactions recorded in the surrounding locality of the property. Factors such as location, land area, height limit and transaction date were considered.

VALUATION

Group II — Property Interests held by the Group for Investment in the United Kingdom

	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
4.	dwel Manchester Student Village Lower Chatham Street, Manchester, M1 5SX, United Kingdom	<p>The property comprises a large purpose built student accommodation scheme. It is located immediately to the south of the City Centre in close proximity to the university campuses.</p> <p>The property provides a total of 1,017 beds spread across four, linked blocks. The building is arranged on basement levels, ground and seven upper floors. There are two commercial units at ground floor level totalling 473 sq m. The basement levels are currently used as a pay and display public car park. The student accommodation has a separate entrance at ground floor level and benefits from a good sized reception, a study room and a student lounge/amenity area which leads directly to an external courtyard to the rear.</p> <p>The units are mainly non en suite and predominantly arranged as three and four bedroom flats with shared kitchens and bathrooms.</p> <p>The property is a freehold interest.</p>	<p>The student accommodation has been directly let to individual students on fixed term assured short hold tenancy agreements under the Housing Act 1996.</p> <p>Current gross revenue from student accommodation is GBP5,413,720.</p> <p>The commercial units are comprised of retail unit and bar. The retail unit is holding over as the lease expired in January 2015. The bar is let to June 2030. The current gross revenue from the commercial units is GBP55,500.</p> <p>The car park is run on a pay and display basis and the current revenue is GBP102,000.</p>	<p>GBP56,010,000 (Great British Pound Fifty Six Million and Ten Thousand)</p>

Notes:

- (1) The valuation work was undertaken by the Student Property valuation team in the United Kingdom, which has extensive experience and has been active in the sector since early 2000. This project is handled by Neil Armstrong, MRICS (Membership No 1119187), who is a Chartered Commercial Property Surveyor and RICS Registered Valuer in the United Kingdom.
- (2) The registered owner of the property was Centurion Investments (JS) Ltd as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) We have assumed that the property has planning and all necessary consents for the current existing use.
- (5) We have been advised that the property is freehold.
- (6) Our valuation reflects an initial yield of 6.5% for the Student Accommodation and 8.50% for the Commercial element. The Market Value reported is net of normal Purchasers Costs.
- (7) We have been provided with a Certificate of Title prepared by the Group's legal adviser. This confirmed that the owner has a good and marketable freehold title to the property and is solely legally and beneficially entitled to the property.
- (8) We have adopted investment approach. Investment yield of 6.5% was adopted for student accommodation portion and 9% for commercial and carpark portion.

VALUATION

	<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Market Value in existing state as at 30 September 2017</u>
5.	<p>dwel Manchester Student Village South 357A Great Western Street, Manchester,M14 4AH, United Kingdom</p>	<p>The property comprises a purpose built student accommodation scheme, constructed in 2002. It is located to the south east of the City Centre in close proximity to a renowned University.</p> <p>The property provides a total of 355 beds spread across two blocks. The building fronting onto Wilmslow Road comprises 16 ground floor retail units totalling 884 sq m with student accommodation on first, second, third and part fourth floors. The student accommodation benefits from separate, secure entrances at ground floor level. .The building fronting the great Western Road provides student accommodation on ground and three upper floors. It also benefits from a gated, secure car park.</p> <p>The units are en suite and predominantly arranged as four bedroom cluster flats with shared kitchen and living areas.</p> <p>The property is a freehold interest.</p>	<p>The student accommodation has been directly let to individual students on fixed term assured short hold tenancy agreements under the Housing Act 1996.</p> <p>Current gross revenue from student accommodation is GBP1,857,609.</p> <p>The 16 retail units have been let on 12 leases to local covenants. Five tenants are holding over, with the remaining seven tenants having a weighted unexpired lease term of 8.7 years. The current gross revenue from the commercial units is GBP201,915.</p>	<p>GBP21,940,000 (Great British Pound Twenty One Million Nine Hundred and Forty Thousand)</p>

Notes:

- (1) The valuation work was undertaken by the Student Property valuation team in the United Kingdom, which has extensive experience and has been active in the sector since early 2000. This project is handled by Neil Armstrong, MRICS (Membership No 1119187), who is a Chartered Commercial Property Surveyor and RICS Registered Valuer in the United Kingdom.
- (2) The registered owner of the property was Centurion Investments (JS) Ltd as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) We have assumed that the property has planning and all necessary consents for the current existing use.
- (5) We have been advised that the property is freehold.
- (6) Our valuation reflects an initial yield of 6.0% for the Student Accommodation and 8.50% for the Commercial element. The Market Value reported is net of normal Purchasers Costs.
- (7) We have been provided with a Certificate of Title prepared by the Group's legal adviser. This confirmed that the owner has a good and marketable freehold title to the property and is solely legally and beneficially entitled to the property.
- (8) We have adopted investment approach. Investment yield of 6% was adopted for student accommodation portion and 9% for commercial portion.

VALUATION

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
6. dwell The Grafton 60 Grafton Street, Manchester, M13 9NU, United Kingdom	<p>The property comprises a purpose built student accommodation scheme, constructed in 2010. It is located to the south east of the City Centre and is immediately adjacent to the main university campuses.</p> <p>The property provides a total of 145 beds. The building comprises a ground floor retail unit totalling 699 sq m currently used as a supermarket with student accommodation provided on first, second, third, fourth and fifth floors.</p> <p>The bedrooms are non en suite and are predominantly arranged as two and three bedroom cluster flats with shared kitchens and bathrooms.</p> <p>The property is a freehold interest.</p>	<p>The student accommodation has been directly let to individual students on fixed term assured short hold tenancy agreements under the Housing Act 1996.</p> <p>Current gross revenue from student accommodation is GBP922,944.</p> <p>The retail unit has been let to WM Morrisons Supermarkets under a lease for a term expiring in November 2026, with a break in November 2025. The lease is drawn on full repairing and insuring terms and includes provisions for five yearly rent reviews. The rent review is outstanding from November 2016. The current rent is GBP65,000 per annum.</p>	<p>GBP10,880,000 (Great British Pound Ten Million Eight Hundred and Eighty Thousand)</p>

Notes:

- (1) The valuation work was undertaken by the Student Property valuation team in the United Kingdom, which has extensive experience and has been active in the sector since early 2000. This project is handled by Neil Armstrong, MRICS (Membership No 1119187), who is a Chartered Commercial Property Surveyor and RICS Registered Valuer in the United Kingdom.
- (2) The registered owner of the property was Centurion Investments (JSI) Ltd as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) We have assumed that the property has planning and all necessary consents for the current existing use.
- (5) We have been advised that the property is freehold.
- (6) Our valuation reflects an initial yield of 6.5% for the Student Accommodation and 7.5% for the Commercial element. The Market Value reported is net of normal Purchasers Costs.
- (7) We have been provided with a Certificate of Title prepared by the Group's legal adviser. This confirmed that the owner has a good and marketable freehold title to the property and is solely legally and beneficially entitled to the property.
- (8) We have adopted investment approach. Investment yield of 6.5% was adopted for student accommodation portion and 8% for commercial portion.

VALUATION

7.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
	<p>dwel Cathedral Campus 1 Dean Patey Court, Cathedral Gate, Off Upper Duke St, Liverpool, L1 7BT, United Kingdom</p>	<p>The property is a purpose built student accommodation scheme which comprises 90 self-contained townhouses. It is located to the south of the City Centre immediately adjacent to Liverpool's Anglican Cathedral.</p> <p>The property provides a total of 384 non ensuite bedrooms in 90, three storey townhouses. The accommodation is arranged as four and five bed houses with shared bathroom sand kitchens. The four bed houses also include a shared lounge.</p> <p>Leasehold: 250 years expiring 5 February 2257 (240 years unexpired). Rent is insignificant.</p>	<p>The student accommodation has been directly let to individual students on fixed term assured short hold tenancy agreements under the Housing Act 1996.</p> <p>Current gross revenue from student accommodation is GBP1,511,008.</p>	<p>GBP12,440,000 (Great British Pound Twelve Million Four Hundred and Forty Thousand)</p>

Notes:

- (1) The valuation work was undertaken by the Student Property valuation team in the United Kingdom, which has extensive experience and has been active in the sector since early 2000. This project is handled by Neil Armstrong, MRICS (Membership No 1119187), who is a Chartered Commercial Property Surveyor and RICS Registered Valuer in the United Kingdom.
- (2) The registered owner of the property was Centurion Investments (JSII) Ltd as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) We have assumed that the property has planning and all necessary consents for the current existing use.
- (5) We have been advised that the property is leasehold. The lease granted was for a term of 250 years expiring 2 February 2257 (240 years unexpired). Rent is insignificant.
- (6) Our valuation reflects an initial yield of 6.9% for the Student Accommodation. The Market Value reported is net of normal Purchasers Costs.
- (7) We have been provided with a Certificate of Title prepared by the Group's legal adviser. This confirmed that the owner has a good and marketable leasehold title to the property and is solely legally and beneficially entitled to the property.
- (8) We have adopted investment approach. Investment yield of 6.7% was adopted for student accommodation.

VALUATION

	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
8.	<p>dwelling House 192-216 Hotwells Road, Bristol, BS8 4UR, United Kingdom</p>	<p>The property comprises a purpose built student accommodation scheme, refurbished in 2009. It is located to the south west of the City Centre in a predominantly residential area.</p> <p>The property is arranged over ground and four upper floors and comprises of eight studios and 32 cluster flats providing a total of 157 student beds.</p> <p>The rooms are arranged as a mixture of three to four bed en-suite flats with shared kitchens and four to five bedroom non ensuite flats with shared kitchens and bathrooms.</p> <p>Leasehold: 118 years expiring 21 May 2134 (117 years unexpired). Current rent payable is GBP11,250 pa with further reviews in 2019 and 10 yearly thereafter.</p>	<p>The student accommodation has been directly let to individual students on fixed term assured short hold tenancy agreements under the Housing Act 1996.</p> <p>Current gross revenue from student accommodation is GBP969,321.</p> <p>The car park is run on a pay and display basis, which generates GBP18,000 per annum.</p>	<p>GBP9,810,000 (Great British Pound Nine Million Eight Hundred and Ten Thousand)</p>

Notes:

- (1) The valuation work was undertaken by the Student Property valuation team in the United Kingdom, which has extensive experience and has been active in the sector since early 2000. This project is handled by Neil Armstrong, MRICS (Membership No 1119187), who is a Chartered Commercial Property Surveyor and RICS Registered Valuer in the United Kingdom.
- (2) The registered owner of the property was Centurion Investments JS(III) Ltd as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) We have assumed that the property has planning and all necessary consents for the current existing use.
- (5) We have been advised that the property is leasehold. The lease for a term of 118 years expiring 21 May 2134 (117 years unexpired). Current rent payable is GBP11,250 pa with further reviews in 2019 and 10 yearly thereafter.
- (6) Our valuation reflects an initial yield of 6.7% for the Student Accommodation and 8.00% for the Commercial element. The Market Value reported is net of normal Purchasers Costs.
- (7) We have been provided with a Certificate of Title prepared by the Group's legal adviser. This confirmed that the owner has a good and marketable leasehold title to the property and is solely legally and beneficially entitled to the property.
- (8) We have adopted investment approach. Investment yield of 8.5% was adopted for student accommodation portion and 8% for carpark portion.

VALUATION

	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
9.	<p>dwel Weston Court 45-47 Cromwell Range, Fallowfield Manchester M14 6HH, United Kingdom</p>	<p>The property comprises a purpose built student accommodation scheme, it was refurbished in 2009. It is located to the south of the City Centre in close proximity to a renowned University.</p> <p>The property consists of a building arranged over ground and three upper floors comprising 40 cluster flats, providing a total of 140 non en-suite student bedrooms.</p> <p>The rooms are arranged as a mixture of two to four person non en-suite flats with shared kitchens and bathrooms.</p> <p>Leasehold: 125 year expiring 1 March 2134 (117 years unexpired). Current rent payable is GBP10,000 pa with further reviews in 2019 and 10 yearly thereafter.</p>	<p>The student accommodation has been directly let to individual students on fixed term assured short hold tenancy agreements under the Housing Act 1996.</p> <p>Current gross revenue from student accommodation is GBP577,264.</p>	<p>GBP4,780,000 (Great British Pound Four Million Seven Hundred and Eighty Thousand)</p>

Notes:

- (1) The valuation work was undertaken by the Student Property valuation team in the United Kingdom, which has extensive experience and has been active in the sector since early 2000. This project is handled by Neil Armstrong, MRICS (Membership No 1119187), who is a Chartered Commercial Property Surveyor and RICS Registered Valuer in the United Kingdom.
- (2) The registered owner of the property was Centurion Investments JS(V) Ltd as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) We have assumed that the property has planning and all necessary consents for the current existing use.
- (5) We have been advised that the Property is leasehold. The lease for a term of 125 year expiring 1 March 2134 (117 years unexpired). Current rent payable is GBP10,000 pa with further reviews in 2019 and 10 yearly thereafter.
- (6) Our valuation reflects an initial yield of 7.0% for the Student Accommodation. The Market Value reported is net of normal Purchasers Costs.
- (7) We have been provided with a Certificate of Title prepared by the Group's legal adviser. This confirmed that the owner has a good and marketable leasehold title to the property and is solely legally and beneficially entitled to the property.
- (8) We have adopted investment approach. Investment yield of 7.8% was adopted for student accommodation.

VALUATION

	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
10.	dwell Garth Heads Melbourne Street, Newcastle Upon Tyne, NE1 2JE, United Kingdom	<p>The property was converted to comprise a student accommodation scheme in 1995. It is located in the Manners district to the east of the City Centre.</p> <p>The property is arranged over ground, and three to five upper floors and comprises 34 cluster flats providing a total of 185 student beds.</p> <p>The rooms are arranged as a mixture of two to three bed en-suite flats with shared kitchens and three to seven bed non ensuite flats with shared kitchens and bathrooms.</p> <p>Leasehold: 125 years expiring 12 October 2120 (103 years unexpired). Rent is insignificant.</p>	<p>The student accommodation has been directly let to individual students on fixed term assured short hold tenancy agreements under the Housing Act 1996.</p> <p>Current gross revenue from student accommodation is GBP640,102.</p>	<p>GBP4,940,000 (Great British Pound Four Million Nine Hundred and Forty Thousand)</p>

Notes:

- (1) The valuation work was undertaken by the Student Property valuation team in the United Kingdom, which has extensive experience and has been active in the sector since early 2000. This project is handled by Neil Armstrong, MRICS (Membership No 1119187), who is a Chartered Commercial Property Surveyor and RICS Registered Valuer in the United Kingdom.
- (2) The registered owner of the property was Centurion Investments (JSVI) Ltd as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) We have assumed that the property has planning and all necessary consents for the current existing use.
- (5) We have been advised that the property is leasehold. The lease for a term of 125 years expiring 12 October 2120 (103 years unexpired). Rent is insignificant.
- (6) Our valuation reflects an initial yield of 6.7% for the Student Accommodation. The Market Value reported is net of normal Purchasers Costs.
- (7) We have been provided with a Certificate of Title prepared by the Group's legal adviser. This confirmed that the owner has a good and marketable leasehold title to the property and is solely legally and beneficially entitled to the property.
- (8) We have adopted investment approach. Investment yield of 7% was adopted for student accommodation.

VALUATION

Group III — Property Interests held by the Group for Sale in the United Kingdom

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
11. dwell Beechwood House 9-11 Ladybarn Lane, Fallowfield, Manchester M14 6NQ, United Kingdom	<p>The property comprises 37 rooms of a purpose built student accommodation scheme comprising a total of 55 rooms. The entire building was refurbished in 2009. It is located to the south east of the City Centre in a predominantly residential area.</p> <p>The entire building consists of two blocks arranged over ground and three upper floors and comprising a total of 55 student rooms. The other 18 rooms were sold to private investors on long leasehold interests at a peppercorn rent in 2009. The property was thereafter bought by the Group in 2016.</p> <p>The rooms are arranged as a mixture of two to four person non en-suite flats with shared kitchen and bathrooms.</p> <p>Leasehold: 125 years expiring 1 March 2134 (117 years unexpired). Current rent payable is GBP4,000 pa with further reviews in 2019 and 10 yearly thereafter.</p>	<p>The student accommodation has been directly let to individual students on fixed term assured short hold tenancy agreements under the Housing Act 1996.</p> <p>Current gross revenue from student accommodation is GBP159,116.</p> <p>Five, three bedroom flats have been sold on long leases which have been granted on terms which are co-terminus with the Headlease. The lease provide for the payment of a nominal ground rent and a proportion of the service charge.</p>	<p>GBP1,110,000 (Great British Pound One Million One Hundred and Ten Thousand)</p>

Notes:

- (1) The valuation work was undertaken by the Student Property valuation team in the United Kingdom, which has extensive experience and has been active in the sector since early 2000. This project is handled by Neil Armstrong, MRICS (Membership No 1119187), who is a Chartered Commercial Property Surveyor and RICS Registered Valuer in the United Kingdom.
- (2) The registered owner of the property was Centurion Investments (JSIV) Ltd as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) We have assumed that the property has planning and all necessary consents for the current existing use.
- (5) We have been advised that the property is leasehold. The lease granted was for a term of 125 years expiring 1 March 2134 (117 years unexpired). Current rent payable is GBP4,000 pa with further reviews in 2019 and 10 yearly thereafter.
- (6) Our valuation reflects an initial yield of 8.5% for the Student Accommodation. The Market Value reported is net of normal Purchasers Costs.
- (7) We have been provided with a Certificate of Title prepared by the Group's legal adviser. This confirmed that the owner has a good and marketable leasehold title to the property and is solely legally and beneficially entitled to the property.
- (8) We have adopted investment approach. Investment yield of 7% was adopted for student accommodation.

VALUATION

Group IV — Property Interests held by the Group for Investment in Singapore

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
12. Westlite Mandai Accommodation 32/34/36 Mandai Estate Singapore 729939/40/41	<p>The property is a workers' dormitory development comprising 3 blocks of 12-storey independent workers' dormitory (Block 32, 34 and 36). Amenities within the development include street soccer court, basketball court, volleyball court, indoor gym, internet station, workers' clinic, sickbay, game room, reading room, multi-purpose hall, TV room, music room, food court, sundry shop and car parking lots. The Temporary Occupation Permits for Block 32 and 34 were obtained on March 2013 whilst the Temporary Occupation Permit for Block 36, outdoor game court and part open surface car park was issued on 27 September 2013.</p> <p>The land area of the property is 11,265.1 sq m. The gross floor area is 29,055.75 sq m, including the commercial gross floor area of 389.0 sq m.</p>	As at the Valuation Date, the property is operated as a workers' dormitory comprising 6,290 beds.	SGD266,000,000 (Singapore Dollars Two Hundred and Sixty Six Million) (45% interest attributable to the Group: SGD119,700,000)

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
	<p>The building is constructed of reinforced concrete frame with brick in-fill walls, reinforced concrete floors and reinforced concrete flat roof. Each block is served by 2 passenger lifts and reinforced concrete staircase. The subject premises are fitted with timber doors, glass doors, PVC doors and anodised aluminium frame glass windows, amongst others.</p> <p>The property is a freehold interest held under lot number 1771M Mukim 14.</p>		

Notes:

- (1) The valuation is prepared by Knight Frank valuations team in Singapore. This project is handled by our local qualified valuers Mr Png Poh Soon with Licence No AD 041-2009900J, Mr Perry Khoo with Licence No AD 041-2009340A and Mr Lam Kwong Loke with Licence No AD 041-2009667D registered in Inland Revenue Authority of Singapore. Our local valuers have about 8 to 15 years of relevant experience of property valuation and consultancy work in Singapore.
- (2) The registered owner of the property was Lian Beng-Centurion (Mandai) Pte. Ltd. as at the Valuation Date.
- (3) As at the Valuation Date, the property was subject to the following encumbrances:
 - i. Mortgage in favour of Hong Leong Finance Limited vide Mortgage IC/284278E lodged on 18 April 2011 and registered on 20 April 2011.
- (4) The property was situated within an area zoned for "Civic & Community Institution" under the Master Plan 2014. According to the Master Plan Written Statement 2014 issued under Singapore Planning Act, "Workers' Dormitory" is categorised as one of uses under "Community Institutions" which is an approved use of "Civic & Community Institution" zone.
- (5) Our valuation reflects an initial yield of 6.8% as at the Valuation Date.

- (6) A private title search was made at the Singapore Titles Automated Registration System from Singapore Land Authority on 2 June 2017. Brief particulars of the title are as follows:

Legal Description : Lot No. 1771M Mukim 14
Tenure : Estate in perpetuity
Land Area : 11,265.1 sq m

- (7) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-

- i. the property is with good title and is legal, valid, binding and enforceable.
- ii. Certificate of Statutory Completion has been obtained and therefore the property can be legally occupied.

- (8) We have adopted investment approach. Investment yield of 6.75% was adopted.

VALUATION

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
13. Westlite Toh Guan Accommodation 14 to 28 (Even No.) Toh Guan Road East Singapore 608589/90/91/92/93/94/95/96	The property is a workers' dormitory development comprising 4 blocks of 5-storey workers' dormitory, 3 blocks of 6-storey workers' dormitory and an 18-storey workers' dormitory. Amenities within the development include canteen, supermarket, sickbay, quarantine area, recreational area and car parking lots. The 18-storey workers' dormitory was completed in 2013 whilst the remaining premises were completed in the 1990s.	As at the Valuation Date, the property is operated as a workers' dormitory comprising 7,820 beds.	SGD226,000,000 (Singapore Dollars Two Hundred and Twenty Six Million)
	The land area of the property is 11,685.3 sq m and the gross floor area is 37,370.52 sq m.		
	The building is constructed of reinforced concrete frame with brick in-fill walls, reinforced concrete floors and reinforced concrete flat roof. Nos. 14/16/24/26 are served by reinforced concrete staircase. Nos. 18/20/22 are served by a passenger lift and reinforced concrete staircase. No. 28 is served by 3 passenger lifts, 1 fireman lift and reinforced		

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
	<p>concrete staircase. The subject premises are fitted with timber doors, PVC doors and anodised aluminium frame glass windows, amongst others.</p> <p>The property is a leasehold interest held under lot number 7661T Mukim 5 for a term of 60 years commencing from 1 December 1997.</p>		

Notes:

- (1) The valuation is prepared by Knight Frank valuations team in Singapore. This project is handled by our local qualified valuers, Mr Png Poh Soon with Licence No. AD 041-2009900J, Mr Perry Khoo with Licence No. AD 041-2009340A and Mr Lam Kwong Loke with Licence No. AD 041-2009667D registered in Inland Revenue Authority of Singapore. Our local valuers have about 8 to 15 years of relevant experience of property valuation and consultancy work in Singapore.
- (2) The registered owner of the property was Westlite Dormitory (Toh Guan) Pte. Ltd. as at the Valuation Date.
- (3) As at the Valuation Date, the property was subject to the following encumbrances:
 - i. Subject to restrictive covenants vide Restriction IA/221590Q lodged and registered on 11 November 2005.
 - ii. Mortgage in favour of DBS Bank Ltd. vide Mortgage IA/962909T lodged on 1 February 2008 and registered on 16 February 2008.
 - iii. Mortgage in favour of DBS Bank Ltd. vide Mortgage ID/887581V lodged on 5 May 2014 and registered on 27 May 2014.
- (4) The property was situated within an area zoned for "Civic & Community Institution" under the Master Plan 2014. According to the Master Plan Written Statement 2014 issued under Singapore Planning Act, "Workers' Dormitory" is categorised as one of uses under "Community Institutions" which is an approved use of "Civic & Community Institution" zone.
- (5) For the purpose of this valuation, we have valued the property based on a balance lease term of 15 years for Workers' Dormitory use and 25.2 years for Clean and Light Industrial use. Total balance lease term of 40.2 years as at Valuation Date.
- (6) Our valuation reflects an initial yield of 10.9% as at the Valuation Date.

- (7) A private title search was made at the Singapore Titles Automated Registration System from Singapore Land Authority on 2 June 2017. Brief particulars of the title are as follows:

Legal Description	:	Lot No. 7661T Mukim 5
Tenure	:	Leasehold 60 years with effect from 1 December 1997
Land Area	:	11,685.3 sq m

- (8) According to the Supplemental Lease (Lease No. 23116) dated 12 September 2002, for the period of 30 years computed from 12 September 2002 to 11 September 2032, the Registered Lessee may use the land for the purpose of Workers' Dormitory. Upon the expiry of the said 30 years and until the expiry of the term of the lease, the Registered Lessee shall, in accordance with the said covenants, continue to use the land for the purpose of Clean and Light Industrial development.
- (9) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-
- i. the property is with good title and is legal, valid, binding and enforceable.
- (10) We have adopted investment approach. Investment yield of 7.5% was adopted.

VALUATION

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
14. Westlite Woodlands Accommodation 2 Woodlands Sector 2 Singapore 737723	<p>The property is a workers' dormitory development comprising of 1 block of 13-storey independent workers' dormitory (total 4,104 beds). Amenities within the development include multi-purpose rooms, indoor gym, reading + internet room, TV room, basketball court, cricket net, outdoor fitness corner, open field, minimart, canteen, barber shop, seating area, central laundry and sick bay. The Temporary Occupation Permit was obtained on 10 July 2015.</p> <p>The land area of the property is 9,542.4 sq m. The gross floor area is 28,626.0 sq m, including the commercial gross floor area of 553.55 sq m.</p> <p>The building is constructed of reinforced concrete framework, pre-cast reinforced concrete wall and reinforced concrete flat roof. The subject premises are fitted with fire rated solid timber doors, metal doors, aluminium glass doors, foldable partition doors, metal gates, roller shutter, aluminium fixed louvered windows, metal grilles,</p>	As at the Valuation Date, the property is operated as a workers' dormitory comprising 4,104 beds.	SGD139,000,000 (Singapore Dollars One Hundred and Thirty Nine Million)

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
	aluminium frame windows including glazing and ironmongery and stainless steel hoppers with self-closing air tight flap.		
	The property is a leasehold interest held under lot number 6107X Mukim 13 for a term of 30 years commencing from 22 November 2013.		

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Singapore. This project is handled by our local qualified valuers Mr Png Poh Soon with Licence No AD 041-2009900J, Mr Perry Khoo with Licence No AD 041-2009340A and Mr Lam Kwong Loke with Licence No AD 041-2009667D registered in Inland Revenue Authority of Singapore. Our local valuers have about 8 to 15 years of relevant experience of property valuation and consultancy work in Singapore.
- (2) The registered owner of the property was Westlite Dormitory (V One) Pte. Ltd. as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) The property was situated within an area zoned for “Civic & Community Institution” uses under the Master Plan 2014 as at the Valuation Date. According to the Master Plan Written Statement 2014 issued under Singapore Planning Act, “Workers’ Dormitory” is categorised as one of uses under “Community Institutions” which is an approved use of “Civic & Community Institution” zone.
- (5) Our valuation reflects an initial yield of 8.6% as at the Valuation Date.
- (6) A private title search was made at the Singapore Titles Automated Registration System from Singapore Land Authority on 2 June 2017. Brief particulars of the title are as follows:

Legal Description	:	Lot No. 6107X Mukim 13
Tenure	:	Leasehold 30 years with effect from 22 November 2013
Land Area	:	9,542.4 sq m
- (7) We have been provided with a legal opinion on the title to the property issued by the Group’s legal adviser which contains, inter-alia, the following information:-
 - i. the property is with good title and is legal, valid, binding and enforceable.
 - ii. Certificate of Statutory Completion has been obtained and therefore the property can be legally occupied.
- (8) We have adopted investment approach. Investment yield of 7.25% was adopted.

VALUATION

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
15. ASPRI — Westlite Papan Accommodation 5/5C/5D Jalan Papan Singapore 619396/619420/619421	<p>The property is a workers' dormitory development comprising of 2 blocks of 18-storey independent workers' dormitory and a 3-storey multi-purpose building for dormitory related activity. Amenities within the development include basketball court, cricket pitches, outdoor fitness corner, gymnasium, recreation room, reading room, TV room, briefing room, multi-purpose room, classrooms, computer rooms, minimart, laundry, retail units, canteen and sick bay. The Temporary Occupation Permit was obtained on 25 May 2016.</p> <p>The land area of the property is 14,817.3 sq m and the gross floor area is 50,378.0 sq m.</p> <p>The building is constructed of reinforced concrete frame with brick in-fill walls, reinforced concrete floors and reinforced concrete flat roof. Each block is served by 2 firemen lifts, 1 passenger lifts and reinforced concrete staircase.</p>	As at the Valuation Date, the property is operated as a workers' dormitory comprising 7,900 beds.	SGD201,000,000 (Singapore Dollars Two Hundred and One Million) (51% interest attributable to the Group: SGD102,510,000)

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
	<p>The subject premises are fitted with timber doors, PVC doors and anodised aluminium frame glass windows, amongst others.</p> <p>The property is a leasehold interest held under lot number 4232P Mukim 6 for a term of 23 years commencing from 30 January 2015.</p>		

Notes:

- (1) The valuation is prepared by Knight Frank valuations team in Singapore. This project is handled by our local qualified valuers Mr Png Poh Soon with Licence No AD 041-2009900J, Mr Perry Khoo with Licence No AD 041-2009340A and Mr Lam Kwong Loke with Licence No AD 041-2009667D registered in Inland Revenue Authority of Singapore. Our local valuers have about 8 to 15 years of relevant experience of property valuation and consultancy work in Singapore.
- (2) The registered owner of the property was Centurion-Lian Beng (Papan) Pte. Ltd. as at the Valuation Date.
- (3) As at the Valuation Date, the property was subject to the following encumbrances:
 - i. A caveat (IE/142106C) has been lodged against the property by Centurion-Lian Beng (Papan) Pte. Ltd. dated 22 January 2015.
 - ii. A caveat (IE/114145F) has been lodged against the property by Aspri Dormitory Pte. Ltd dated 22 January 2015.
 - iii. A caveat (IE/113629S) has been lodged against the property by United Overseas Bank Limited dated 29 January 2015.
- (4) The property was situated within an area zoned for “Civic & Community Institution” uses under the Master Plan 2014 as at the Valuation Date. According to the Master Plan Written Statement 2014 issued under Singapore Planning Act, “Workers’ Dormitory” is categorised as one of uses under “Community Institutions” which is an approved use of “Civic & Community Institution” zone.
- (5) Centurion-Lian Beng (Papan) Pte. Ltd. had on 22 December 2014 accepted a letter of offer issued by ASPRI Dormitory Pte Ltd in relation to the following:
 - i. to complete the construction of a workers’ dormitory to house 7,900 workers and a training centre at a parcel of land located at Jalan Papan, Singapore;
 - ii. the grant of a sublease in respect of the land and the buildings for the purpose of operating the workers’ dormitory.
- (6) Our valuation reflects an initial yield of 8.8% as at the Valuation Date.

- (7) A private title search was made at the Singapore Titles Automated Registration System from Singapore Land Authority on 2 June 2017. Brief particulars of the title are as follows:

Legal Description	:	Lot No. 4232P Mukim 6
Tenure	:	Leasehold 23 years with effect from 30 January 2015
Land Area	:	14,817.3 sq m

- (8) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-

- i. the property is with good title and is legal, valid, binding and enforceable.
- ii. Certificate of Statutory Completion has been obtained and therefore the property can be legally occupied.

- (9) We have adopted investment approach. Investment yield of 7.25% was adopted.

VALUATION

Group V — Property Interests held by the Group for sale in Indonesia

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
16. Royal Palace C.15, Jalan Prof. Dr. Soepomo, SH No. 178A, Rukun Tetangga/Rukun Warga/Kelurahan Mentang Dalam, Kecamatan, Jakarta Selatan, Indonesia	The property is a 4-storey office building. It is located near the junction of Gatot Subroto Road / MT Haryono Road / Pasar Minggu Raya Road and DR Soepomo Road and about 7 km from National Monument (Tugu MONAS) and the city centre.	As at the Valuation Date, the property was vacant.	RP5,233,000,000 (Indonesian Rupiah Five Billion Two Hundred and Thirty Three Million)
	The building is constructed of reinforced concrete frame. It was completed in the 2004 or thereabouts.		
	The Subject Property is used as an office building and in average condition. It consists of land and building area 63 sq m and 243 sq m respectively.		

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Indonesia. This project is handled by our valuation partner with Licence property valuation number P-1.09.00205 (Property Valuation) from the Ministry of Finance of the Republic of Indonesia, and registered at Financial Service Authority of Indonesia (OJK) with Registered License of the Capital Market Profession Number 21/PM.22/STTD-P/A/2016.
- (2) The registered owner of the property was PT Digital Media Technology as at the Valuation Date.
- (3) The property was situated within an area zoned for Offices, Trade and Services at plot ratio 2.4, building coverage in 60% uses under the approved Town Planning Jakarta Special Region Authorization No.1, year 2014.
- (4) Our valuation reflects a net initial yield (exclusive of income tax and VAT) of 4.8% as at the Valuation Date.

- (5) A copy of Land Certificate was issued by Indonesian Land Authority on 27 July 2004. Brief particulars of the title are as follows:

Legal Description	:	Right to Build (Hak Guna Bangunan) No 1524/Menteng Dalam.
Registered Proprietor	:	PT. Digital Media Technology.
Issued date	:	27 July 2004.
Expiry date	:	30 June 2021.
Measurement date	:	18 June 2004.
Measurement No	:	01332/2004.
Land area	:	63 sq m.

- (6) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-

i. the property is with good title and is legal, valid, binding and enforceable.

- (7) The following comparables were considered:-

Comparable	(i)	(ii)	(iii)	(iv)
Address	Shop House Complex Crown Palace Business Park Block A	Shop House Complex Royal Palace Block B	Shop House Complex Crown Palace Business Park Block D	Shop House Complex Crown Palace Business Park Block D
Property Type	Street shop	Shop within complex	Shop within complex	Shop within complex
Land Area (sq m)	81	78	63	75
Building Area (sq m)	324	200	200	286
Achievable Sale Price	RP6,750,000,000	RP4,950,000,000	RP4,680,000,000	RP5,400,000,000
Unit Rate on Building Area (per sq m)	RP20,833,333	RP24,750,000	RP23,400,000	RP18,881,119
Date	2017	2017	2017	2017

These relevant comparables were recorded in the surrounding locality of the property. Mainly size factor was considered.

VALUATION

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
17. Industrial factory at MM2100 Industrial Town Jl. Bali Block H1-1, Cibitung, Bekasi 17520, Indonesia	<p>The property is a factory building located at MM 2100 Industrial Town, near Cikampek toll road (main access road from Jakarta to the property). Location of MM 2100 Industrial Town is about 30 km from Jakarta Central Business District (CBD). The property was in average condition and was vacant at the time of our inspection.</p> <p>The property is located in a corner rectangular site with a land area 6,005 sq m and building area about 5,150 sq m.</p> <p>The site has a frontage about 60 m onto Jalan Sulawesi I. and about 93 m to Jalan Bali.</p> <p>The site is generally flat and at the same level with the fronting road, Jalan Sulawesi I. The property is provided with a main entrance and is secured by a metal sliding gate.</p> <p>The building is constructed of reinforced concrete frame. It was completed in 2007, based on building permits No 503/103/A/DPPB dated 31 August 2007 issued by Kabupaten Bekasi Government.</p>	As at the Valuation Date, the property was owner occupied.	RP31,349,000,000 (Indonesian Rupiah Thirty One Billion Three Hundred and Forty Nine Million)

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Indonesia. This project is handled by valuation partner with License property valuation number P-1.09.00205 (Property Valuation) from the Ministry of Finance of the Republic of Indonesia, and registered at Financial Service Authority of Indonesia (OJK) with Registered License of the Capital Market Profession Number 21/PM.22/STTD-P/A/2016.
- (2) The registered owner of the property was PT Digital Media Technology as at the Valuation Date.
- (3) As at the Valuation Date, the property was subject to the following encumbrances:-
 - i. Mortgage in PT. Bank OCBC NISP Tbk memorial No 7867/2010 dated 17 September 2010.
- (4) The property was situated within an area zoned for Industrial uses.
- (5) A copy of land certificate was issued by Indonesian Land Authority on 30 August 1997. Brief particulars of the title are as follows:
 - Legal Description : Right to Build (Hak Guna Bangunan) No 185/Gandamekar.
 - Registered Proprietor : PT. Digital Media Technology.
 - Issued date : 30 August 1997.
 - Expiry date : 30 September 2024.
 - Measurement date : 19 June 1997.
 - Measurement No : 8358/1997.
 - Land area : 6,005 sq m.
- (6) We have been provided with a legal opinion on the title to the property issued by the Group’s legal adviser which contains, inter-alia, the following information:-
 - i. the property is with good title and is legal, valid, binding and enforceable.
- (7) The following comparables were considered:-

Comparable	(i)	(ii)	(iii)	(iv)	(v)
Address	MM2100 Industrial Town	MM2100 Industrial Town	MM2100 Industrial Town	Jababeka 1 Industrial Estate	Jababeka 1 Industrial Estate
Property Type	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Land Area (sq m)	10,000	40,000	20,000	10,395	19,928
Achievable Unit Rate	RP3,150,000	RP3,325,000	RP3,040,000	RP3,230,000	RP3,420,000
Date	2016	2017	2017	2017	2017

These relevant comparables were recorded in the surrounding locality of the property. Mainly factors for land area and improvement works were considered.

VALUATION

Group VI — Property Interests held by the Group for Future Development in Indonesia

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
18. Vacant Land at Jl Wareng Kali Jambe Lambang Sari Village, sub-district of Tambun Bekasi, West Java, Jakarta, Indonesia	<p>The property is a vacant development site in a suburban area. It is irregular in shape and the land area is about 7,220 sq m.</p> <p>The property has a frontage about 75 m onto the asphalt road, Jalan Wareng Kali Jambe.</p> <p>The property is generally bare site and the site level is slightly lower than the frontage road, Jalan Wareng Kali Jambe.</p> <p>The property is located at about 50 m from the main road, Mustika Jaya Road.</p>	As at the Valuation Date, the property was vacant.	RP14,450,000,000 (Indonesian Rupiah Fourteen Billion Four Hundred and Fifty Million)

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Indonesia. This project is handled by our valuation partner with License property valuation number P-1.09.00205 (Property Valuation) from the Ministry of Finance of the Republic of Indonesia, and registered at Financial Service Authority of Indonesia (OJK) with Registered License of the Capital Market Profession Number 21/PM.22/STTD-P/A/2016.
- (2) The registered owner of the property was PT Westlite Accommodation Cibitung as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) The property was situated within an urban area zone, as per Bekasi Regency local office information.

- (5) A Copy of land certificate was given by PT Westlite Accommodation issued by Indonesian Land Authority on 17 March 1996. Brief particulars of the title are as follows:

Legal Description : Right to Build (Hak Guna Bangunan) No 4940/Lambang Sari.
 Registered Proprietor : PT Westlite Accommodation.
 Issued date : 17 March 1992.
 Expiry date : 4 December 2043.
 Measurement date : Unread.
 Measurement No : 19028/1991.
 Land area : 7,220 sq m.

- (6) We have been provided with a legal opinion on the title to the property issued by the Group’s legal adviser which contains, inter-alia, the following information:-

i. the property is with good title and is legal, valid, binding and enforceable.

- (7) The following comparables were considered:-

Comparable	(i)	(ii)	(iii)	(iv)
Address	Jl Mustika Jaya, Village of Lambang Sari, Tambun Selatan, Kabupaten Bekasi	Jl Mustika Jaya, Village of Lambang Sari, Tambun Selatan, Kabupaten Bekasi	Jl Mustika Jaya, Village of Cimuning, Tambun Selatan, Kabupaten Bekasi	Jl WR Supratman, Mustika Jaya, Village of Cimuning, Tambun Selatan, Kabupaten Bekasi
Property Type	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Land Area (sq m)	3,833	3,700	4,658	4,800
Achievable Unit Rate	RP2,565,000	RP4,500,000	RP2,898,240	RP1,530,000
Date	2017	2017	2017	2017

These relevant comparables were recorded in the surrounding locality of the property. Mainly factors for location, access and land area were considered.

VALUATION

Group VII — Property Interests held by the Group for Investment in Malaysia

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
19. Westlite Johor Technology Park Accommodation PLO 46, Jalan Teknologi 5, Taman Teknologi Johor, 81400 Senai, Johor , Malaysia	<p>The property is a parcel of land built upon with five blocks of five-storey walk-up workers' dormitories and one block of double-storey canteen. It was completed in 2012, as per the Certificate of Completion and Compliance (CCC).</p> <p>The subject site is an industrial plot with a provisional land area of 1.43 ha (about 14,313.79 sq m).</p> <p>The subject site is generally flat in terrain and lies at the same level as the frontage metalled road, Jalan Teknologi 5. The boundaries are generally demarcated by wire mesh fencing and chain link fencing surmounted with barbed wire.</p> <p>The main entrance to the site is secured by a sliding metal gate whilst the internal driveway and circulation within the compound are generally concrete flooring throughout.</p> <p>The Gross Floor Area of the subject property is approximately 33,300 sq m (about 358,441 sq ft), which was certified by the Group's architects.</p>	As at the Valuation Date, the property is leased to various tenants for terms of 1 to 2 years with the latest expiry on 30 September 2019 at a total monthly rent of RM593,884 exclusive of utility fee and transport but inclusive of maintenance fee and other outgoings.	RM47,000,000 (Malaysian Ringgit Forty Seven Million)

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Malaysia. This project is handled by our local qualified valuer with Registration No. V0319 & E1061 registered in Board of Valuers, Appraisers and Estate Agents Malaysia with Certificate No 0750. Our local valuer has over 30 years of relevant experience of property valuation and consultancy work in Malaysia.
- (2) The registered owner of the property was Westlite Dormitory (JB Techpark) Sdn Bhd as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) The property is situated within an area zoned for Industrial uses under the local authority planning guidelines. However, it is designated for residential use (workers' dormitory) as expressly stipulated in the title document.
- (5) We have been provided with the approved building plans of the property, bearing plan number MPKU/4/2-12/2011 PEL dated 30 November 2011. We noted that the Certificate of Completion and Compliance (CCC) bearing Serial No. LAM/J/2212 was obtained on 23 July 2011.
- (6) Public utilities and services such as mains water, public sewerage, electricity supply and telephone lines are connected to the property. Other essential public services for the area such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting are provided by Majlis Perbandaran Kulai (MPKu).
- (7) A private title search was made at the Pejabat Tanah dan Galian Johor on 31 May 2017. Brief particulars of the title are as follows:

Lot No.	:	PTD 87632
Title No.	:	HSD 61836
Mukim	:	Kulai
District	:	Kulai
Tenure	:	99-year leasehold, expiring on 22 April 2112.
Category of Land Use	:	Building
Titled Land Area	:	14,313.79 sq m
Quit Rent	:	RM17,136.00
Registered Proprietor	:	Goodwill Origins Sdn Bhd. (Now known as Westlite Dormitory (JB Techpark) Sdn Bhd)
Endorsements	:	Nil.

- (8) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-
 - i. the property is with good and marketable titles and is legal, valid, binding and enforceable.
 - ii. relevant licences, approvals, permits, consents and registrations, which are required for their respective business operations, have been obtained. The Approvals are valid and have not expired, been varied or revoked.
- (9) We have adopted investment approach. Term and reversion yields of 10% and 10.5% were adopted.

VALUATION

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
20. Westlite Pasir Gudang Accommodation Block Nos. 72, 73, 74 & 75, Off Jalan Tembusu, Taman Air Biru, 81700 Pasir Gudang, Johor , Malaysia	<p>The property consists of four contiguous parcels of land built upon with four blocks of five-storey walk-up workers' dormitories. It was completed in 1994, as per the Certificate of Fitness for Occupation (CFO).</p> <p>The subject site consist of four building plots with a total provisional land area of 8,391.20 sq m (about 90,323 sq ft).</p> <p>The subject site is generally flat in terrain and lies at the same level as the neighboring lots. The boundaries are generally demarcated by metal decking sheets and 1.5-m high chain-link fencing surmounted with barbed wire.</p> <p>The Gross Floor Area of the property is approximately 8,703 sq m (about 93,679 sq ft), which was certified by the Group's architects.</p>	As at the Valuation Date, the property is leased to various tenants for terms of 0.25 to 2.2 years with the latest expiry on 3 October 2019 at a total monthly rent of RM143,085 exclusive of utility fee and transport but inclusive of maintenance fee and other outgoings.	RM17,100,000 (Malaysian Ringgit Seventeen Million and One Hundred Thousand)

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Malaysia. This project is handled by our local qualified valuer with Registration No. V0319 & E1061 registered in Board of Valuers, Appraisers and Estate Agents Malaysia with Certificate No 0750. Our local valuer has over 30 years of relevant experience of property valuation and consultancy work in Malaysia.
- (2) The registered owner of the property was Westlite Dormitory (Pasir Gudang) Sdn Bhd as at the Valuation Date.

- (3) As at the Valuation Date, the property was subject to the following encumbrances:
- i. Charged to RHB Bank Berhad vide Presentation Nos. 75466/2015 & 75467/2015, both registered on 28 September 2015.
- (4) The property is situated within an area zoned for Residential uses under the local authority planning guidelines. However, the local council has given written approval for it to be used as workers' dormitory.
- (5) We have not been provided with the approved building plans of the property. We noted that the Certificates of Fitness for Occupation (CFO) bearing Certificate Nos. 28/94, 29/94, 30/94 & 32/94 were obtained on 9 May 1994.
- (6) Public utilities and services such as mains water, public sewerage, electricity supply and telephone lines are connected to the property. Other essential public services for the area such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting are provided by Majlis Perbandaran Pasir Gudang (MPPG).
- (7) Private title searches were made at the Pejabat Tanah dan Galian Johor on 31 May 2017. Brief particulars of the titles are as follows:

Lot Nos	:	PTD 71015, PTD 71017, PTD 71018, PTD 71019
Title Nos.	:	HSD135075, HSD135077, HSD135078, HSD 135079
Mukim	:	Plentong
District	:	Johor Bahru
Tenure	:	99-year leasehold, expiring on 2 November 2085
Category of Land Use	:	Building
Provisional Land Areas	:	PTD 71015 — 1,852.24 sq m PTD 71017 — 1,763.80 sq m PTD 71018 — 1,828.74 sq m PTD 71019 — 2,946.42 sq m
Quit Rent	:	PTD 71015 — RM342.00 PTD 71017 — RM324.00 PTD 71018 — RM342.00 PTD 71019 — RM540.00
Registered Proprietor	:	Westlite Dormitory (Pasir Gudang) Sdn Bhd.

- Endorsements : PTD 71015
- i) Amendment of quit rent vide Presentation No. 69494/2006, registered on 16 January 2006.
 - ii) Transfer of land from Westlite Dormitory (PG II) Sdn Bhd to Westlite Dormitory (Pasir Gudang) Sdn Bhd vide Presentation No. 39936/2015, registered on 21 May 2015.
- PTD 71017
- i) Amendment of quit rent vide Presentation No. 69502/2006, registered on 16 January 2006.
 - ii) Transfer of land from Westlite Dormitory (PG II) Sdn Bhd to Westlite Dormitory (Pasir Gudang) Sdn Bhd vide Presentation No. 39936/2015, registered on 21 May 2015.
- PTD 71018
- i) Amendment of quit rent vide Presentation No. 69508/2006, registered on 16 January 2006.
 - ii) Transfer of land from BTA Frozen Sdn Bhd to Westlite Dormitory (Pasir Gudang) Sdn Bhd vide Presentation No. 85595/2012, registered on 17 October 2012.
- PTD 71019
- i) Amendment of quit rent vide Presentation No. 69513/2006, registered on 16 January 2006.
 - ii) Transfer of land from BTA Frozen Sdn Bhd to Westlite Dormitory (Pasir Gudang) Sdn Bhd vide Presentation No. 85596/2012, registered on 17 October 2012.
- (8) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-
- i. the property is with good and marketable titles and is legal, valid, binding and enforceable.
 - ii. relevant licences, approvals, permits, consents and registrations, which are required for their respective business operations, have been obtained. The Approvals are valid and have not expired, been varied or revoked.
- (9) We have adopted investment approach. Term and reversion yields of 10% and 10.5% were adopted.

VALUATION

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
21. Westlite Senai Accommodation Lot 6212, Jalan Taman Perindustrian Senai, Mukim Senai, Daerah Kulaijaya, Johor, Malaysia	<p>The property is a parcel of land built upon with two blocks of five-storey walk-up workers' dormitories. It was completed in 2013, as per the Certificate of Completion and Compliance (CCC).</p> <p>The subject site is a building plot with a titled land area of 2.03 ha (about 20,310 sq m). The net land area is 1.7 acres (about 74,050 sq ft) after the approval for surrender of a portion of the land measuring 1.343 ha (about 144,565 sq ft).</p> <p>The subject site is generally flat in terrain and lies slightly higher than the frontage metalled road, Jalan Perindustrian 2. The site boundaries are generally demarcated by 1.5-m high chain-link fencing surmounted with barbed wire.</p> <p>The subject site is provided with a main entrance and is secured by a metal sliding gate whilst the internal driveway and circulation within the compound are generally concrete flooring throughout.</p>	As at the Valuation Date, the property is leased to various tenants for terms of 1 or 2 years with the latest expiry on 31 May 2019 at a total monthly rent of RM260,998 exclusive of utility fee and transport but inclusive of maintenance fee and other outgoings.	RM21,300,000 (Malaysian Ringgit Twenty One Million and Three Hundred Thousand)

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
	The Gross Floor Area of the property is approximately 14,958 sq m (about 161,008 sq ft), which was certified by the Group's architects.		

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Malaysia. This project is handled by our local qualified valuer with Registration No. V0319 & E1061 registered in Board of Valuers, Appraisers and Estate Agents Malaysia with Certificate No 0750. Our local valuer has over 30 years of relevant experience of property valuation and consultancy work in Malaysia.
- (2) The registered owner of the property was Westlite Dormitory (Senai) Sdn Bhd as at the Valuation Date.
- (3) As at the Valuation Date, the property was subject to the following encumbrances:-
 - i. Charged three times to Malayan Banking Berhad vide Presentation Nos. 68387/2015, 38388/2015 & 68389/2015, all registered on 1 September 2015.
- (4) The property is situated within an area zoned for Industrial uses under the local authority planning guidelines. However, it is designated for residential use (workers' dormitory) as expressly stipulated in the title document.
- (5) We have been provided with the approved building plans of the property, bearing plan number MPKu 4/2-31/2012 PEL dated 22 April 2013. We noted that the Certificate of Completion and Compliance (CCC) bearing Serial No. LAM/J/3182 was obtained on 17 September 2013.
- (6) Public utilities and services such as mains water, public sewerage, electricity supply and telephone lines are connected to the property. Other essential public services for the area such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting are provided by Majlis Perbandaran Kulai (MPKu).

- (7) A private title search was made at the Pejabat Tanah dan Galian Johor on 31st May 2017. Brief particulars of the title are as follows:

Lot No.	:	Lot 6212
Title No.	:	GRN 231551
Mukim	:	Senai
District	:	Kulai
Tenure	:	Interest in perpetuity
Category of Land Use	:	Building
Titled Land Area	:	2.03 ha
Quit Rent	:	RM8,211.00
Registered Proprietor	:	Westlite Dormitory (Senai) Sdn Bhd
Endorsements	:	i) Proposed land acquisition of approximately 3 acres 1 rood 11 pole vide Presentation No. 857/1979, registered on 23 July 1979. ii) Acquisition of a portion of land of approximately 3 acres 1 rood 11 pole vide Presentation No. 1248/1984, registered on 25 July 1984.

- (8) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-

- i. the property is with good and marketable titles and is legal, valid, binding and enforceable.
- ii. relevant licences, approvals, permits, consents and registrations, which are required for their respective business operations, have been obtained. The Approvals are valid and have not expired, been varied or revoked.

- (9) We have adopted investment approach. Term and reversion yields of 9.5% and 10% was adopted.

VALUATION

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
22. Westlite Senai II Accommodation Lot 6214, Taman Perindustrian Senai, Mukim Senai, Daerah Kulajaya, Johor, Malaysia	<p>The property is a parcel of land built upon with five blocks of five-storey walk-up workers' dormitories. It was completed in 2016, as per the Certificate of Completion and Compliance (CCC).</p> <p>The subject site is a building plot with a titled land area of 1.91 ha (about 19,071 sq m). The net land area is 1.56 acres (about 6,313 sq m) after the approval for surrender of a portion of the land measuring 0.34 ha (about 3,440 sq m).</p> <p>The subject site is generally flat in terrain and lies at the same level as the frontage metalled road, Jalan Perindustrian 2. The northern and eastern site boundaries are generally demarcated by plastered brickwalls mounted with chain link fencing, the southern boundary is demarcated with metal decking sheets whilst the western boundary is demarcated with chain link fencing.</p>	As at the Valuation Date, the property is leased to various tenants for terms of 0.8 to 2 years with the latest expiry on 15 August 2019 at a total monthly rent of RM684,148 exclusive of utility fee and transport but inclusive of maintenance fee and other outgoings.	RM50,900,000 (Malaysian Ringgit Fifty Million and Nine Hundred Thousand)

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
	<p>The main entrance to the site is not secured by any form of gates whilst the internal driveway and circulation within the compound are generally concrete flooring throughout.</p> <p>The Gross Floor Area of the subject property is approximately 23,366 sq m (about 215,512 sq ft), which was certified by the Group's architects.</p>		

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Malaysia. This project is handled by our local qualified valuer with Registration No. V0319 & E1061 registered in Board of Valuers, Appraisers and Estate Agents Malaysia with Certificate No 0750. Our local valuer has over 30 years of relevant experience of property valuation and consultancy work in Malaysia.
- (2) The registered owner of the property was Westlite Dormitory (SN II) Sdn Bhd as at the Valuation Date.
- (3) As at the Valuation Date, the property was subject to the following encumbrances:
 - i. Charged three times to Malayan Banking Berhad vide Presentation Nos. 100262/2014, 100263/2014 & 100264/2014, all registered on 30 November 2014.
 - ii. Charged to Malayan Banking Berhad vide Presentation No. 68383/2015, registered on 1 September 2015.
- (4) The property is situated within an area zoned for Industrial uses under the local authority planning guidelines. However, it is designated for residential use (workers' dormitory) as expressly stipulated in the title document.
- (5) We have been provided with the approved building plans of the property, bearing plan number MPKu 4/2-13/2014 PEL dated 20 November 2015. We noted that the Certificate of Completion and Compliance (CCC) bearing Serial No. LAM/J/2893 was obtained on 3 January 2016.
- (6) Public utilities and services such as mains water, public sewerage, electricity supply and telephone lines are connected to the property. Other essential public services for the area such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting are provided by Majlis Perbandaran Kulai (MPKu).

- (7) A private title search was made at the Pejabat Tanah dan Galian Johor on 31 May 2017. Brief particulars of the title are as follows:

Lot No.	:	Lot 6214
Title No.	:	GRN 231558
Mukim	:	Senai
District	:	Kulai
Tenure	:	Interest in perpetuity
Category of Land Use	:	Building
Titled Land Area	:	1.91 ha
Quit Rent	:	RM18,683.00
Registered Proprietor	:	Westlite Dormitory (SN II) Sdn Bhd
Endorsements	:	i) Proposed land acquisition of approximately 0 acres 2 rood 24 pole vide Presentation No. 857/1979, registered on 23 July 1979. ii) Acquisition of a portion of land of approximately 0 acres 2 rood 24 pole vide Presentation No. 1248/1984, registered on 25 July 1984. iii) Approval of the surrender of part of the land of approximately 0.0809 ha vide Presentation No. 3023/2012, registered on 31 July 2012.

- (8) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-

- i. the property is with good and marketable titles and is legal, valid, binding and enforceable.
- ii. relevant licences, approvals, permits, consents and registrations, which are required for their respective business operations, have been obtained. The Approvals are valid and have not expired, been varied or revoked.

- (9) We have adopted investment approach. Term and reversion yields of 9.5% and 10% was adopted.

VALUATION

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
23. Westlite Bukit Minyak Land Jalan Sri Tambun 1, 14100 Simpang Ampat, Penang, Malaysia	<p>The property is located along Jalan Perindustrian Bukit Minyak, approximately 3 km due west of the Simpang Ampat town centre and 20 km due south-east of the Butterworth Ferry Terminal and Railway Station.</p> <p>It is easily accessible from the Butterworth Ferry Terminal and Railway Station via the Butterworth Outer Ring Road (BORR), Jalan Baru, Jalan Bukit Tengah and thence onto Jalan Perindustrian Bukit Minyak, all being well maintained metalled roads.</p> <p>It faces east and enjoys a direct frontage of 110 m onto Jalan Perindustrian Bukit Minyak whilst the western site boundary measuring about 130 m fronts onto Jalan Sri Tambun 1. The subject site has an average depth of about 140 m.</p> <p>The subject site is generally flat in terrain and lies slightly below the level of the frontage metalled road.</p>	A development site with construction works in progress.	RM29,360,000 (Malaysian Ringgit Twenty Nine Million Three Hundred and Sixty Thousand)

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
	<p>The site boundaries are demarcated with metal hoarding sheets and plastered brickwalls.</p> <p>At the date of our site inspection, we noted that there is a transmission line that runs across the mid-portion of the subject site in a south-easterly to north-westerly direction. Some construction work is currently in progress on the site. The estimated completion is in 2018.</p>		

Notes:

- (1) The valuation is prepared by the Knight Frank valuation team in Malaysia. This project is handled by our local qualified valuer with Registration No. V0219 registered in Board of Valuers, Appraisers and Estate Agents Malaysia with Certificate No R0115217. Our local valuer has over 30 years of relevant experience of property valuation and consultancy work in Malaysia.
- (2) The registered owner of the property was Westlite Dormitory (Bukit Minyak) Sdn Bhd as at the Valuation Date.
- (3) Pursuant to the information provided by the company, the total estimated development cost is approximately RM58,300,000 as at the valuation date. Based on our calculation, the value of the property on a clear-site basis was estimated at RM9,000,000.

As at the valuation date, the total construction cost incurred was estimated at approximately RM20,360,000.

- (4) The property has been issued with a C(1) Certificate with the approval of the workers' quarters development comprising 3 blocks of 11-storey flatted workers' quarters and a single-storey detached facility building.

- (5) Title particulars of the property as extracted from the Southern District of Province Wellesley Land Office on 22 May 2017 are as follows:

Lot No.	:	9224, Mukim 14, Southern District of Province Wellesley, Penang
Title No.	:	GM 2643
Tenure	:	Interest in perpetuity
Category of Land Use	:	Building
Titled Land Area	:	1.79 ha
Registered Proprietor	:	Westlite Dormitory (Bukit Minyak) Sdn Bhd — full share
Express Condition	:	i) Tanah ini hendaklah digunakan untuk tujuan pangsapuri kuarters sahaja. (* <i>This land should be used only for the purposes of the apartments quarters*</i>) ii) Pelan bangunan hendaklah seperti yang diluluskan oleh Pihak Berkuasa Tempatan iaitu Majlis Perbandaran Seberang Perai. (* <i>Building plans must be as approved by the Local Authority of the Seberang Perai Municipal Council</i>)

Implied Condition:

Kelulusan ini adalah tertakluk kepada Seksyen 116, Kanun Tanah Negara 1965, iaitu tuan hendaklah mendirikan bangunan dalam tempoh 2 tahun dari tarikh endorsemen bangunan dalam Surat Hakmilik bagi tanah ini. Sekiranya tuan gagal berbuat demikian, maka tindakan di bawah Seksyen 127, Kanun Tanah Negara 1965 boleh diambil.

(* *This approval is subject to Section 116 of the National Land Code 1965, that is, a building should be erected within 2 years from the date of building endorsement in the Title Deed of the land. If you fail to do so, then action under Section 127 of the National Land Code 1965 can be taken**)

Restriction-In-Interests	:	Nil.
Encumbrance	:	Nil.
Endorsement	:	i) Right of Way of power transmission line with land area of about 0.6475 ha under Electric Supply Act 1990 vide Presentation No. 0703N2004000036, registered on 16 December 2004. ii) An application to surrender part of the land vide Presentation No. 0703N2017000041, registered on 3 March 2017.

* *Disclaimer: The English version is a rough and informal translation of the original (which is in the Malay language) and is for information purposes only. In case of a discrepancy, the Malay original will prevail.*

The above title search is conducted to establish title particulars relevant to this Valuation only. We recommend that an official title search to be conducted and further legal advice sought to verify the above.

If any matters come to light as a result of your legal adviser's review of the title particulars, we request that these matters be referred back to us as this information may have an important bearing upon the values reported.

- (6) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-
- i. the property is with good and marketable titles and is legal, valid, binding and enforceable.
 - ii. relevant licences, approvals, permits, consents and registrations, which are required for their respective business operations, have been obtained. The Approvals are valid and have not expired, been varied or revoked.

(7) The following comparables were considered:-

Comparable	(i)	(ii)	(iii)
Address	Mukim 14, Central District of Province Wellesley, Penang	Mukim 14, Southern District of Province Wellesley, Penang	Mukim 13, Central District of Province Wellesley, Penang
Property Type	Vacant Land	Vacant Land	Vacant Land
Land Area (sq m)	67,026	7,117	38,450
Sale Price	RM36,072,036	RM3,600,000	RM21,725,550
Unit Rate (per sq m)	RM538	RM506	RM565
Date	18 October 2016	29 March 2016	26 August 2015

These comparables were the relevant transactions recorded in the surrounding locality of the property. Factors of location, site characteristics, development potential, road frontage, land size, planning approval were considered.

VALUATION

Group VIII — Property Interests held by the Group for Owner Occupation in Malaysia

	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
24.	No. 17, Jalan Ekoperniagaan 1/23, Taman Ekoperniagaan, 81100 Johor Bahru, Johor, Malaysia	<p>The property is a corner unit double-storey cluster factory. It was completed in 2015, as per the Certificate of Completion and Compliance (CCC).</p> <p>The subject site is a corner unit cluster factory plot with a provisional land area of 0.09 ha (about 900 sq m).</p> <p>The subject site is generally flat in terrain and lies at the same level as the frontage metalled road, Jalan Ekoperniagaan 1/23. The site boundaries are generally demarcated by plastered brickwalls and wire mesh fencing.</p> <p>The main entrance to the site is secured by a pair of metal leaf gates whilst the internal driveway and circulation within the compound are generally concrete flooring throughout.</p> <p>The property is currently used as an office.</p> <p>The Gross Floor Area of the property is approximately 453 sq m (about 4,876 sq ft), which was certified by the Group's architects.</p>	As at the Valuation Date, the property was owner-occupied.	RM2,200,000 (Malaysian Ringgit Two Million and Two Hundred Thousand)

Notes :

- (1) The valuation is prepared by Knight Frank valuation team in Malaysia. This project is handled by our local qualified valuer with Registration No. V0319 & E1061 registered in Board of Valuers, Appraisers and Estate Agents Malaysia with Certificate No 0750. Our local valuer has over 30 years of relevant experience of property valuation and consultancy work in Malaysia.
- (2) The registered owner of the property was Centurion Dormitories Sdn Bhd as at the Valuation Date.
- (3) As at the Valuation Date, there was no major encumbrances registered against the property.
- (4) The property is situated within an area zoned for Industrial uses under the local authority planning guidelines.
- (5) We have been provided with the building plans as extracted from the Sales and Purchase Agreement of the property. We noted that the Certificate of Completion and Compliance (CCC) bearing Serial No. LAM/J/7202 was obtained on 17 December 2015.
- (6) Public utilities and services such as mains water, public sewerage, electricity supply and telephone lines are connected to the property. Other essential public services for the area such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting are provided by Majlis Bandaraya Johor Bahru (MBJB).
- (7) A private title search was made at the Pejabat Tanah dan Galian Johor on 31 May 2017. Brief particulars of the title are as follows:-

Lot No.	:	PTD 186597
Title No.	:	HSD 561025
Mukim	:	Tebrau
District	:	Johor Bahru
Tenure	:	Interest in perpetuity
Category of Land Use	:	Industrial
Titled Land Area	:	0.09 ha
Quit Rent	:	RM1,200.00
Registered Proprietor	:	Centurion Dormitories Sdn Bhd
Endorsements	:	Transfer of land from Eco Business Park 1 Development Sdn Bhd to Centurion Dormitories Sdn Bhd vide Presentation No. 60851/2016, registered on 1 September 2016.

- (8) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-
 - i. the property is with good and marketable titles and is legal, valid, binding and enforceable.
 - ii. relevant licences, approvals, permits, consents and registrations, which are required for their respective business operations, have been obtained. The Approvals are valid and have not expired, been varied or revoked.

(9) The following comparables were considered:-

Comparable	(i)	(ii)	(iii)	(iv)
Address	Taman Ekoperniagaan, 81100 Johor Bahru, Johor Darul Takzim	Taman Ekoperniagaan, 81100 Johor Bahru, Johor Darul Takzim	Taman Ekoperniagaan, 81100 Johor Bahru, Johor Darul Takzim	Taman Ekoperniagaan, 81100 Johor Bahru, Johor Darul Takzim
Property Type	Industrial	Industrial	Industrial	Industrial
Land Area (sq m)	800	800	800	800
Floor Area (sq m)	314	430	314	430
Tenure	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Consideration	RM1,450,000	RM2,333,000	RM2,333,000	RM2,183,000
Date	23 November 2016	31 August 2016	30 August 2016	26 July 2016
Remarks	Similar building condition; developer sales	Similar building condition; developer sales	Similar building condition; developer sales	Similar building condition; developer sales

These comparables were the relevant transactions recorded in the surrounding area of the property. All the above comparables are located in Taman Ekoperniagaan which is considered similar to the property. The property is a corner unit which is considered superior to all the above comparables.

VALUATION

Group IX — Property Interests held by the Group for Future Development in Malaysia

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
25. Westlite Nusajaya Land Lot 1108, Mukim of Jeram Batu, District of Pontian, Johor, Malaysia	<p>The property is a parcel of agriculture land.</p> <p>The subject site is irregular in shape with a provisional land area of 3.02 ha (about 30,174 sq m).</p> <p>The subject site fronts onto the frontage metalled road, Jalan Kampung Ulu Choh. The subject site is generally flat to undulating in terrain and lies slightly below the frontage metaled road, Jalan Kampung Ulu Choh. The site boundaries are not demarcated by any form of fencing.</p>	As at the Valuation Date, the property was vacant.	<p>RM11,700,000 (Malaysian Ringgit Eleven Million and Seven Hundred Thousand)</p> <p>(49% interest attributable to the Group: RM5,733,000)</p>

Notes :

- (1) The valuation is prepared by Knight Frank valuation team in Malaysia. This project is handled by our local qualified valuer with Registration No. V0319 & E1061 registered in Board of Valuers, Appraisers and Estate Agents Malaysia with Certificate No 0750. Our local valuer has over 30 years of relevant experience of property valuation and consultancy work in Malaysia.
- (2) The registered owner of the property was Oriental Amber Sdn Bhd as at the Valuation Date.
- (3) As at the Valuation Date, the property was subject to the following encumbrances:-
 - i. Charged to Public Bank Berhad vide Presentation No. 78/2015, both registered on 8 January 2015.
- (4) The property is designated for agriculture use as expressly stipulated in the title document. It is situated within an area zoned for Residential uses under the local authority planning guidelines. However, the Department of Town and Country Planning Johor has agreed in principle to change the property's zoning to Industrial.

- (5) The registered proprietor has submitted an application for approval of conversion of the property's land use from agriculture to industrial.
- (6) Public utilities and services such as mains water, public sewerage, electricity supply and telephone lines are available for connection to the property. Other essential public services for the area such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting are provided by Majlis Daerah Pontian (MDP).
- (7) A private title search was made at the Pejabat Tanah Pontian on 31 May 2017. Brief particulars of the title are as follows:-

Lot No.	:	Lot 1108
Title No.	:	HSM 463
Mukim	:	Jeram Batu
District	:	Pontian
Tenure	:	Interest in perpetuity
Category of Land Use	:	Agriculture
Titled Land Area	:	3.02 ha
Quit Rent	:	RM120.00
Registered Proprietor	:	Oriental Amber Sdn Bhd
Endorsements	:	i) Amendment of quit rent vide Presentation No. 22600/2005, registered on 13 December 2005. ii) Transfer of land from Donald Lu Kok Ked and Gan Kiu (Kin) to Oriental Amber Sdn Bhd vide Presentation No. 77/2015, registered on 8 January 2015.

- (8) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-
- i. the property is with good and marketable titles and is legal, valid, binding and enforceable.
 - ii. relevant licences, approvals, permits, consents and registrations, which are required for their respective business operations, have been obtained. The Approvals are valid and have not expired, been varied or revoked.

(9) The following comparables were considered:-

Comparable	(i)	(ii)	(iii)
Address	Jalan JB-Pontian, Pekan Nanas Industrial Park, 81500 Pekan Nanas, Johor Darul Takzim	Jalan JB-Pontian, Ulu Choh Industrial Park, 81500 Pekan Nanas, Johor Darul Takzim	Jalan JB-Pontian, Pekan Nanas Industrial Park, 81500 Pekan Nanas, Johor Darul Takzim.
Property Type	Vacant industrial land	Vacant industrial land	Vacant industrial land
Land Area (sq m)	103,240	33,058	88,104
Tenure	Interest in perpetuity	Interest in perpetuity	Interest in perpetuity
Consideration	RM46,676,544	RM14,944,860	RM38,369,992
Unit Rate (per sq m)	RM452	RM452	RM436
Date	22 August 2016	7 May 2016	1 September 2015
Remarks	Industrial Zone	Industrial Zone	Industrial Zone

These comparables were the relevant transactions recorded in the surrounding area of the property. The property is located along Jalan Kampung Ulu Choh which is considered superior to all the above comparables. All the above comparables are zoned for industrial use which is considered superior to the property's agriculture zoning. We have also considered the factor of land area in our valuation.

VALUATION

Group X — Property Interests held by the Group for Sale in Malaysia

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
26. Westlite Desa Cemerlang Accommodation Lot 2152, Batu 13 ¼, Jalan Sungai Tiram, 81800 Ulu Tiram, Johor, Malaysia	The property is a parcel of land built upon with nine blocks of single-storey workers' dormitories. It was partially completed in 1992 and fully completed in 2015, as per the Certificates of Fitness for Occupation (CFO).	As at the Valuation Date, the property was vacant.	RM5,100,000 (Malaysian Ringgit Five Million and One Hundred Thousand)
	The subject site is a building plot with a titled land area of 15,555.08 sq m (about 167,434 sq ft).		
	The subject site sits on an elevated hill-top located about 72 m from the frontage metalled road, Jalan Sungai Tiram. The site boundaries are generally demarcated with either 2-m high chain-link fencing or metal cladding sheets.		
	The subject site is provided with a main entrance and is secured by a pair of metal gates whilst the internal driveway and circulation within the compound are generally tarred road throughout.		

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
	The Gross Floor Area of the property is approximately 6,297 sq m (about 67,781 sq ft), which was certified by the Group's architects.		

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Malaysia. This project is handled by our local qualified valuer with Registration No. V0319 & E1061 registered in Board of Valuers, Appraisers and Estate Agents Malaysia with Certificate No 0750. Our local valuer has over 30 years of relevant experience of property valuation and consultancy work in Malaysia.
- (2) The registered owner of the property was Westlite Dormitory (Cemerlang) Sdn Bhd as at the Valuation Date.
- (3) As at the Valuation Date, the property was subject to the following encumbrances:-
 - i. Charged twice to Maybank Islamic Berhad vide Presentation Nos. 127/2013 & 128/2013, both registered on 23 January 2013.
- (4) The property is designated for residential use (workers' dormitory) as expressly stipulated in the title document.
- (5) We have been provided with a portion of the approved building plans of the property, bearing plan number MPJBT(BS)1/41/2014 dated 27 October 2014. We noted that the Certificates of Fitness for Occupation bearing Certificate Nos. 1070/92 and 0041/2015 were obtained on 4 October 1992 and 24 May 2015 respectively.
- (6) Public utilities and services such as mains water, public sewerage, electricity supply and telephone lines are connected to the property. Other essential public services for the area such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting are provided by Majlis Bandaraya Johor Bahru (MBJB).

- (7) A private title search was made at the Pejabat Tanah Johor Bahru on 31 May 2017. Brief particulars of the title are as follows:

Lot No.	:	Lot 2152
Title No.	:	GM 526
Mukim	:	Plentong
District	:	Johor Bahru
Tenure	:	Interest in perpetuity
Category of Land Use	:	Building
Titled Land Area	:	15,555.08 sq m
Quit Rent	:	RM3,900.00
Registered Proprietor	:	Westlite Dormitory (Cemerlang) Sdn Bhd
Endorsements	:	i) Amendment of quit rent vide Presentation No. 9963/2005, registered on 5 December 2005. ii) Transfer of land from PNE Electronics Sdn Bhd to Westlite Dormitory (Cemerlang) Sdn Bhd vide Presentation No. 441/2012, registered on 30 March 2012.

- (8) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-
- i. the property is with good and marketable titles and is legal, valid, binding and enforceable.
 - ii. relevant licences, approvals, permits, consents and registrations, which are required for their respective business operations, have been obtained. The Approvals are valid and have not expired, been varied or revoked.
- (9) We have adopted investment approach. Investment yield of 10.5% was adopted.

VALUATION

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
27. Westlite Tampoi Accommodation Lot 2051, No. 6, Jalan Bayu, Taman Perindustrian Tampoi Jaya, 81200 Johor Bahru, Johor , Malaysia	<p>The property is a parcel of land built upon with three blocks of five-storey walk-up workers' dormitories. It was completed in 2015, as per the Certificate of Completion and Compliance (CCC).</p> <p>The subject site is an industrial plot with a titled land area of 28,328 sq m (about 304,922 sq ft). The net land area is 27,678 sq m (about 297,923 sq ft) after the approval for surrender of a portion of the land measuring 0.065 ha (about 6,997 sq ft).</p> <p>The subject site gently slopes downwards and lies slightly below the frontage metalled road, Jalan Bayu. The site boundaries are generally demarcated by chain link fencing surmounted with barbed wire.</p> <p>The main entrance to the site is secured by a metal sliding gate whilst the internal driveway and circulation within the compound are generally concrete flooring throughout.</p>	As at the Valuation Date, the property is leased to various tenants for terms of 0.9 to 2 years with the latest expiry on 15 September 2019 at a total monthly rent of RM458,410 exclusive of utility fee and transport but inclusive of maintenance fee and other outgoings.	RM46,500,000 (Malaysian Ringgit Forty Six Million and Five Hundred Thousand)

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
	The Gross Floor Area of the property is approximately 28,328 sq m (about 304,923 sq ft), which was certified by the Group's architects.		

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Malaysia. This project is handled by our local qualified valuer with Registration No. V0319 & E1061 registered in Board of Valuers, Appraisers and Estate Agents Malaysia with Certificate No 0750. Our local valuer has over 30 years of relevant experience of property valuation and consultancy work in Malaysia.
- (2) The registered owner of the property was Westlite Dormitory (Tampoi) Sdn Bhd as at the Valuation Date.
- (3) As at the Valuation Date, the property was subject to the following encumbrances:
 - i. Charged twice to Maybank Islamic Berhad vide Presentation Nos. 15014/2013 & 115015/2013, both registered on 1 March 2013.
 - ii. Charged to Maybank Islamic Berhad vide Presentation No. 75988/2014, registered on 11 September 2014.
- (4) The property is situated within an area zoned for Industrial uses under the local authority planning guidelines.
- (5) We have been provided with the approved building plans of the property, bearing plan number Bil.PL/PB 69/2014 dated 26 May 2014. We noted that the Certificate of Completion and Compliance (CCC) bearing Serial No. LAM/J/3098 was obtained on 25 February 2015.
- (6) Public utilities and services such as mains water, public sewerage, electricity supply and telephone lines are connected to the property. Other essential public services for the area such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting are provided by Majlis Bandaraya Johor Bahru (MBJB).

- (7) A private title search was made at the Pejabat Tanah dan Galian Johor on 31st May 2017. Brief particulars of the title are as follows:

Lot No.	:	Lot 2051
Title No.	:	GRN 88404
Mukim	:	Tebrau
District	:	Johor Bahru
Tenure	:	Interest in perpetuity
Category of Land Use	:	Industrial
Titled Land Area	:	28,328 sq m
Quit Rent	:	RM5,112.00
Registered Proprietor	:	Westlite Dormitory (Tampoi) Sdn Bhd
Endorsements	:	i) Approval of the surrender of part of the land of approximately 0.065 ha and quit rent amended to RM3,942.00 vide Presentation No. 1855/2010, registered on 27 May 2010. ii) Quit rent amendments vide Presentation No. 2889/2010, registered on 20 August 2010. iii) Transfer of land from MOHM Chemical Sdn Bhd to Westlite Dormitory (Tampoi) Sdn Bhd vide Presentation No. 109335/2011, registered on 27 December 2011.

- (8) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-

- i. the property is with good and marketable titles and is legal, valid, binding and enforceable.
- ii. relevant licences, approvals, permits, consents and registrations, which are required for their respective business operations, have been obtained. The Approvals are valid and have not expired, been varied or revoked.

- (9) We have adopted investment approach. Term and reversion yields of 9.5% and 10% was adopted.

VALUATION

Group XI — Property Interests leased by the Group for Investment under long lease in Malaysia

	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
28.	Westlite Tebrau Accommodation PLO 250, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor, Malaysia	<p>The property is a parcel of land built upon with two blocks of five-storey walk-up workers' dormitories and one block of 3-storey walk-up workers' dormitory. It was completed in 2011, as per the Certificate of Completion and Compliance (CCC).</p> <p>The subject site is an industrial plot with a provisional land area of 0.57 ha (about 5,718 sq m).</p> <p>The subject site is generally flat in terrain and lies at the same level as the frontage metalled road, Jalan Firma 2. The site boundaries are generally demarcated by metal decking sheets and plastered brickwalls mounted with barbed wire.</p> <p>The main entrance to the site is secured by a pair of metal leaf gates whilst the internal driveway and circulation within the compound are generally concrete flooring throughout.</p> <p>The Gross Floor Area of the subject property is approximately 13,093 sq m (about 140,933 sq ft), which was certified by the Group's architects.</p>	As at the Valuation Date, the property is leased to various tenants for terms of 0.25 to 2 years with the latest expiry on 17 August 2019 at a total monthly rent of RM153,200 exclusive of utility fee and transport but inclusive of maintenance fee and other outgoings.	RM16,000,000 (Malaysian Ringgit Sixteen Million)

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Malaysia. This project is handled by our local qualified valuer with Registration No. V0319 & E1061 registered in Board of Valuers, Appraisers and Estate Agents Malaysia with Certificate No 0750. Our local valuer has over 30 years of relevant experience of property valuation and consultancy work in Malaysia.
- (2) The registered owner of the property was Perbadanan Johor as at the Valuation Date. The registered lessee of the property was Westlite Tebrau as at the Valuation Date.
- (3) As at the Valuation Date, the property was subject to the following encumbrances:
 - i. Lease charged to Standard Chartered Bank Malaysia Berhad vide Presentation No. 44158/2016, registered on 27 June 2016.
- (4) The property is situated within an area zoned for Industrial uses under the local authority planning guidelines.
- (5) We have been provided with the approved building plans of the property, bearing plan number PL/PB 85/2010 dated 14 March 2010. We noted that the Certificate of Completion and Compliance (CCC) bearing Serial No. LAM/J/1224 was obtained on 28 March 2011.
- (6) Public utilities and services such as mains water, public sewerage, electricity supply and telephone lines are connected to the property. Other essential public services for the area such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting are provided by Majlis Bandaraya Johor Bahru (MBJB).
- (7) A private title search was made at the Pejabat Tanah dan Galian Johor on 31st May 2017. Brief particulars of the title are as follows:

Lot No.	:	PTD 76029
Title No.	:	HSD 493844
Mukim	:	Tebrau
District	:	Johor Bahru
Tenure	:	Interest in perpetuity
Category of Land Use	:	Industrial
Titled Land Area	:	0.5718 ha
Quit Rent	:	RM2,100.00
Registered Proprietor	:	Perbadanan Johor
Endorsements	:	i) Lease of entire land to Westlite Tebrau for a period of 48 years 8 months and 7 days starting from 25 May 2011 and ending on 31 January 2060 vide Presentation No. 44157/2016, registered on 27 June 2016.

- (8) We have been provided with a legal opinion on the title to the property issued by the Group's legal adviser which contains, inter-alia, the following information:-
- i. the property is with good and marketable titles and is legal, valid, binding and enforceable.
 - ii. relevant licences, approvals, permits, consents and registrations, which are required for their respective business operations, have been obtained. The Approvals are valid and have not expired, been varied or revoked.
- (9) The registered owner, Perbadanan Johor, is a state-owned investment corporation. It's a common practice for them to grant private long lease of 30-60 years for their land banks in Johor. The long lease of the subject site is registered under the title search and is therefore considered a recognisable interest. We have hence valued the property based on the unexpired term of the registered long lease.
- (10) We have adopted investment approach. Term and reversion yields of 10% and 10.5% was adopted.

VALUATION

Group XII — Property Interests held by the Group for Investment in the PRC

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
29. Block Nos. 4 and 5 located at No. 558 Gangye Road Xiaokunshan Town Songjiang District Shanghai The People's Republic of China	<p>The property is in an industrial area located at Gangye Road. It comprises a site with an area of approximately 10,313 sq m (111,009.13 sq ft).</p> <p>There are two 1-storey industrial buildings with 2-storey office facilities with a total gross floor area of approximately 4,957 sq m (53,354.56 sq ft) completed in 2004. The ancillary facilities, such as power room, securities room are provided.</p> <p>The land use rights of the property are held for a term expiring on 3 May 2054 for industrial uses</p>	As at the Valuation Date, the property is leased to Guangzhou Branch of Shenzhen Kai Tong Logistics Co Ltd (深圳市凱通物流有限公司廣州分公司) for a term commencing from 17 June 2016 to 31 January 2018 at a monthly rent of RMB90,234.72 inclusive of tax.	RMB25,300,000 (Renminbi Twenty Five Million and Three Hundred Thousand)

Notes:

- (1) The valuation is prepared by Knight Frank valuation team in Hong Kong. Our local valuers have about 15 to 30 years of relevant experience of property valuation and consultancy work in the People's Republic of China.
- (2) Pursuant to the Shanghai Certificate of Real Estate Ownership No. Hu Fang Di Song Zi (2005) Di 028774 Hao issued by Shanghai Songjiang District Housing and Land Administration Bureau dated on 1 December 2005, the title of the property is held by Shanghai Huade Photoelectron Science & Technology Co., Ltd (上海華德光電科技有限公司). Brief particulars of the title are as follows:

Registered Owner	:	Shanghai Huade Photoelectron Science & Technology Co., Ltd
Tenure	:	Leasehold
Lot Number	:	Song Jiang District Xiao Kun Shan Town 22 Jie Fang 117/2 Qiu
Land Area	:	10,313 sq m
Gross Floor Area	:	4,957 sq m
Land Use Term	:	4 May 2004 to 3 May 2054
Land Usage	:	Industrial

- (3) As advised by the Company, there is not any mortgage subject to the property as at the Valuation Date.
- (4) According to Songjiang District Land Use General Plan (2010-2020) issued by Songjiang District People's Government and Xiaokunshan Town Land Use General Plan (2010-2020) issued by Xiaokunshan Town People's Government, the property was situated within an area zoned for 'Urban Industrial and Mining' uses under the approved in 2015.
- (5) Our valuation reflects an equivalent yield of 4.2% as at the latest Valuation Date.
- (6) In accordance with the PRC legal opinion and the information provided by the Group, the status of title and grant of major approvals and licenses are as follows:-

Shanghai Certificate of Real Estate Ownership	Yes
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- (7) We have adopted investment approach. Term and reversion yields of 5% and 6.5% was adopted.

VALUATION

Group XIII — Property Interests leased by the Group in Singapore

	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
30.	Westlite Tuas Accommodation 90 Tuas South Avenue 9 — Tuas Lodge I Singapore 637397	<p>The property is a workers' dormitory development comprising of 8 blocks of 4-storey independent workers' dormitory and a block of 3-storey ancillary block. Amenities within the development include multi-purpose hard court, basketball courts, badminton courts, street soccer field, sepak takraw courts, indoor gym, sickbay, computer room, TV & reading room, games room, reading room, canteen, minimart and car parking lots.</p> <p>According to the sub-tenancy agreement (Term 3) dated 28 April 2014, the site area is approximately 40,349 sq m. Gross floor area of the property is about 55,995 sq m, according to the As-Built Drawing (Drawing No. 08/E178/AS/1) issued on 11 March 2013, as provided by the Group.</p>	<p>The property is leased to the Building and Construction Authority Singapore and is further sub-leased to the Group from 1 May 2014 to 29 April 2017 at a monthly rent of \$173,700 (inclusive of administrative fees) as a workers' dormitory comprising 8,600 beds.</p> <p>We understand that the Group has entered into a short-term extension of the lease for 9 months from 29 April 2017. Accordingly, the tenancy of the property will expire on 30 January 2018.</p>	No commercial value

Notes:

- (1) The registered owner of the property was The Government of The Republic of Singapore as at the Valuation Date.

VALUATION

	Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 30 September 2017
31.	dwell Selegie 1A Short Street Singapore 188210	<p>The property is a student hostel development comprising a block of 10-storey student hostel with retail units on the 1st storey.</p> <p>According to the tenancy agreement dated 5 June 2015, the land area is approximately 4,408 sq m and the gross floor area of the property is approximately 5,525 sq m.</p>	<p>The property is leased to the Group for a term of 3 years commencing on 5 June 2015 at a monthly rent of \$220,011 (exclusive of and Goods and Service Tax chargeable) and is operated as a student hostel with commercial units on the 1st storey.</p> <p>The Group has an option to renew for a further term of 3 years by writing to the landlord not less than 10 months before the end of the lease expiry and the landlord may, at its sole discretion, agree to grant the tenancy at such rent and on such terms and conditions (including a provision for a final term of 2 years) to be agreed by both parties.</p>	No commercial value

Notes:

- (1) The registered owner of the property was The Government of The Republic of Singapore as at the Valuation Date.

This Appendix contains a summary of the Constitution of our Company and the salient provisions of certain Singapore laws. As the information set out below is in summary form, it does not contain all of the information that may be important to potential investors.

Set out below is a summary of certain provisions of the Constitution of our Company and salient provisions of certain laws of Singapore applicable to a Singapore incorporated company. This description is only a summary and is qualified by reference to Singapore law and our Constitution. The instrument that constitutes and defines our Company is the Constitution of our Company.

Our Company was incorporated in Singapore under the Singapore Companies Act as a private company limited by shares on 31 March 1984. It was converted to a public company limited by shares on 30 December 1994.

CONSTITUTION OF OUR COMPANY

The Constitution was adopted by a special resolution of the Shareholders passed on 6 September 2017 to take effect upon the date the Shares of the Company are first traded on the Stock Exchange. The following is summary of certain provisions of the Constitution:

The capitalised terms in the summary of our Constitution in this Appendix IV shall be defined as follows:

“address” or “registered address”	In respect of any member, his physical address for service or delivery of notices or documents personally or by post, unless otherwise expressly provided in this Constitution
“Act”	The Companies Act (Chapter 50) of Singapore, as amended, supplemented or otherwise modified from time to time
“Annual General Meeting”	An annual general meeting of the Company
“book-entry securities”	Listed securities: <ul style="list-style-type: none">(a) documents of title to which are deposited by a Depositor with the Depository or a clearing house and are registered in the name of the Depository or a clearing house (or its nominees); and(b) which are transferable by way of book-entry in the Depository Register and not by way of an instrument of transfer

“business day”	Shall have the meaning ascribed to it in the Statutes and the provisions of the listing rules of the Designated Stock Exchange
“Chairman” or “chairman”	The chairman of the Directors or the chairman of the Annual General Meeting or General Meeting as the case may be
“clearing house”	A clearing house recognized by the laws of the jurisdiction in which the shares of the Company are listed or quoted on the stock exchange in such jurisdiction
“close associate”	Shall have the meaning attributed to it in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Company”	The abovenamed company by whatever name from time to time called
“Constitution” or “Regulations”	This Constitution or other regulations of the Company for the time being in force
“current address”	Shall have the meaning ascribed to it in the Act
“Depositor”	A direct account holder or a Depository Agent but does not include a sub-account holder
“Depository”	CDP or any other corporation approved by the Monetary Authority of Singapore as a depository company or corporation for the purposes of the SFA, which operates the Central Depository System for the holding and transfer of book-entry securities

“Depository Agent”	<p>A member of the Singapore Exchange Securities Trading Limited, a trust company (licensed under the Trust Companies Act, Chapter 336), a bank (licensed under the Banking Act, Chapter 19), any merchant bank approved as a financial institution under the Monetary Authority of Singapore Act, Chapter 186, or any other person or body approved by the Depository who or which:</p> <ul style="list-style-type: none">(a) performs services as a depository agent for sub-account holders in accordance with the terms of a depository agent agreement entered into between the Depository and the Depository Agent;(b) deposits book-entry securities with the Depository on behalf of the sub-account holders; and(c) establishes an account in its name with the Depository
“Depository Register”	<p>A register maintained by the Depository or a dealing house in respect of book-entry securities</p>
“Designated Stock Exchange”	<p>The Singapore Exchange Securities Trading Limited for so long as the shares of the Company are listed and quoted on the Singapore Exchange Securities Trading Limited, The Stock Exchange of Hong Kong Limited for so long as the shares of the Company are listed and traded on The Stock Exchange of Hong Kong Limited and/or such other stock exchange in respect of which the shares of the Company are listed or quoted</p>
“Direct Account Holder”	<p>A person who has a securities account directly with the Depository or a clearing house and not through a Depository Agent</p>
“Directors” or the “Board of Directors”	<p>The directors of the Company for the time being, or such number of them as have authority to act for the Company, and includes any person duly appointed and acting for the time being as an alternate Director</p>
“electronic communication”	<p>Shall have the meaning ascribed to it in the Act</p>

“General Meeting”	A general meeting of the Company
“Hong Kong dollars”	The lawful currency for the time being of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of The People’s Republic of China
“in writing” and “written”	Written or produced by any substitute for writing or partly one and partly the other, and includes (except where otherwise expressly specified in this Constitution or the context otherwise requires, and subject to any limitations, conditions or restrictions contained in the Act) printing, lithography, typewriting and any other mode of representation or reproducing words, symbols or other information which may be displayed in a visible form, whether in a physical document or in an electronic communication or form or otherwise
“market day”	A day on which the Designated Stock Exchange is open for trading of securities
“Managing Director”	Any person appointed by the Directors to be managing director or executive chairman of the Company and the expression “Managing Director” shall include any equivalent appointment(s) howsoever described
“member”	A registered member of the Company
“month”	Calendar month
“Office”	The registered office of the Company for the time being
“paid”	Paid or credited as paid
“Register of Members”	The Company’s principal register of members and where applicable, any branch register of members to be maintained at such place within or outside Singapore as the Directors shall determine from time to time

“Registration Office”	In respect of any class of share capital, such place as the Directors may from time to time determine to keep a branch register of members in respect of that class of share capital and where (except in cases where the Directors otherwise directs) the transfers or other documents or titles for such class of share capital are to be lodged for registration and are to be registered
“relevant intermediary”	Shall have the meaning ascribed to it in the Act
“Seal”	The common seal of the Company
“Secretary”	Any person appointed by the Directors to perform the duties of the secretary or where two (2) or more persons are appointed to act as secretaries any one (1) of those persons
“Securities Account”	The securities account maintained by a Depositor with the Depository or a clearing house
“SFA”	Securities and Futures Act, Chapter 289 of Singapore, as amended, supplemented or otherwise modified from time to time
“S\$”	The lawful currency of Singapore
“Ordinary Resolution”	Shall have the meaning ascribed to it in the Act
“ordinary shares”	Ordinary shares of the Company
“Special Resolution”	Shall have the meaning ascribed to it in the Act
“Statutes”	The Act, the SFA and every other written law or regulations for the time being in force concerning companies and affecting the Company (including but not limited to the Companies Ordinance (Chapter 622) of the Laws of Hong Kong and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32) of the Laws of Hong Kong) and any reference to any provision as so amended, supplemented or otherwise modified from time to time
“year”	Calendar year

(A) DIRECTORS*(i) A Director's power to contract with the Company*

Regulation 81

- (A) Subject to the Statutes and the provisions of the listing rules of the Designated Stock Exchange, other than the office of Auditor, a Director may hold any other office or place of profit under the Company and he or any firm of which he is a member may act in a professional capacity for the Company in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. No Director or intending Director shall be disqualified by his office from contracting or entering into any arrangement or transaction with the Company either as vendor, purchaser or otherwise nor shall such contract, arrangement or transaction or any contract, arrangement or transaction entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract, arrangement or transaction by reason only of such Director holding that office or of the fiduciary relation thereby established but every Director and chief executive officer (or person(s) holding an equivalent position) shall observe the provisions of the Statutes or listing rules of the Designated Stock Exchange relating to the disclosure of the interests of the Directors and chief executive officers (or person(s) holding an equivalent position) in transactions or proposed transactions with the Company or of any office or property held by a Director or a chief executive officer (or person(s) holding an equivalent position) which might create duties or interests in conflict with his duties or interests as a Director or a chief executive officer (or an equivalent position), as the case may be.
- (B) For the avoidance of doubt, as long as the shares of the Company are listed on The Stock Exchange of Hong Kong Limited, an independent non-executive Director or any firm of which he is a member shall not be allowed to act in any professional capacity for the Company during the tenure of his office as an independent non-executive Director and at any time during the twelve (12) months immediately preceding his appointment.

Regulation 81A

(A) A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Directors at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Directors after he knows that he is or has become so interested. For the purposes of this Regulation a general notice to the Directors to the effect that:

- (a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm, or
- (b) he is to be regarded as interested in any contract or arrangement, which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this Regulation in relation to any such contract or arrangement,

provided always that no such notice shall be effective unless either it is (i) given at a meeting of the Directors or the Director takes reasonable steps to secure that it is brought up and read at the next Directors meeting after it is given; or (ii) given in accordance with the statutes.

(B) Except as would, if the Company was a company incorporated in Hong Kong, be permitted by Section 505 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as in force at the date of adoption of these Regulations, and except as permitted under the Statutes, the Company shall not directly or indirectly:

- (a) make a loan to a Director or a director of any holding company of the Company or to any of their respective associates (as defined by the listing rules, where applicable, of the Designed Stock Exchange);
- (b) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or

- (c) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company. This Regulation shall only have effect for so long as the shares of the Company are listed on The Stock Exchange of Hong Kong Limited.
- (C) A Director shall not vote (nor be counted in the quorum) on any resolution of the Directors approving any transaction, contract or arrangement or any other proposal in which he or any of his close associates directly or indirectly has a personal material interest. If any question shall arise at any meeting of the Directors as to the materiality of the interest of a Director or the significance of a contract, arrangement or transaction or proposed contract, arrangement or transaction or as to the entitlement of any Director to vote or form part of a quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman (or, where the question relates to the interest of the chairman, to the other Directors at the meeting) and his ruling (or, as appropriate, the ruling of the other Directors) in relation to such other Director (or, as appropriate, the chairman) shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned (or, as appropriate, the chairman) as known to such Director (or, as appropriate, the chairman) has not been fairly disclosed to the Directors. Upon approval by a majority of the independent non-executive Directors, professional advisors at the cost of the Company can be engaged without the need to obtain prior approval from other Directors.
- (D) The provisions of this Regulation may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction by the Company in General Meeting, and any particular contract, arrangement or transaction carried out in contravention of this Regulation may be ratified by ordinary resolution of the Company, subject to the Statutes and any applicable laws, provided that a Director (who is also a member) whose action is being ratified by that ordinary resolution shall refrain from voting on that ordinary resolution as a member at that General Meeting.

(ii) The Director's power to vote on remuneration

Regulation 77

The ordinary remuneration of the Directors, which shall from time to time be determined by an Ordinary Resolution of the Company, shall not be increased except pursuant to an Ordinary Resolution passed at a General Meeting where notice of the proposed increase shall have been given in the notice convening the General Meeting and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or failing agreement, equally, except that any

Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. The ordinary remuneration of the Directors shall be payable by a fixed sum and not by a commission on or percentage of profits or turnover.

Regulation 78

Any Director who holds any executive office, or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary or otherwise as the Directors may determine, provided that such extra remuneration (in the case of executive Directors) may not include a commission on or a percentage of turnover and (in the case of non-executive Directors) shall be by a fixed sum, and not by a commission on or a percentage of profits or turnover.

Regulation 79

The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the Company.

Regulation 80

The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director for the time being holding any executive office and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.

Regulation 86

The remuneration of a Managing Director (or such equivalent position) shall from time to time be fixed by the Directors and may subject to this Constitution be by way of salary or commission or participation in profits or by any or all these modes but he shall not under any circumstances be remunerated by a commission on or a percentage of turnover.

Regulation 100

A Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any interest, directly or indirectly. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(iii) Borrowing powers exercisable by the Directors

Regulation 108

Subject as hereinafter provided and to the provisions of the Statutes, the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(iv) Appointment of Directors

Regulation 88

The Company may by Ordinary Resolution appoint any person to be a Director either as an additional Director or to fill a casual vacancy. Without prejudice thereto the Directors shall also have power at any time so to do, but so that the total number of Directors shall not thereby exceed the maximum number fixed by or in accordance with this Constitution. Any person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

Regulation 92

A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it, and any resolution moved in contravention of this provision shall be void.

Regulation 93

No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than 11 clear days and not more than 42 days before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to

be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected, Provided that in the case of a person recommended by the Directors for election, not less than nine clear days' notice shall be necessary and notice of each and every such person shall be served on the members at least seven days prior to the meeting at which the election is to take place.

Regulation 95

The Company may in accordance with and subject to the provisions of the Statutes, by Ordinary Resolution of which special notice has been given, remove any Director (including a managing or other executive director) from office before the expiration of his period of office (notwithstanding any provision of this Constitution or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office, and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed a Director. In default of such appointment the vacancy so arising may be filled by the Directors as casual vacancy.

Regulation 96

- (A) Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person approved by a majority of his co-directors (other than another Director or a person who has already been appointed alternate for another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by a majority of the Directors, shall have effect only upon and subject to being so approved.
- (B) The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if the Director concerned (below called "his principal") ceases to be a Director.
- (C) An alternate Director shall be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his principal is not personally present and generally at such meeting to perform all functions of his principal as a Director, and for the purposes of the proceedings at such meeting the provisions of this Constitution shall apply as if he (instead of his principal) were a Director. If his principal is for the time being absent from Singapore or temporarily unable to act through ill health or disability, his signature to any resolution in writing of the

Directors shall be as effective as the signature of his principal. To such extent as the Directors may from time to time determine in relation to any committees of the Directors, the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his principal is a member. An alternate Director shall not (save as aforesaid) have any power to act as a Director nor shall he be deemed to be a Director for any other purposes of this Constitution.

- (D) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his principal as such principal may by notice in writing to the Company from time to time direct provided that any fees payable to him shall be deducted from his principal's remuneration.
- (E) Any appointment or removal of an alternate Director shall be effected by notice in writing to the Company under the hand of the Director making the appointment or removal.
- (F) A person shall not act as alternate Director to more than one Director at the same time.

(v) Vacation of office/rotation of Directors

Regulation 89

At each Annual General Meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, as nearly as possible to one-third) shall retire from office by rotation, Provided that each Director shall be subject to retirement and rotation at least once in every three years.

Regulation 90

The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who is due to retire at the meeting by reason of age or who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by ballot. A retiring Director shall be eligible for re-election.

Regulation 91

The Company at the General Meeting at which a Director retires under any provision of this Constitution may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default, the retiring Director shall be deemed to have been re-elected except in any of the following cases:-

- (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost; or
- (b) where such Director has given notice in writing to the Company that he is unwilling to be re-elected or where such Director is disqualified under the Statutes from holding office as Director; or
- (c) where such Director is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds; or
- (d) where the default is due to the moving of a resolution in contravention of Regulation 92; or
- (e) where such Director has attained any retiring age applicable to him as Director.

The retirement shall not have effect until the conclusion of the General Meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

Regulation 94

The office of a Director shall be vacated in any of the following events, namely:

- (a) if he shall cease to be Director by virtue of the Act or become prohibited or disqualified by the Statutes or any other law from acting as a Director; or
- (b) if (not being a Director holding any executive office for a fixed term) he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer; or
- (c) if he shall become bankrupt or have a receiving order made against him or shall make arrangement or composition with his creditors generally; or

- (d) if he becomes of unsound mind or mentally disordered and incapable of managing himself or his affairs, or if in Singapore or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs; or
- (e) is absent, for a continuous period of more than six months and without leave of the Directors, from meetings of the Directors held during that period;
- (f) if he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds; or
- (g) if he is removed by the Company in General Meeting pursuant to this Constitution.

(vi) Holding of shares by way of qualification

Regulation 76

A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to receive notice of and to attend and speak at General Meetings.

(B) AMENDMENT OF CONSTITUTION

Regulation 149

- (A) No Regulation shall be rescinded, altered or amended and no new Regulation shall be made until the same has been approved by a special resolution of the members. A special resolution shall be required to alter any provision of these Regulations, or to change the name of the Company and as permitted in the circumstances provided under the Statutes.
- (B) There should not be any alteration in the Regulation to increase an existing member's liability to the Company unless such increase is agreed by such member in writing.

(C) ALTERATION OF CAPITAL

Regulation 3A

- (A) The Company may purchase or otherwise acquire its issued shares or purchase for redemption a redeemable share either out of or otherwise than out of its distributable profits or the proceeds of a fresh issue of shares subject to and in accordance with the provisions of the Statutes (including the Act) and any applicable listing rules of the Designated Stock Exchange (hereafter, the “Relevant Laws”), on such terms and in such manner as it may from time to time think fit, and subject to such conditions as the Company may in General Meeting prescribe in accordance with the Relevant Laws. Subject to any Relevant Laws, any shares purchased or acquired by the Company as aforesaid shall be deemed to be cancelled immediately on purchase or acquisition by the Company.
- (B) On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with the Relevant Laws. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these Regulations and the Statutes, the number of issued shares of the Company shall be diminished by the number of shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.
- (C) Where the Company purchases for redemption a redeemable share, purchase not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the members in General Meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all members alike.

Regulation 10

The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

Regulation 11

(A) The Company may by Ordinary Resolution:

- (a) consolidate and divide all or any of its share capital;
- (b) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person or which have been forfeited, and diminish the amount of its share capital by the amount of the shares so cancelled;
- (c) subject to the provisions of the Statutes and the listing rules of the Designated Stock Exchange, sub-divide its shares, or any of them, so however that the proportion of the amount paid to the amount unpaid (if any) on each sub-divided share is the same as on the original share from which it was derived; and the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred, qualified or other special rights, or be subject to any such restrictions, as the Company has the authority to attach to new shares; and/or
- (d) subject to the provisions of this constitution and the Act, convert its share capital or any class of shares from one currency to another,

Provided Always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”.

(B) The Company may, subject to the provisions of the Statutes, convert one class of shares into another class of shares.

Regulation 12

(A) The Company may reduce its share capital or any other undistributable reserve in any manner permitted, and with, and subject to, any incident authorised, and consent or confirmation required, by law.

(D) ISSUE OF SHARES

Regulation 3

- (A) The Company does not have an authorised share capital and the shares do not have par value.
- (B) No shares shall be issued to bearer.

Regulation 4

- (A) Subject to and in accordance with the Statutes and this Constitution, no shares may be issued by the Directors without the prior approval of the Company in General Meeting pursuant to section 161 of the ACT, but subject, thereto and the terms of such approval, and to Regulation 5, and to any special rights attached to any shares for the time being issued, the Directors may allot (with or without conferring a right of renunciation) or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration and at such time and whether or not subject to the payment of any part of the amount thereof in cash or otherwise as the Directors may think fit, and any shares may, subject to compliance with Sections 70 and 75 of the Act, be issued with such preferential, deferred, qualified or special rights, privileges, conditions or restrictions, whether as regards dividend, return of capital, participation in surplus assets and profits, voting, conversion or otherwise, as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors in accordance with the Act, Provided Always that no options shall be granted over unissued shares except in accordance with the Act and the listing rules of the Designated Stock Exchange.
- (B) The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder, recognize a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.
- (C) Except so far as otherwise provided by the conditions of issue or by this Constitution, all new shares shall be issued subject to the provisions of the Statutes and of this Constitution with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture or otherwise.

(D) Notwithstanding Regulation 4(A), the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:

- (a) (i) issue shares whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and
- (b) (notwithstanding that the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Designated Stock Exchange;
 - (2) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the listing rules of the Designated Stock Exchange for the time being in force (unless such compliance is waived by the Designated Stock Exchange) and this Constitution; and
 - (3) (unless previously revoked or varied by the Company in General Meeting), the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).
- (E) Except as herein provided, no person shall exercise any rights or privileges of a member until he is registered in the Register of Members or (as the case may be) the Depository Register, as a member or (as the case may be) a Depositor, and shall have paid all calls and other moneys due for the time being on every share held by him.

Regulation 4A

The Company shall not have any treasury share.

Regulation 5

- (A) Subject to any direction to the contrary that may be given by the Company in General Meeting or except as permitted under the listing rules of the Designated Stock Exchange, all new shares shall before issue be offered to such persons who as at the date (as determined by the Directors) of the offer are entitled to receive notices from the Company of General Meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Regulation.
- (B) Subject to the Statutes and the provisions of the listing rules of the Designated Stock Exchange, the Company may, notwithstanding Regulation 5(A) above, authorise the Directors not to offer new shares to members to whom by reason of foreign securities laws, such offers may not be made without registration of the shares or a prospectus or other document, but to sell the entitlements to the new shares on behalf of such members on such terms and conditions as the Company may direct.

Regulation 8

- (A) Subject to such limitations as may be prescribed by the Designated Stock Exchange, the rights attached to shares issued upon special conditions shall be clearly defined in the Constitution and the rights attaching to shares of a class other than ordinary shares shall be expressed. Preference shares may be issued subject to such limitation thereof as may be prescribed by the Designated Stock Exchange. In the event of preference shares being issued, the total number of issued preference shares shall not at any time exceed the total number of issued ordinary shares and preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance-sheets and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any General Meeting convened for the purpose of reducing capital or

winding-up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the General Meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrear.

- (B) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.
- (C) The Company may issue shares for which no consideration is payable to the Company.
- (D) There is no power to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.

(E) VARIATION OF RIGHTS OF EXISTING SHARES OR CLASSES OF SHARES

Regulation 9

- (A) Whenever the share capital of the Company is divided into different classes of shares, the variation or abrogation of the special rights attached to any class may, subject to the provisions of the Act and the listing rules of the Designated Stock Exchange, be made either with the consent in writing of the holders of three-quarters of the total number of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so made either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of this Constitution relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum (other than an adjourned meeting) shall be two or more persons holding at least one-third of the total number of the issued shares of the class present in person or by proxy or attorney and that any holder of shares of the class present in person or by proxy or attorney may demand a poll, Provided Always that where the necessary majority for such a Special Resolution is not obtained at such General Meeting, the consent in writing, if obtained from the holders of three-quarters of the total number of the issued shares of the class concerned within two months of such General Meeting, shall be as valid and effectual as a Special Resolution carried at such General Meeting.
- (B) The provisions in Regulation 9(A) shall mutatis mutandis apply to any repayment of preference capital (other than redeemable preference capital) and any variation or abrogation of the rights attached to preference shares or any class thereof.

- (C) The rights attached to any class of shares having preferential rights or other rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

(F) SPECIAL RESOLUTION

(i) Notice of meeting

Regulation 49

Subject to such other minimum period as may be specified in the Statutes from time to time, an Annual General Meeting shall be called by notice of not less than twenty-one clear days or twenty clear business days (whichever is longer) and any Extraordinary General Meeting at which it is proposed to pass a Special Resolution shall be called by notice of not less than 21 clear days or 20 clear business days (whichever is longer). All other Extraordinary General Meetings may be called by notice of not less than fourteen clear days or ten clear business days (whichever is longer). The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereinafter mentioned to all members other than such as are not under the provisions of this Constitution entitled to receive such notices from the Company, Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

- (a) in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. (95%) of the total voting rights of all the members having a right to vote at thereat;

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting. At least 14 clear days' or 10 clear business days' (whichever is longer) notice (excluding the date of notice and the date of meeting) of any General Meeting shall be given by advertisement in the daily press and in writing to the Designated Stock Exchange, Provided Always that in the case of any Extraordinary General Meeting at which it is proposed to pass a Special Resolution and in the

case of an Annual General Meeting, at least 21 clear days' or 20 clear business days' (whichever is longer) notice in writing (excluding the date of notice and the date of meeting) of such General Meeting shall be given by advertisement in the daily press and in writing to the Designated Stock Exchange.

(ii) Winding up

Regulation 146

If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the liquidator may, with the authority of a Special Resolution, divide among the members in specie or in kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members of different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

(iii) Amendment of Constitution

Regulation 149

- (A) No Regulation shall be rescinded, altered or amended and no new Regulation shall be made until the same has been approved by a special resolution of the members. A special resolution shall be required to alter any provision of these Regulations, or to change the name of the Company and as permitted in the circumstances provided under the Statutes.
- (B) There should not be any alteration in the Regulation to increase an existing member's liability to the Company unless such increase is agreed by such member in writing.

(G) VOTING RIGHTS

Regulation 59

- (A) If required by the listing rules of the Designated Stock Exchange, all resolutions put to the vote at any general meeting shall be decided by way of poll (unless such requirement is waived by the Designated Stock Exchange). If any votes be counted which ought not to

have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same General Meeting or at any adjournment thereof and not in any case unless it shall in the opinion of the Chairman be of sufficient magnitude.

- (B) Subject as otherwise provided in this Constitution, at any General Meeting a resolution put to the vote at any General Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
- (a) the chairman; or
 - (b) not less than five (5) members present in person or by proxy or by authority or in the case of a corporation by a representative and entitled to vote; or
 - (c) any member or members present in person or by proxy or by authority or in the case of a corporation by a representative, holding or representing as the case may be not less than five per cent. (5%) of the total voting rights of all the members having the right to vote at the General Meeting; or
 - (d) any member or members present in person or by proxy or by authority or in the case of a corporation by a representative, holding or representing as the case may be shares in the Company conferring a right to vote at the General Meeting being shares on which an aggregate sum has been paid up equal to not less than five per cent. (5%) of the total sum paid on all the shares conferring that right,

Provided Always that no poll shall be demanded on the election of the chairman or on a question of adjournment. A poll on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. A demand for a poll may be withdrawn only with the approval of the General Meeting.

Regulation 60

Unless a poll is required, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets or electronic means) as the chairman may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll

was demanded. The chairman may (and if required by the listing rules of the Designated Stock Exchange or if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

Regulation 61

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.

Regulation 62

After the chairman shall have declared the General Meeting to be over and shall have left the chair no business or question shall under any pretext whatsoever be brought forward or discussed.

Regulation 63

- (A) Subject to any special rights, privileges or restrictions as to voting attached by or in accordance with this Constitution to any class of shares, each member entitled to vote may vote in person or by proxy.
- (B) On a show of hands every member who is present in person or by proxy shall have one vote provided that:
 - (a) in the case of a member who is not a relevant intermediary or a clearing house (or its nominee(s)) and who is represented by two proxies, only one of the two proxies as determined by that member or, failing such determination, by the chairman (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; and
 - (b) in the case of a member who is a relevant intermediary or a clearing house (or its nominee(s)) and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands.
- (C) On a poll every member who is present in person or by proxy shall have one vote for every share of which he holds or represents.
- (D) For the purposes of determining the number of votes which a member, being a Depositor, or his proxy or proxies may cast at any General Meeting on a poll, the references to shares held or represented shall, in relation to shares of that Depositor, be the number of shares

entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting as certified by the Depository or a clearing house to the Company. A member who is bankrupt shall not, while his bankruptcy continues, be entitled to exercise his rights as a member, or attend, vote or act at any meeting of the Company.

- (E) Where the Company has knowledge that any member is, under the listing rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

Regulation 64

In the case of joint holders of a share, any one of such persons may vote and be reckoned in a quorum at any General Meeting either personally or by proxy as if he was solely entitled thereto, but if more than one of such persons is present at a meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or, as the case may be, the order in which the names appear in the Depository Register in respect of the joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purpose of this Regulation be deemed joint holders thereof.

Regulation 65

Where in Singapore or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member, to vote in person or by proxy at any General Meeting, or to exercise any other right conferred by membership in relation to meetings of the Company.

Regulation 66

No member shall be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum payable by him to the Company in respect of such shares remains unpaid.

Regulation 67

No objection shall be raised as to the admissibility of any vote except at the General Meeting or adjourned General Meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such General Meeting shall be valid for all purposes. Any such objection shall be referred to the chairman whose decision shall be final and conclusive.

Regulation 68

On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

Regulation 69

(A) Save as otherwise provided in the Statutes:

- (a) a member who is not a relevant intermediary or a clearing house (or its nominee(s)) may appoint not more than two proxies to attend, speak and vote at the same General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named or at the Company's option to treat the instrument of proxy as invalid; and
- (b) a member who is a relevant intermediary or a clearing house (or its nominee(s)) may appoint more than two proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument of proxy.

(B) (a) In any case where a member is a Depositor, the Company shall be entitled and bound:

- (i) to reject any instrument of proxy lodged by that Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 72 hours before the time of the General Meeting as certified by the Depository or a clearing house to the Company; and

- (ii) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered into against the name of that Depositor in the Depository Register as at 72 hours before the time of the General Meeting as certified by the Depository or a clearing house to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.
- (b) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.
- (C) A proxy need not be a member of the Company.

Regulation 70

- (A) An instrument appointing a proxy for any member shall be in writing in any usual or common form or in any other form which the Directors may approve (provided that this shall not preclude the use of the two-way form) and:
 - (a) in the case of an individual member shall be:
 - (i) signed by the member or his attorney duly authorised in writing if the instrument of proxy is delivered personally or sent by post or
 - (ii) authorised by the member through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and
 - (b) in the case of a member which is a corporation shall be:
 - (i) either given under its common seal (or by the signatures of authorised persons in the manner set out under the Act as an alternative to sealing) or signed on its behalf by an attorney duly authorised in writing or a duly authorized officer of the corporation if the instrument of proxy is delivered personally or sent by post or

- (ii) authorised by the corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.

The Directors may, for the purposes of these Regulations 70(A)(a)(ii) and 70(A)(b)(ii), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

- (B) The signatures on, or authorisation of, such instrument need not be witnessed. Where an instrument appointing a proxy is signed or authorised on behalf of a member (which shall, for purposes of this paragraph include a Depositor) by an attorney, the letter or power of attorney or a duly certified copy thereof shall (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to Regulation 71, failing which the instrument of proxy may be treated as invalid.

- (C) The Directors may, in their absolute discretion:

- (a) approve the method and manner for an instrument appointing a proxy to be authorised; and
- (b) designate the procedure for authenticating an instrument appointing a proxy,

as contemplated in Regulations 70(A)(a)(ii) and 70(A)(b)(ii) for application to such members or class of members as they may determine. Where the Directors do not so approve and designate in relation to a member (whether of a class or otherwise), Regulation 70(A)(a)(i) and/ or Regulation 70(A)(b)(i) (as the case may be) shall apply.

Regulation 71

- (A) An instrument appointing a proxy or the power of attorney or other authority, if any:
 - (a) if sent personally or by post, must be left at the Office or Registration Office or such other place (if any) as is specified for the purpose in or by way of note to or in any document accompanying the notice convening the General Meeting; or
 - (b) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the General Meeting,

and in either case not less than 72 hours before the time appointed for the holding of the General Meeting or adjourned General Meeting (or in the case of a poll before the time appointed for the taking of the poll, and in default shall not be treated as valid. The deposit of an instrument appointing a proxy does not preclude the member concerned from attending and voting in person at the General Meeting, as well as for any adjournment of the General Meeting to which it relates. In such an event, the appointment of the proxy or proxies is deemed to be revoked by the member concerned at the point when the member attends the General Meeting.

- (B) The Directors may, in their absolute discretion, and in relation to such members or class of members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in Regulation 71(A) (b). Where the Directors do not so specify in relation to a member (whether of a class or otherwise), Regulation 71(A)(a) shall apply.
- (C) The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the General Meeting as for the meeting to which it relates, Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.

Regulation 72

An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.

Regulation 73

- (A) A vote cast by proxy in accordance with the terms of an instrument of proxy (which for the purposes of this Constitution shall also include a power of attorney) shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office or Registration Office (or such other place as may be specified for the deposit of instruments appointing proxies) at least one hour before the commencement of the General Meeting or adjourned General Meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

- (B) Subject to this Constitution and the Statutes, the Directors may, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow members who are unable to vote in person at any General Meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.
- (C) If a clearing house (or its nominee(s)), being a corporation, is a member, it may authorise such persons as it thinks fit to act as its representatives or proxies at any General Meeting of the Company or at any meeting of any class of members provided always that, if more than one person is so authorised, the authorisation or proxy form shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Regulation shall be deemed to have been duly authorised without the need to produce any further documents of title, notarised authorisation and/or other evidence of fact to substantiate that such person is duly authorised, and shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)).
- (D) (a) The Company shall keep in one or more books a Register of Members and shall enter therein the following particulars, that is to say:
- (i) the name and address of each member, the number and class of shares held by him and the amount paid or agreed to be considered as paid on such shares;
 - (ii) the date on which each person was entered in the Register of Members; and
 - (iii) the date on which any person ceased to be a member.
- (b) The Company may keep an overseas or local or other branch register of Members resident in any place, and the Directors may make and vary such regulations as they determine necessary, desirable or expedient in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.
- (E) The Register of Members and branch register of members, as the case may be, shall be open to inspection for at least two (2) hours on every business day by members without charge or by any other person, upon a maximum payment of S\$1.00 (or its Hong Kong dollar equivalent based on the prevailing exchange rate as determined by the Directors) or such lesser sum specified by the Directors, at the Office or such other place at which the Register is kept in accordance with the Statutes or, if appropriate, upon a maximum payment of S\$1.00 (or its Hong Kong dollar equivalent based on the prevailing exchange

rate as determined by the Directors) or such lesser sum specified by the Directors at the Registration Office. The Register of Members including any overseas or local or other branch register of members may, after notice has been given by advertisement in an appointed newspaper or any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any electronic means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole 30 days in each year as the Directors may determine and either generally or in respect of any class of shares.

- (F) Notwithstanding any other provisions of these Regulations, but subject to the listing rules of the Designated Stock Exchange, the Company or the Directors may fix any date as the record date for:
- (a) determining the members entitled to receive any dividend, distribution, allotment or issue; and/or
 - (b) determining the members entitled to receive notice of and to vote at any General Meeting of the Company.

(H) GENERAL MEETINGS

Regulation 47

Save as otherwise permitted under the Act, an Annual General Meeting shall be held once in every year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors (subject to the listing rules of the Designated Stock Exchange). If required by the listing rules of the Designated Stock Exchange, all General Meetings shall be held in Singapore, unless prohibited by relevant laws and regulations of the jurisdiction of the Company's incorporation, or unless such requirement is waived by the Designated Stock Exchange. All other General Meetings shall be called Extraordinary General Meetings. The interval between the close of a financial year of the Company and the date of the Company's Annual General Meeting shall not exceed four (4) months or such other period as may be prescribed by the Act and the listing rules of the Designated Stock Exchange or other legislation applicable to the Company from time to time.

Regulation 48

The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting, or in default, the Extraordinary General Meeting may be convened by such requisitionists, including members holding a minority stake in the Company which have shareholdings not less than 10 per cent. (10%) of the total number of paid-up shares as at the date of the requisition carries the right of voting at General Meetings.

(I) FINANCIAL STATEMENTS**Regulation 135**

Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes, shall be kept at the Office or at such other place as the Directors think fit. No member of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or ordered by a court of competent jurisdiction or authorized by the Directors.

Regulation 136

In accordance with the provisions of the Statutes, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such financial statements, group financial statements (if any), reports, statements and other documents as may be prescribed by the Act. The interval between the close of a financial year of the Company and the issue of financial statements relating thereto shall not exceed four (4) months, but in any event not exceeding any time period as may be stipulated by the Designated Stock Exchange from time to time.

Regulation 137

A copy of the financial statements and Directors' statement accompanied by the balance-sheet and profit and loss account or income and expenditure account (including every document required by law to be attached or thereto), which is duly audited and which is laid before a General Meeting of the Company accompanied by a copy of the Auditor's report or the summary financial report shall not less than 21 clear days or 20 clear business days (whichever is longer) before the date of the meeting be sent to every member of the Company and to every other person who is entitled to receive notices of General Meetings from the Company under the provisions of the Statutes or of this

Constitution, Provided that this Regulation shall not require a copy of these documents to be sent to more than one of any joint holders or to any person of whose address the Company is not aware, but any member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

(J) NOTICES OF MEETING AND BUSINESS TO BE CONDUCTED THEREAT

Regulation 49

Subject to such other minimum period as may be specified in the Statutes from time to time, an Annual General Meeting shall be called by notice of not less than twenty-one clear days or twenty clear business days (whichever is longer) and any Extraordinary General Meeting at which it is proposed to pass a Special Resolution shall be called by notice of not less than 21 clear days or 20 clear business days (whichever is longer). All other Extraordinary General Meetings may be called by notice of not less than fourteen clear days or ten clear business days (whichever is longer). The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereinafter mentioned to all members other than such as are not under the provisions of this Constitution entitled to receive such notices from the Company, Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

- (a) in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. (95%) of the total voting rights of all the members having a right to vote thereat;

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting. At least 14 clear days' or 10 clear business days' (whichever is longer) notice (excluding the date of notice and the date of meeting) of any General Meeting shall be given by advertisement in the daily press and in writing to the Designated Stock Exchange, Provided Always that in the case of any Extraordinary General Meeting at which it is proposed to pass a Special Resolution and in the case of an Annual General Meeting, at least 21 clear days' or 20 clear business days' (whichever is longer) notice in writing (excluding the date of notice and the date of meeting) of such General Meeting shall be given by advertisement in the daily press and in writing to the Designated Stock Exchange.

Regulation 50

- (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him and that a proxy need not be a member of the Company.
- (B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- (C) In the case of any General Meeting at which business other than routine business (“special business”) is to be transacted, the notice shall specify the general nature of such business, and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.

Regulation 51

Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-

- (a) declaring dividends;
- (b) receiving and adopting the financial statements, the Directors’ statement, the Auditors’ report and other documents required to be attached or annexed to the financial statements;
- (c) electing or re-electing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
- (d) appointing Auditors or re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting);
- (e) fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and
- (f) fixing the Directors fees.

Regulation 52

Any notice of a General Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution on the Company in respect of such special business.

(K) TRANSFER OF SHARES

Regulation 33

- (A) All transfers of shares shall be effected by written instruments of transfer in the form for the time being approved by the Directors and the Designated Stock Exchange.
- (B) All transfers of the legal title in shares may be effected by the registered holders thereof by transfer in writing in the form for the time being approved by the Designated Stock Exchange upon which the Company may be listed or where such approved form is not available, any other form acceptable to the Directors. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, provided that an instrument of transfer in respect of which the transferor or transferee is the Depository or clearing house (or its nominees) shall be effective although not sighted or witnessed by or on behalf of the Depository or clearing house or its nominee. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members or Depository Register (as the case may be) in respect thereof.
- (C) No shares shall in any circumstances be transferred to any infant, bankrupt or person who is mentally disordered and incapable of managing himself or his affairs.

Regulation 34

The Registers of Members and of Transfers may be closed at such times and for such periods as the Directors may from time to time determine, Provided Always that such Registers shall not be closed for more than 30 days in any year, and that the Company shall give prior notice of each such closure, as may be required, to the Designated Stock Exchange, stating the period and purpose or purposes for which such closure is made.

Regulation 35

- (A) There shall be no restriction on the transfer of fully paid up shares (except where required by law or by the rules, bye-laws or listing rules of the Designated Stock Exchange) but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien, and in the case of shares not fully paid up, may refuse to register a transfer to a transferee of whom they do not approve (to the extent permitted by the Designated Stock Exchange), Provided Always that in the event of the Directors refusing to register a transfer of shares, the Company shall within ten (10) market days (or such period as the Directors may determine having regard to any limitation thereof as may be

prescribed by the Designated Stock Exchange from time to time) after the date on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Statutes.

- (B) The Directors may decline to register any instrument of transfer unless:
- (a) such fee not exceeding S\$2.00 (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by the Designated Stock Exchange from time to time) as the Directors may from time to time require is paid to the Company in respect thereof;
 - (b) the instrument of transfer, duly stamped in accordance with any law for the time being in force relating to stamp duty, is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by a certificate of payment of stamp duty (if stamp duty is payable on such instrument of transfer in accordance with any law for the time being in force relating to stamp duty), the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; and
 - (c) the instrument of transfer is in respect of only one class of shares.

Regulation 36

All instruments of transfer which are registered may be retained by the Company, but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same except in the case of fraud.

Regulation 37

- (A) The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six (6) years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six (6) years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six (6) years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and

properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, Provided Always that:-

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
 - (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Regulation; and
 - (c) references herein to the destruction of any document include references to the disposal thereof in any manner.
- (B) Subject to, and in accordance with, the Statutes and any applicable listing rules of the Designated Stock Exchange and unless the Directors otherwise agree (which agreement may be on such terms and subject to such conditions as the Directors in its absolute discretion may from time to time determine, and which agreement the Directors shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold), no shares upon the Register of Members shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register of Members or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register of Members, at the Office or such other place at which the Register of Members is kept in accordance with the Statutes.

(L) POWER OF OUR COMPANY TO PURCHASE OUR OWN SHARES

Regulation 3A

- (A) The Company may purchase or otherwise acquire its issued shares or purchase for redemption a redeemable share either out of or otherwise than out of its distributable profits or the proceeds of a fresh issue of shares subject to and in accordance with the provisions of the Statutes (including the Act) and any applicable listing rules of the Designated Stock Exchange (hereafter, the “**Relevant Laws**”), on such terms and in such manner as it may from time to time think fit, and subject to such conditions as the

Company may in General Meeting prescribe in accordance with the Relevant Laws. Subject to any Relevant Laws, any shares purchased or acquired by the Company as aforesaid shall be deemed to be cancelled immediately on purchase or acquisition by the Company.

- (B) On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with the Relevant Laws. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these Regulations and the Statutes, the number of issued shares of the Company shall be diminished by the number of shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.
- (C) Where the Company purchases for redemption a redeemable share, purchase not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the members in General Meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all members alike.

(M) DIVIDENDS AND RESERVES

Regulation 122

The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same, the Directors shall comply with the provisions of the Statutes.

Regulation 123

The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.

Regulation 124

If and so far as in the opinion of the Directors, the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

Regulation 125

Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide and except as otherwise permitted under the Statutes, (a) all dividends in respect of shares must be paid in proportion to the number of shares held by a member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and (b) all dividends must (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid proportionately to the amounts so paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Regulation, no amount paid on a share in advance of calls shall be treated as paid on the share.

Regulation 126

- (A) No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes. The payment by the Directors of any unclaimed dividends or other monies payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends remaining unclaimed after one year from having been first payable may be invested or otherwise made use of by the Directors for the benefit of the Company, and any dividend or any such monies unclaimed after six (6) years from having been first payable shall be forfeited and shall revert to the Company provided always that the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture. If the Depository or a clearing house returns any such dividend or monies to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or monies against the Company if a period of six (6) years has elapsed from the date of the declaration of such dividend or the date on which such other monies are first payable.
- (B) A payment by the Company to the Depository or a clearing house of any dividend or other monies payable to a Depositor shall, to the extent of the payment made, discharge the Company from any liability to the Depositor in respect of that payment.

Regulation 127

No dividend or other monies payable on or in respect of a share shall bear interest as against the Company.

Regulation 128

- (A) The Directors may retain any dividend or other monies payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- (B) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.
- (C) A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Regulation 129

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

Regulation 130

The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company or in any one or more of such ways) and the Directors shall give effect to such resolution. Where any difficulty arises with regard to such distribution, the Directors may settle the same as they think expedient and in particular, may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

Regulation 131

Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing in the Register of Members or (as the case may be) the Depository Register of the member or person entitled thereto (or, if two (2) or more persons are registered in the Register of Members or (as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person and such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

Regulation 132

If two (2) or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend, return of capital or other moneys payable or property distributable on or in respect of the share.

Regulation 133

Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any such shares.

(N) PROXIES

Regulation 68

On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

Regulation 69

- (A) Save as otherwise provided in the Statutes:
- (a) a member who is not a relevant intermediary or a clearing house (or its nominee(s)) may appoint not more than two (2) proxies to attend, speak and vote at the same General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named or at the Company's option to treat the instrument of proxy as invalid; and
 - (b) a member who is a relevant intermediary or a clearing house (or its nominee(s)) may appoint more than two (2) proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument of proxy.
- (B) (a) In any case where a member is a Depositor, the Company shall be entitled and bound:
- (i) to reject any instrument of proxy lodged by that Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 72 hours before the time of the General Meeting as certified by the Depository or a clearing house to the Company; and
 - (ii) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered into against the name of that Depositor in the Depository Register as at 72 hours before the time of the General Meeting as certified by the Depository or a clearing house to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.
- (b) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.

- (C) A proxy need not be a member of the Company.

Regulation 70

- (A) An instrument appointing a proxy for any member shall be in writing in any usual or common form or in any other form which the Directors may approve (provided that this shall not preclude the use of the two-way form) and:

- (a) in the case of an individual member shall be:

- (i) signed by the member or his attorney duly authorised in writing if the instrument of proxy is delivered personally or sent by post or
- (ii) authorised by the member through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and

- (b) in the case of a member which is a corporation shall be:

- (i) either given under its common seal (or by the signatures of authorised persons in the manner set out under the Act as an alternative to sealing) or signed on its behalf by an attorney duly authorised in writing or a duly authorized officer of the corporation if the instrument of proxy is delivered personally or sent by post or
- (ii) authorised by the corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.

The Directors may, for the purposes of these Regulations 70(A)(a)(ii) and 70(A)(b)(ii), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

- (B) The signatures on, or authorisation of, such instrument need not be witnessed. Where an instrument appointing a proxy is signed or authorised on behalf of a member (which shall, for purposes of this paragraph include a Depositor) by an attorney, the letter or power of attorney or a duly certified copy thereof shall (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to Regulation 71, failing which the instrument of proxy may be treated as invalid.

(C) The Directors may, in their absolute discretion:

- (a) approve the method and manner for an instrument appointing a proxy to be authorised; and
- (b) designate the procedure for authenticating an instrument appointing a proxy,

as contemplated in Regulations 70(A)(a)(ii) and 70(A)(b)(ii) for application to such members or class of members as they may determine. Where the Directors do not so approve and designate in relation to a member (whether of a class or otherwise), Regulation 70(A)(a)(i) and/ or Regulation 70(A)(b)(i) (as the case may be) shall apply.

Regulation 71

(A) An instrument appointing a proxy or the power of attorney or other authority, if any:

- (a) if sent personally or by post, must be left at the Office or Registration Office or such other place (if any) as is specified for the purpose in or by way of note to or in any document accompanying the notice convening the General Meeting; or
- (b) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the General Meeting,

and in either case not less than 72 hours before the time appointed for the holding of the General Meeting or adjourned General Meeting (or in the case of a poll before the time appointed for the taking of the poll, and in default shall not be treated as valid. The deposit of an instrument appointing a proxy does not preclude the member concerned from attending and voting in person at the General Meeting, as well as for any adjournment of the General Meeting to which it relates. In such an event, the appointment of the proxy or proxies is deemed to be revoked by the member concerned at the point when the member attends the General Meeting.

(B) The Directors may, in their absolute discretion, and in relation to such members or class of members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in Regulation 71(A)(b). Where the Directors do not so specify in relation to a member (whether of a class or otherwise), Regulation 71(A)(a) shall apply.

- (C) The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the General Meeting as for the meeting to which it relates, Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.

Regulation 72

An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.

Regulation 73

- (A) A vote cast by proxy in accordance with the terms of an instrument of proxy (which for the purposes of this Constitution shall also include a power of attorney) shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office or Registration Office (or such other place as may be specified for the deposit of instruments appointing proxies) at least one hour before the commencement of the General Meeting or adjourned General Meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.
- (B) Subject to this Constitution and the Statutes, the Directors may, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow members who are unable to vote in person at any General Meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.
- (C) If a clearing house (or its nominee(s)), being a corporation, is a member, it may authorise such persons as it thinks fit to act as its representatives or proxies at any General Meeting of the Company or at any meeting of any class of members provided always that, if more than one person is so authorised, the authorisation or proxy form shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Regulation shall be deemed to have been duly authorised without the need to produce any further documents of title, notarised authorisation and/or other evidence of fact to substantiate that such person is duly

authorised, and shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)).

- (D) (a) The Company shall keep in one or more books a Register of Members and shall enter therein the following particulars, that is to say:
- (i) the name and address of each member, the number and class of shares held by him and the amount paid or agreed to be considered as paid on such shares;
 - (ii) the date on which each person was entered in the Register of Members; and
 - (iii) the date on which any person ceased to be a member.
- (b) The Company may keep an overseas or local or other branch register of Members resident in any place, and the Directors may make and vary such regulations as they determine necessary, desirable or expedient in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.
- (E) The Register of Members and branch register of members, as the case may be, shall be open to inspection for at least two (2) hours on every business day by members without charge or by any other person, upon a maximum payment of S\$1.00 (or its Hong Kong dollar equivalent based on the prevailing exchange rate as determined by the Directors) or such lesser sum specified by the Directors, at the Office or such other place at which the Register is kept in accordance with the Statutes or, if appropriate, upon a maximum payment of S\$1.00 (or its Hong Kong dollar equivalent based on the prevailing exchange rate as determined by the Directors) or such lesser sum specified by the Directors at the Registration Office. The Register of Members including any overseas or local or other branch register of members may, after notice has been given by advertisement in an appointed newspaper or any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any electronic means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole 30 days in each year as the Directors may determine and either generally or in respect of any class of shares.

- (F) Notwithstanding any other provisions of these Regulations, but subject to the listing rules of the Designated Stock Exchange, the Company or the Directors may fix any date as the record date for:
- (a) determining the members entitled to receive any dividend, distribution, allotment or issue; and/or
 - (b) determining the members entitled to receive notice of and to vote at any General Meeting of the Company.

(O) CALLS ON SHARES AND FORFEITURE OF SHARES

Regulation 18

The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed and may be made payable by instalments.

Regulation 19

Each member shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.

Regulation 20

If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding eight per cent. (8%) per annum) as the Directors may determine but the Directors shall be at liberty in any case or cases to waive payment of such interest in whole or in part.

Regulation 21

Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of this Constitution be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In the case of non-payment, all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Regulation 22

The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

Regulation 23

- (A) The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is made and upon the moneys so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding eight per cent. (8%) per annum unless the Company in General Meeting otherwise directs) as the member paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not, whilst bearing interest, confer a right to participate in profits subsequently declared and until appropriated towards satisfaction of any call shall be treated as a loan to the Company and not as part of its capital and shall be repayable at any time if the Directors so direct.
- (B) The Directors may apply all dividends which may be declared in respect of any shares in payment of any calls made or instalments payable and which may remain unpaid in respect of the same shares.

(P) FORFEITURE AND LIEN**Regulation 24**

If a member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.

Regulation 25

The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call has been made will be liable to be made forfeit.

Regulation 26

- (A) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be made forfeit by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeit share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be made forfeit hereunder.
- (B) Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.

Regulation 27

A share so made forfeit or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposal, the forfeiture or surrender may be cancelled on such terms as the Directors shall think fit. The Directors may, if necessary, authorize some person to transfer a share so made forfeit or surrendered to any such other person as aforesaid.

Regulation 28

A member whose shares have been made forfeit or surrendered shall cease to be a member in respect of such shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of such shares with interest thereon at eight per cent. (8%) per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of such shares at that time of forfeiture or surrender or waive payment in whole or in part.

Regulation 29

The Company shall have a first and paramount lien on every share (not being a fully paid share) and dividends from time to time declared in respect of such shares. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the member or deceased member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Regulation.

Regulation 30

- (A) The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share(s) or the person entitled (if any) to effect a transmission of the share(s) and who shall have produced to the Company satisfactory evidence of such capacity and default in payment shall have been made by him or them 14 days after such notice, Provided always that if a member shall have died or become mentally disordered and incapable of managing himself or his affairs or bankrupt and no person shall have given to the Company satisfactory proof of his right to effect a transmission of the shares held by such member the Directors may exercise such power of sale without serving any such notice.
- (B) In the event of a forfeiture of shares or a sale of shares to satisfy the Company's lien thereon the member or other person who prior to such forfeiture or sale was entitled thereto shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited or sold.

Regulation 31

The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities (including any unpaid calls and accrued interest and expenses) and any residue shall be paid to the person entitled to the shares at the time of the sale or to his executors, administrators or assigns or as he may direct. For the purpose of giving effect to any such sale, the Directors may authorize some person to transfer the shares sold to the purchaser.

Regulation 32

A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly made forfeit or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt by the Company of the consideration (if any) given for the share on the sale, re-allotment, or disposal thereof together with the share certificate delivered to a purchaser (or where the purchaser is a Depositor, the Depository Register) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share, or where such person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

(Q) INSPECTION OF REGISTER OF MEMBERS

Regulation 73(D)

- (a) The Company shall keep in one or more books a Register of Members and shall enter therein the following particulars, that is to say:
 - (i) the name and address of each member, the number and class of shares held by him and the amount paid or agreed to be considered as paid on such shares;
 - (ii) the date on which each person was entered in the Register of Members; and
 - (iii) the date on which any person ceased to be a member.
- (b) The Company may keep an overseas or local or other branch register of Members resident in any place, and the Directors may make and vary such regulations as they determine necessary, desirable or expedient in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.

Regulation 73(E)

The Register of Members and branch register of members, as the case may be, shall be open to inspection for at least two (2) hours on every business day by members without charge or by any other person, upon a maximum payment of S\$1.00 (or its Hong Kong dollar equivalent based on the prevailing exchange rate as determined by the Directors) or such lesser sum specified by the Directors, at the Office or such other place at which the Register is kept in accordance with the Statutes or, if appropriate, upon a maximum payment of S\$1.00 (or its Hong Kong dollar equivalent based on the prevailing exchange rate as determined by the Directors) or such lesser sum specified by the Directors at the Registration Office. The Register of Members including any overseas or local or other branch register of members may, after notice has been given by advertisement in an appointed newspaper or any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any electronic means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole 30 days in each year as the Directors may determine and either generally or in respect of any class of shares.

Regulation 73(F)

Notwithstanding any other provisions of these Regulations, but subject to the listing rules of the Designated Stock Exchange, the Company or the Directors may fix any date as the record date for:

- (a) determining the members entitled to receive any dividend, distribution, allotment or issue; and/or
- (b) determining the members entitled to receive notice of and to vote at any General Meeting of the Company.

(R) QUORUM FOR MEETINGS AND SEPARATE CLASS MEETINGS**Regulation 9**

- (A) Whenever the share capital of the Company is divided into different classes of shares, the variation or abrogation of the special rights attached to any class may, subject to the provisions of the Act and the listing rules of the Designated Stock Exchange, be made either with the consent in writing of the holders of three-quarters of the total number of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so made either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions

of this Constitution relating to General Meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum (other than an adjourned meeting) shall be two or more persons holding at least one-third of the total number of the issued shares of the class present in person or by proxy or attorney and that any holder of shares of the class present in person or by proxy or attorney may demand a poll, Provided Always that where the necessary majority for such a Special Resolution is not obtained at such General Meeting, the consent in writing, if obtained from the holders of three-quarters of the total number of the issued shares of the class concerned within two (2) months of such General Meeting, shall be as valid and effectual as a Special Resolution carried at such General Meeting.

- (B) The provisions in Regulation 9(A) shall *mutatis mutandis* apply to any repayment of preference capital (other than redeemable preference capital) and any variation or abrogation of the rights attached to preference shares or any class thereof.
- (C) The rights attached to any class of shares having preferential rights or other rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

Regulation 54

No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two (2) members present in person or by proxy, provided that (i) a proxy representing more than one member shall only count as one member for purpose of determining if the quorum aforesaid is present and (ii) where a member is represented by more than one proxy, such proxies of such member shall only count as one member for purpose of determining if the quorum aforesaid is present. In addition, for the purpose of determining a quorum, joint holders of any share shall be treated as one member. A corporation or limited liability partnership being a member shall be deemed to be personally present if represented in accordance with the provisions of Regulation 74.

Regulation 55

If within 30 minutes from the time appointed for a General Meeting (or such longer interval as the chairman may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day is a public holiday then to the next business day following that public holiday) at the same time and place or such other day, time or place as the Directors may by not less than ten (10) days' notice appoint.

Regulation 56

The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty (30) days or more or sine die, not less than seven (7) days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

Regulation 57

Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Regulation 97

Subject to the provisions of this Constitution, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time, any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of Directors. Notice of any such meeting may be given by means of electronic communication to all the Directors whether such Directors are within Singapore or otherwise. Any Director may waive notice of any meeting and any such waiver may be retroactive. Directors may participate in a meeting of the Directors by means of a conference telephone, video conferencing, audio visual, or other similar communications equipment by means of which all persons participating in the meeting can hear each other, without a Director being in the physical presence of another Director or Directors, and participation in a meeting pursuant to this Regulation shall constitute presence in person at such meeting. A Director

participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Such a meeting shall be deemed to take place where the largest group of Directors present for the purpose of the meeting is assembled or, if there is no such group, where the Chairman of the meeting is present.

Regulation 98

The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number, shall be two (2). A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

Regulation 99

Questions arising at any meeting of the Directors shall be determined by a majority of votes. In case of an equality of votes (except where only two (2) Directors are present and form the quorum or when only two (2) Directors are competent to vote on the question in issue), the chairman shall have a second or casting vote.

Regulation 101

The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with this Constitution, the continuing Directors or Director may, except in an emergency, act for the purpose of filling up such vacancies or of summoning General Meetings, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

Regulation 102

- (A) The Directors may elect from their number a Chairman and a Deputy Chairman (or two (2) or more Deputy Chairmen) and determine the period for which each is to hold office. The Deputy Chairman will perform the duties of the Chairman during the Chairman's absence for any reason. If no Chairman or Deputy Chairman shall have been appointed or if at any meeting of the Directors no Chairman or Deputy Chairman shall be present within five (5) minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman.

- (B) If at any time there is more than one Deputy Chairman, the right in the absence of the Chairman to preside at a meeting of the Directors or of the Company shall be determined as between the Deputy Chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.

(S) WINDING UP

Regulation 145

The Directors shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

Regulation 146

If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the liquidator may, with the authority of a Special Resolution, divide among the members *in specie* or in kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members of different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

(T) STOCKS

Regulation 44

The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares of any denomination.

Regulation 45

The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Regulations as and subject to which the shares from which the stock arose might previous to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.

Regulation 46

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage, and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

(U) INDEMNITY

Regulation 148

Subject to the provisions of and so far as may be permitted by the Statutes, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities (incurred or to be incurred by him) in the execution and discharge of his duties or in relation thereto including any liability by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court. Without prejudice to the generality of the foregoing, no Director, Auditor, Secretary or other officer of the Company shall be liable for the acts, receipts, neglect or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto unless the same shall happen through his own negligence, wilful default, breach of duty or breach of trust.

(V) SHARE CERTIFICATE RENEWAL

Regulation 17

- (A) Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a written indemnity (if required) being given by the member, transferee, person entitled, purchaser, member firm or member company of the Designated Stock Exchange or on behalf of its or their client or clients as the Directors shall require, and (in case of defacement or wearing out) on delivery up of the old certificate, and in any case on payment of such sum not exceeding S\$2.00 (or such other fee as the Directors may determine having regard to any limitation as may be prescribed by the Designated Stock Exchange) as the Directors may from time to time require. In the case of destruction, loss or theft, a member or person entitled to, and to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.
- (B) Where shares are registered jointly in the names of several persons, any such request may be made by any one of the registered joint holders.

REPORTING OBLIGATIONS OF SHAREHOLDERS**1.1 Obligation to notify Company of substantial shareholding and change in substantial shareholding***Section 81 of the Companies Act (Chapter 50) of Singapore (the “Singapore Companies Act”)*

A person has a substantial shareholding in a company if he has an interest or interests in one (1) or more voting shares in the company, and the total votes attached to that share, or those shares, is not less than 5.0% of the total votes attached to all the voting shares in the company.

Section 82 of the Singapore Companies Act

A substantial shareholder of a company is required to notify the company of his interests in the voting shares in the company within two (2) business days after becoming a substantial shareholder.

Sections 83 and 84 of the Singapore Companies Act

A substantial shareholder is required to notify the company of any change in the percentage level of his shareholding or his ceasing to be a substantial shareholder, within two (2) business days after he is aware of such change.

If the change results in a fraction of a percent, it should be rounded down to a whole number to determine if the percentage level has been crossed, warranting a disclosure. For example, if the interest increases from 6% to 6.75%, rounding 6.75% down to the nearest whole number yields 6%. Hence there is no change in percentage level of interest and no notification is required.

Consequence of non-compliance

Section 89 of the Singapore Companies Act provides for the consequences of non-compliance with sections 82, 83 and 84. Under section 89, a person who fails to comply shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$5,000 and in the case of a continuing offence to a further fine of S\$500 for every day during which the offence continues after conviction.

Section 90 provides for a defence to a prosecution for failing to comply with sections 82, 83 or 84. It is a defence if the defendant proves that his failure was due to his not being aware of a fact or occurrence the existence of which was necessary to constitute the offence and that he:

- (a) was not so aware on the date of the summons; or
- (b) became so aware less than seven (7) days before the date of the summons.

However, a person will conclusively be presumed to have been aware of a fact or occurrence at a particular time:

- (i) of which he would, if he had acted with reasonable diligence in the conduct of his affairs, have been aware at that time; or
- (ii) of which an employee or agent of the person, being an employee or agent having duties or acting in relation to his master's or principal's interest or interests in a share or shares in the company concerned, was aware or would, if he had acted with reasonable diligence in the conduct of his master's or principal's affairs, have been aware at that time.

1.2 Powers of the court with respect to defaulting substantial shareholders*Section 91 of the Singapore Companies Act*

Under section 91 of the Singapore Companies Act, where a substantial shareholder fails to comply with sections 82, 83 or 84, the Court may, on the application of the Minister, whether or not the failure still continues, make one (1) of the following orders:

- (a) an order restraining the substantial shareholder from disposing of any interest in shares in the company in which he is or has been a substantial shareholder;
- (b) an order restraining a person who is, or is entitled to be registered as, the holder of shares referred to in paragraph (a) from disposing of any interest in those shares;
- (c) an order restraining the exercise of any voting or other rights attached to any share in the company in which the substantial shareholder has or has had an interest;
- (d) an order directing the company not to make payment, or to defer making payment, of any sum due from the company in respect of any share in which the substantial shareholder has or has had an interest;
- (e) an order directing the sale of all or any of the shares in the company in which the substantial shareholder has or has had an interest;
- (f) an order directing the company not to register the transfer or transmission of specified shares;
- (g) an order that any exercise of the voting or other rights attached to specified shares in the company in which the substantial shareholder has or has had an interest be disregarded;
- (h) for the purposes of securing compliance with any other order made under this section, an order directing the company or any other person to do or refrain from doing a specified act.

Any order made under this section may include such ancillary or consequential provisions as the Court thinks just.

The Court shall not make an order other than an order restraining the exercise of voting rights, if it is satisfied that:

- (a) the failure of the substantial shareholder to comply was due to his inadvertence or mistake or to his not being aware of a relevant fact or occurrence; and
- (b) in all the circumstances, the failure ought to be excused.

Any person who contravenes or fails to comply with an order made under section 91 that is applicable to him shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$5,000 and, in the case of a continuing offence, to a further fine of S\$500 for every day during which the offence continues after conviction.

1.3 Obligation to notify the SGX-ST of substantial shareholding and change in substantial shareholding

Sections 135, 136 and 137 of the Securities and Futures Act (the “SFA”)

A substantial shareholder is also required under sections 135, 136 and 137 of the SFA to notify the company in writing, when the shareholder becomes a substantial shareholder, of changes to the percentage level of his substantial shareholding, or of his ceasing to be a substantial shareholder. Any person who intentionally or recklessly fails to comply with these sections is guilty of an offence and shall be liable on conviction, in the case of an individual, to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding two (2) years or to both and, in the case of a continuing offence, to a further fine not exceeding S\$25,000 for every day or part thereof during which the offence continues after conviction, or in the case of a corporation, to a fine not exceeding \$250,000 and, in the case of a continuing offence, to a further fine not exceeding \$25,000 for every day or part thereof during which the offence continues after conviction.

1.4 Duty of director or chief executive officer to notify corporation of his interests

Sections 133 and 134 of the SFA

Section 133 of the SFA stipulates that every director and chief executive officer of a corporation shall give notice in writing to the corporation of particulars of, *inter alia*, shares in the corporation or a related corporation of the corporation, which he holds, or in which he has an interest and the nature and extent of that interest, within two (2) business days after:

- (a) the date on which the director or chief executive officer becomes such a director or chief executive officer; or

- (b) the date on which the director or chief executive officer becomes a holder of, or acquires an interest in, the shares,

whichever last occurs.

Under section 134, any director or chief executive officer of a corporation who intentionally or recklessly contravenes section 133 in relation to the disclosure of shares held in the corporation, or in purported compliance with disclosure of shares held in the corporation furnishes any information which he knows is false or misleading in a material particular or is reckless as to whether it is, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding two (2) years or to both and, in the case of a continuing offence, to a further fine not exceeding S\$25,000 for every day or part thereof during which the offence continues after conviction.

1.5 Power of corporation to require disclosure of beneficial interest in its voting shares

Any corporation may, under Section 137F(1) of the SFA, require any member of the corporation within such reasonable time as is specified in the notice:

- (a) to inform it whether he holds any voting shares in the corporation as beneficial owner or as trustee; and
- (b) if he holds them as trustee, to indicate so far as he can the persons for whom he holds them (either by name or by other particulars sufficient to enable those persons to be identified) and the nature of their interest.

Under section 137F(2), whenever a corporation is informed pursuant to a notice given to any person under section 137F(1) or under this section 137F(2) that any other person has an interest in any of the voting shares in the corporation, the corporation may by notice in writing require that other person within such reasonable time as is specified in the notice:

- (a) to inform it whether he holds that interest as beneficial owner or as trustee; and
- (b) if he holds it as trustee, to indicate so far as he can the persons for whom he holds it (either by name or by other particulars sufficient to enable them to be identified) and the nature of their interest.

Any person who intentionally or recklessly contravenes the requirement to comply with the notice, or in purported compliance with the requirement, furnishes any information which he knows is false or misleading in a material particular or is reckless as to whether it is, shall, in the case of

an individual, be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding two (2) years or to both and, in the case of a continuing offence, to a further fine not exceeding S\$25,000 for every day or part thereof during which the offence continues after conviction.

Under section 137C(1), a corporation shall keep a register in which it shall immediately enter (a) the names of persons from whom it has received a notice under section 135 (duty of substantial shareholder to notify corporation of his interests); and (b) against each name so entered, the information given in the notice and, where it receives a notice under section 136 (duty of substantial shareholder to notify corporation of change in interests) or section 137 (duty of person who ceases to be substantial shareholder to notify corporation), the information given in that notice.

1.6 Duty of corporation to make disclosure

Section 137G of the SFA

Where a corporation has been notified in writing by a director or chief executive officer of the corporation or a substantial shareholder in respect of a change in the particulars of his shareholdings, the corporation shall announce or otherwise disseminate the information stated in the notice to the securities market operated by the securities exchange on whose official list any or all of the shares of the corporation are listed, as soon as practicable and in any case, no later than the end of the business day following the day on which the corporation received the notice.

Any corporation that intentionally or recklessly contravenes this duty of disclosure, or in purported compliance, announces or disseminates any information knowing that it is false or misleading in a material particular or reckless as to whether it is, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 and, in the case of a continuing offence, to a further fine not exceeding S\$25,000 for every day or part thereof during which the offence continues after conviction.

1.7 Duty not to furnish false statements to securities exchange, futures exchange, designated clearing house and the Securities Industry Council

Section 330 of the SFA

Under section 330 of the SFA, any person who, with intent to deceive, makes or furnishes, or knowingly and wilfully authorises or permits the making or furnishing of, any false or misleading statement or report to any securities exchange, futures exchange, licensed trade repository, approved

clearing house or recognised clearing house or any officers thereof relating to, *inter alia*, dealing in securities shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$50,000 or to imprisonment for a term not exceeding two (2) years or to both.

Section 330 further provides that any person who, with intent to deceive, makes or furnishes or knowingly and wilfully authorises or permits the making or furnishing of, any false or misleading statement or report to the Securities Industry Council or any of its officers, relating to any matter or thing required by the Securities Industry Council in the exercise of its functions under the SFA shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$50,000 or to imprisonment for a term not exceeding two (2) years or to both.

Note: Under section 4(10)(a) of the SFA, a person who holds securities as a bare trustee will not be regarded as having an interest in those securities. Accordingly, if HKSCC Nominees and other CCASS Participants hold shares as bare trustees, such holdings will not give rise to any disclosure obligation as detailed above by HKSCC Nominees and other CCASS Participants. The ultimate beneficial owner will be obliged to comply with the above disclosure and reporting requirements in connection with their respective shareholdings.

PROHIBITED CONDUCT IN RELATION TO TRADING IN THE SECURITIES OF THE COMPANY

2.1 Prohibitions against false trading and market manipulation

Section 197 of the SFA

Section 197 of the SFA prohibits a person from:

- (a) any activities for the purpose of creating a false or misleading appearance:
 - (i) of active trading in any securities on a securities exchange; or
 - (ii) with respect to the market for, or price of, any securities on a securities exchange;
- (b) any activities that create, or is likely to create, a false or misleading appearance of active trading in any securities on a securities market, or with respect to the market for, or the price of, such securities, if:
 - (i) he knows that doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, will create, or will be likely to create, that false or misleading appearance; or

- (ii) he is reckless as to whether doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, will create, or will be likely to create, that false or misleading appearance; or
- (c) the purchase or sale of any securities that do not involve a change in the beneficial ownership of those securities, or by any fictitious transaction or device, maintain, inflate, depress, or cause fluctuations in, the market price of any securities.

Under sections 197(3) and 197(4), the purpose of a person's conduct is deemed to be the creation of a false or misleading appearance of active trading in securities on a securities market if he:

- (a) effects, takes part in, is concerned in or carries out, directly or indirectly, any transaction of purchase or sale of any securities, being a transaction that does not involve any change in the beneficial ownership of the securities;
- (b) makes or causes to be made an offer to sell any securities at a specified price where he has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with him has made or caused to be made or proposes to make or to cause to be made, an offer to purchase the same number, or substantially the same number, of securities at a price that is substantially the same as the first-mentioned price; or
- (c) makes or causes to be made an offer to purchase any securities at a specified price where he has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with him has made or caused to be made or proposes to make or to cause to be made, an offer to sell the same number, or substantially the same number, of securities at a price that is substantially the same as the first-mentioned price,

unless he establishes that the purpose or purposes for which he did the act was not, or did not include, the purpose of creating a false or misleading appearance of active trading in securities on a securities market.

Section 197(5) provides that a purchase or sale of securities does not involve a change in the beneficial ownership if a person who had an interest in the securities before the purchase or sale, or a person associated with the first-mentioned person in relation to those securities, has an interest in the securities after the purchase or sale.

Section 197(6) provides a defence to proceedings against a person in relation to a purchase or sale of securities that did not involve a change in the beneficial ownership of those securities. It is a defence if the person establishes that the purpose or purposes for which he purchased or sold the securities was not, or did not include, the purpose of creating a false or misleading appearance with respect to the market for, or the price of, securities.

2.2 Prohibition against securities market manipulation

Section 198 of the SFA

Under Section 198(1) of the SFA, no person shall, *inter alia*, carry out directly or indirectly, two (2) or more transactions in securities of a corporation, being transactions that have, or are likely to have, the effect of raising, lowering, maintaining or stabilising the price of the securities of the corporation with intent to induce other persons to purchase them.

Section 198(2) provides that transactions in securities of a corporation includes the making of:

- (a) an offer to purchase or sell such securities of the corporation; and
- (b) an invitation, however expressed, that directly or indirectly invites a person to offer to purchase or sell such securities of the corporation.

2.3 Prohibition against the manipulation of the market price of securities by the dissemination of misleading information and the dissemination of information about illegal transactions

Sections 199 and 202 of the SFA

Section 199 of the SFA prohibits the making of false or misleading statements. Under this provision, a person shall not make a statement, or disseminate information, that is false or misleading in a material particular and is likely to:

- (a) induce other persons to subscribe for securities;
- (b) induce the sale or purchase of securities by other persons; or
- (c) have the effect of raising, lowering, maintaining or stabilising the market price of securities,

if, when he makes the statement or disseminates the information, he either does not care whether the statement or information is true or false, or knows or ought reasonably to have known that the statement or information is false or misleading in a material particular.

Section 202 of the SFA prohibits the dissemination of information about illegal transactions. This provision prohibits the circulation or dissemination of any statement or information to the effect that the price of any securities of a corporation will or is likely to rise, fall or be maintained by reason of transactions entered into in contravention of, *inter alia*, sections 197 to 201 of the SFA. This prohibition applies where the person who is circulating or disseminating the information or statements:

- (i) is the person, or a person associated with the person, who has entered into or purports to enter into any such transaction or has done or purports to do any such act or thing; or
- (ii) is the person, or a person associated with the person, who has received, or expects to receive, directly or indirectly, any consideration or benefit for circulating or disseminating, or authorising or being concerned in the circulation or dissemination, the statement or information.

2.4 Prohibition against fraudulently inducing persons to deal in securities

Section 200 of the SFA

Section 200 of the SFA prohibits a person from inducing or attempting to induce another person to deal in securities, by:

- (a) making or publishing any statement, promise or forecast that he knows or ought reasonably to have known to be misleading, false or deceptive;
- (b) any dishonest concealment of material facts;
- (c) the reckless making or publishing of any statement, promise or forecast that is misleading, false or deceptive; or
- (d) recording or storing in, or by means of, any mechanical, electronic or other device information that he knows to be false or misleading in a material particular, unless it is established that, at the time when the person so recorded or stored the information, he had no reasonable grounds for expecting that the information would be available to any other person.

2.5 Prohibition against employment of manipulative and deceptive devices*Section 201 of the SFA*

Section 201 of the SFA prohibits a person from, directly or indirectly, in connection with the subscription, purchase or sale of any securities:

- (a) employing any device, scheme or artifice to defraud;
- (b) engaging in any act, practice or course of business which operates as a fraud or deception, or is likely to operate as a fraud or deception, upon any person;
- (c) making any statement he knows to be false in a material particular; or
- (d) omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

2.6 Prohibited conduct by connected persons or other persons in possession of inside information*Sections 218 and 219 of the SFA*

Section 218 of the SFA prohibit connected persons from dealing in securities of a corporation if the person knows or reasonably ought to know that he is in possession of information that is not generally available, and if it were generally available, might have a material effect on the price or value of securities of that corporation. Such connected persons include officers and substantial shareholders of a corporation or a related corporation, and persons who occupy a position reasonably expected to give him access to inside information by virtue of professional or business relationship with the corporation or a related corporation, or by being an officer of a substantial shareholder in that corporation or in a related corporation.

Section 219 of the SFA prohibit persons (who is not a connected person referred to in section 218 of the SFA) from dealing in securities of a corporation if any such person knows or reasonably ought to know that he is in possession of information that is not generally available, and if it was generally available it might have a material effect on the price or value of securities of that corporation.

For an alleged contravention of sections 218 or 219, section 220 makes it clear that it is not necessary for the prosecution or the plaintiff to prove that the accused person or defendant intended to use the information referred to in sections 218(1)(a) or (1A)(a) or 219(1)(a) in contravention of sections 218 or 219, as the case may be.

Section 216 of the SFA

Section 216 sets out when a reasonable person would be taken to expect information to have a material effect on the price or value of securities. Section 216 provides that a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the first-mentioned securities.

2.7 Penalties

Section 232 of the SFA

Section 232 of the SFA provides that the Monetary Authority of Singapore may, with the consent of the Public Prosecutor, bring an action in a court against an offender to seek an order for a civil penalty in respect of any contravention of the provision under Part XII of the SFA. If the court is satisfied on the balance of probabilities that the contravention resulted in the gain of a profit or avoidance of a loss by the offender, the court may make an order against him for the payment of a civil penalty of a sum:

- (a) not exceeding three (3) times the amount of the profit that the person gained or the amount of the loss that he avoided, as a result of the contravention; or
- (b) equal to S\$50,000 if the person is not a corporation, or S\$100,000 if the person is a corporation,

whichever is the greater.

If the court is satisfied on a balance of probabilities that the contravention did not result in the gain of a profit or avoidance of a loss by the offender, the court may make an order against him for the payment of a civil penalty of a sum not less than S\$50,000 and not more than S\$2 million.

Section 204 of the SFA

Any person who contravenes sections 197 to 203 of the SFA is guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding seven (7) years or to both under Section 204 of the SFA.

Section 204 further provides that no proceedings shall be instituted against a person for the offence after a court has made an order against him for the payment of a civil penalty under section 232 of the SFA, or if the person has entered into an agreement with the Monetary Authority of Singapore to pay, with or without admission of liability, a civil penalty under section 232(5) in respect of that contravention.

Section 221 of the SFA

Any person who contravenes sections 218 or 219 of the SFA, is guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding seven (7) years or to both under section 221 of the SFA.

Section 221 further provides that no proceedings shall be instituted against a person for an offence in respect of a contravention of sections 218 or 219 after a court has made an order against him for the payment of a civil penalty under section 232 of the SFA, or if the person has entered into an agreement with the Monetary Authority of Singapore to pay, with or without admission of liability, a civil penalty under section 232(5) in respect of that contravention.

TAKEOVER OBLIGATIONS**3.1 Offences and obligations relating to takeovers*****Section 140 of the SFA***

Section 140 of the SFA provides that a person shall not give notice or publicly announce that he intends to make a take-over offer if he has:

- (a) no intention to make an offer in the nature of a take-over offer; or
- (b) no reasonable or probable grounds for believing that he will be able to perform his obligations if the take-over offer is accepted or approved, as the case may be.

Where a person contravenes section 140, the person and, where the person is a corporation, every officer of the corporation who is in default shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding seven (7) years or to both.

3.2 Obligations under the Singapore Code on Take-overs and Mergers (the “Singapore Takeover Code”) and the consequences of non-compliance

Obligations under the Singapore Takeover Code

The Singapore Takeover Code regulates the acquisition of ordinary shares of public companies and contains certain provisions that may delay, deter or prevent a future takeover or change in control of the Company. Any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of the company’s voting shares, or, if such person holds, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% (both inclusive) of the company’s voting shares, and if he (or parties acting in concert with him) acquires additional voting Shares representing more than 1.0% of the company’s voting shares in any six month period, must, except with the consent of the Securities Industry Council in Singapore, extend a takeover offer for the remaining voting Shares in accordance with the provisions of the Singapore Takeover Code.

“**Persons acting in concert**” comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Without prejudice to the general application of this definition, the following individuals and companies are presumed to be acting in concert with each other (unless the contrary is established). They are as follows:

- (a) (i) a company and its parent company, subsidiaries or fellow subsidiaries (“**Related Companies**”), (ii) the associated companies of any of the company and its Related Companies, (iii) companies whose associated companies include any of these foregoing companies and (iv) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- (b) a company and its directors (together with their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company and its pension funds and employee share schemes;

- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its clients in respect of the shareholdings of: (i) the adviser and persons controlling, controlled by or under the same control as the adviser and (ii) all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10.0% or more of the client's equity share capital;
- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for the company may be imminent;
- (g) partners; and
- (h) (i) an individual and his close relatives and related trusts, (ii) any person who is accustomed to act in accordance with his instructions, (iii) companies controlled by the individual and his close relatives and related trusts or any person who is accustomed to act in accordance with his instructions and (iv) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights.

In the event that one of the abovementioned trigger-points is reached, the person acquiring an interest (the “**Offeror**”) must make a public announcement stating, *inter alia*, the terms of the offer and its identity. The Offeror must post an offer document not earlier than 14 days and not later than 21 days from the date of the offer announcement. An offer must initially be kept open for at least 28 days after the date on which the offer document was posted.

If a revised offer is proposed, the Offeror is required to give a written notice to the offeree company and its shareholders, stating the modifications made to the matters set out in the offer document. The revised offer must be kept open for at least 14 days from the date of posting of the written notification of the revision to shareholders. Where the consideration is varied, shareholders who agree to sell before the variation are also entitled to receive the increased consideration.

A mandatory offer must be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or parties acting in concert with the offeror for Shares during the offer and within the six months preceding the acquisition of Shares that triggered the mandatory offer obligation.

Under the Singapore Takeover Code, where effective control of a company is acquired or consolidated by a person, or persons acting in concert, a general offer to all other shareholders is normally required. An offeror must treat all shareholders of the same class in an offeree company equally. A fundamental requirement is that shareholders in the company subject to the takeover offer must be given sufficient information, advice and time to enable them to reach an informed decision on. No relevant information should be withheld from them.

3.3 Consequences of non-compliance with the requirements under the Singapore Takeover Code

The Singapore Takeover Code is non-statutory in that it does not have the force of law. Therefore, as provided in Section 139(8) of the SFA, a failure of any party concerned in a take-over offer or a matter connected therewith to observe any of the provisions of the Singapore Takeover Code shall not of itself render that party liable to criminal proceedings.

However, the failure of any party to observe any of the provisions of the Singapore Takeover Code may, in any civil or criminal proceedings, be relied upon by any party to the proceedings as tending to establish or to negate any liability which is in question in the proceedings.

Section 139 further provides that the Securities Industry Council has the power, in the exercise of its functions, to enquire into the suspected breach of the provisions of the Singapore Takeover Code or misconduct in relation to such take-over offer or matter and may, for these purposes, summon any person to give evidence on oath or affirmation or produce any document or material necessary for the purpose of the enquiry.

3.4 Compulsory Acquisition under the Singapore Companies Act

Following the conclusion of an offer, pursuant to section 215 of the Singapore Companies Act, if an offeror acquires not less than 90.0% of the shares of the offeree company, it may, by notice to the dissenting shareholders, require the dissenting shareholders to sell its shares to the offeror. In calculating the 90% threshold, shares held or acquired by the offeror as at the date of the offer are excluded. The notice must be sent within two (2) months after the offer has been so approved. The shareholder whose shares are thus to be acquired may, subject to certain timelines, apply to Court for an order that the offeror is not entitled to acquire the shares. Where an offeror could acquire the holdings of minority shareholders but does not, a minority shareholder may serve a notice requiring the offeror to do so within three (3) months from the date of receipt of notice from offeror of the fact that the offeror has acquired 90% of the shares of the offeree company. The offeror is then obliged to, *inter alia*, acquire the shareholder's shares on the same terms as the other shares were acquired during the offer.

MINORITY RIGHTS

The rights of minority shareholders of Singapore incorporated companies are protected under section 216 of the Singapore Companies Act, which gives the Singapore courts a general power to make any order, upon application by any shareholder of the Company, as they think fit to remedy any of the following situations:

- (a) the affairs of the Company are being conducted or the powers of the Board are being exercised in a manner oppressive to, or in disregard of the interests of, one or more of the shareholders, including the applicant; or
- (b) the Company has taken an action, or threatens to take an action, or the shareholders pass a resolution, or propose to pass a resolution, which unfairly discriminates against, or is otherwise prejudicial to, one or more of the shareholders, including the applicant.

The court may, with a view to bringing to an end or remedying the matters complained of, make such order as it thinks fit and without prejudice to the generality of the foregoing, the order may:

- (i) direct or prohibit any act or cancel or vary any transaction or resolution;
- (ii) regulate the conduct of the affairs of the company in the future;
- (iii) authorise civil proceedings to be brought in the name of, or on behalf of, the company by a person or persons and on such terms as the court may direct;
- (iv) provide for the purchase of the shares of the company by other members of the company or by the company itself;
- (v) in the case of a purchase of shares by the company provide for a reduction accordingly of the company's capital;
- (vi) order the amendment of the company's constitution; or
- (vii) provide that the company be wound up.

EXCHANGE CONTROLS

There are no Singapore governmental laws, decrees, regulations or other legislation that may affect the following:

- (a) the import or export of capital, including the availability of cash and cash equivalents for use by our Group; and
- (b) the remittance of dividends, interest or other payments to non-resident holders of a company's securities.

MEMBERS' REQUISITION TO CONVENE EXTRAORDINARY GENERAL MEETINGS**Section 176 of the Singapore Companies Act**

Section 176 of the Singapore Companies Act provides that the directors shall, on the requisition of members holding at the date of the deposit of the requisition not less than 10.0% of the total number of paid-up shares as at the date of the deposit carries the right of voting at general meetings or, in the case of a company not having a share capital, of members representing not less than 10.0% of the total voting rights of all members having at that date a right to vote at general meetings, immediately proceed duly to convene an extraordinary general meeting of the company to be held as soon as practicable but in any case not later than two (2) months after the receipt by the company of the requisition.

For the purpose of section 176 of the Singapore Companies Act, any of the Company's paid-up shares as treasury shares shall be disregarded.

Section 183 of the Singapore Companies Act

Section 183 of the Singapore Companies Act provides that a company is under a duty, on the requisition in writing of such number of members specified below, to:

- (a) give to members of such company entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting or (if the resolution is proposed to be passed by written means under section 184A) for which agreement is sought; and
- (b) circulate to members entitled to have notice of any general meeting any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The number of members as required for such a requisition shall be (a) any number of members representing not less than 5.0% of the total voting rights of all members having at the date of the requisition a right to vote at the meeting to which the requisition relates, or (b) not less than 100 members holding shares in the company on which there has been paid up an average sum, per member, of not less than S\$500.

SINGAPORE TAXATION

Dividend distribution

Dividends distributed by our Company are tax exempt dividends for Singapore tax purpose, i.e. they will not be subject to Singapore tax in the hands of shareholders. There is also no Singapore withholding tax on dividends paid to non-residents. Please refer to the paragraph headed “Regulatory overview — Singapore Taxation — Dividend distributions” in this prospectus for further details.

The Shares are currently listed on the SGX-ST and the Company intends to list the Shares on the SEHK. The Company sets out below a summary of the major differences between the Listing Rules and the Singapore Listing Manual, certain applicable laws and regulations of Singapore and Hong Kong, the takeover rules under the Singapore Takeover Code and the HK Takeovers Code and certain relevant legislations concerning companies with listed securities.

However, this summary is for general guidance only and is not and shall not be relied on as legal advice or any other advice to Shareholders. The summary is not meant to be a comprehensive or exhaustive description of all the relevant Singapore and Hong Kong laws, rules and regulations. In addition, Shareholders should also note that the laws, rules and regulations applicable to the Company and Shareholders may change, whether as a result of proposed legislative reforms to the Singapore or Hong Kong laws, rules or regulations or otherwise.

Prospective investors and/or Shareholders should consult their own legal advisors for specific legal advice concerning their legal rights and obligations under Singapore laws and Hong Kong laws. In the event of any conflict between the Listing Rules and the Singapore Listing Manual, the Company shall comply with the more onerous rule and requirement.

1. SUMMARY OF THE MAJOR DIFFERENCES BETWEEN THE LISTING RULES AND THE SINGAPORE LISTING MANUAL AND CERTAIN APPLICABLE SINGAPORE AND HONG KONG LAWS

LISTING RULES AND HONG KONG LAWS

Issuers in Hong Kong are required to comply with disclosure obligations under the Listing Rules upon the occurrence of the events which are prescribed under such rules.

In the case that the Company makes a disclosure pursuant to Hong Kong laws, it will make the same disclosure in Singapore.

SINGAPORE LISTING MANUAL AND SINGAPORE LAWS

Issuers in Singapore are required to comply with disclosure obligations under the Singapore Listing Manual upon the occurrence of the events which are prescribed in the Singapore Listing Manual.

In the case that the Company makes a disclosure pursuant to Singapore laws, it will make the same disclosure in Hong Kong.

REPORTING REQUIREMENTS

CHAPTER 13 OF THE LISTING RULES
(CONTINUING OBLIGATIONS)CHAPTER 7 OF THE SINGAPORE LISTING
MANUAL (CONTINUING OBLIGATIONS)Rule 13.09, Listing Rules: General
Obligation of DisclosureRule 703, Singapore Listing Manual:
Disclosure of Material Information

- (1) Without prejudice to Rule 13.10 of the Listing Rules, where in the view of the SEHK there is or there is likely to be a false market in an issuer's securities, the issuer must, as soon as reasonably practicable after consultation with the SEHK, announce the information necessary to avoid a false market in its securities.

Notes:

- (1) This obligation exists whether or not the SEHK makes enquiries under Rule 13.10 of the Listing Rules.
- (2) If an issuer believes that there is likely to be a false market in its listed securities, it must contact the SEHK as soon as reasonably practicable.
- (2) (a) Where an issuer is required to disclose inside information under the Inside Information Provisions (as defined in the Listing Rules), it must also simultaneously announce the information.
- (b) An issuer must simultaneously copy to the SEHK any application to the SFC for a waiver from disclosure under the Inside Information Provisions, and promptly upon being notified of the SFC's decision copy the SEHK with the SFC's decision.

- (1) An issuer must announce any information known to the issuer concerning it or any of its subsidiaries or associated companies which:

- (a) is necessary to avoid the establishment of a false market in the issuer's securities; or
- (b) would be likely to materially affect the price or value of its securities.

- (2) Rule 703(1) of the Singapore Listing Manual does not apply to information which it would be a breach of law to disclose.

- (3) Rule 703(1) of the Singapore Listing Manual does not apply to particular information while each of the following conditions applies:

Condition 1: a reasonable person would not expect the information to be disclosed;

Condition 2: the information is confidential; and

Condition 3: one or more of the following applies:

- (a) the information concerns an incomplete proposal or negotiation;

Rule 13.10B, Listing Rules: Announce Information Disclosed to Other Stock Exchanges

An issuer must announce any information released to any other stock exchange on which its securities are listed at the same time as the information is released to that other exchange.

Note: An issuer will need to announce overseas regulatory information released by its overseas listed subsidiary if the information is discloseable by the issuer under other rules.

- (b) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
- (c) the information is generated for the internal management purposes of the entity;
- (d) the information is a trade secret.

- (4) In complying with the SGX-ST's disclosure requirements, an issuer must:
 - (a) observe the Corporate Disclosure Policy set out in Appendix 7.1 of the Singapore Listing Manual, and
 - (b) ensure that its directors and executive officers are familiar with the SGX-ST's disclosure requirements and Corporate Disclosure Policy.
- (5) The SGX-ST will not waive any requirements under this Rule 703 of the Singapore Listing Manual.

Rule 13.51 Listing Rules: Notification on Changes

An issuer shall publish an announcement as soon as practicable in respect of:

- (1) any proposed alteration of the issuer's memorandum or articles of association or equivalent documents;
- (2) any changes in its directorate or supervisory committee, and shall procure that each new director or supervisor or member of its governing body shall sign and lodge with the SEHK as soon as practicable after their appointment a declaration and undertaking.

Rule 704, Singapore Listing Manual: Announcement of Specific Information

In addition to Rule 703 of the Singapore Listing Manual, an issuer must immediately announce the following:

General

- (1) Any change of address of the registered office of the issuer or of any office at which the register of members or any other register of securities of the issuer is kept.
- (2) Any proposed alteration to the memorandum of association or articles of association or constitution of the issuer (see

Where a new director, supervisor or chief executive is appointed or the resignation, re-designation, retirement or removal of a director, supervisor or chief executive takes effect, the issuer must announce the change as soon as practicable and include the details as set forth in the abovementioned Rule of any newly appointed or re-designated director, supervisor or chief executive in the announcement;

- (3) any change in the rights attaching to any class of listed securities and any change in the rights attaching to any shares into which any listed debt securities are convertible or exchangeable;
- (4) any change in its auditors or financial year end, the reason(s) for the change and any other matters that need to be brought to the attention of holders of securities of the issuer;
- (5) any change in its secretary, share registrar (including any change in overseas branch share registrar) or registered address or where applicable, agent for the service of process in Hong Kong or registered office or registered place of business in Hong Kong;
- (6) any change in its compliance adviser; and
- (7) any revision of interim reports, annual reports or summary financial reports, the reason leading to the revision of published financial reports, and the financial impacts, if any.

Rule 13.25A, Listing Rules: Changes in Issued Shares

- (1) An issuer must, whenever there is a change in its issued shares as a result of or in connection with any of the events referred to in Rule 13.25A(2), submit for publication on the SEHK's website information as the

Rule 730 of the Singapore Listing Manual which requires issuers to seek the SGX-ST's approval for any alteration to their articles or constituent documents).

- (3) [Deleted]
- (4) Any call to be made on partly paid securities of the issuer or of any of its principal subsidiaries.
- (5) Any qualification or emphasis of a matter by the auditors on the financial statements of:
 - (a) the issuer; or
 - (b) any of the issuer's subsidiaries or associated companies, if the qualification or emphasis of a matter has a material impact on the issuer's consolidated accounts or the group's financial position.
- (6) If an issuer has previously announced its preliminary full-year results, any material adjustments to its preliminary full year results made subsequently by auditors.

Appointment or cessation of service

- (7) (a) Any appointment or cessation of service of key persons such as director, chief executive officer, chief financial officer, chief operating officer, general manager, qualified person or other executive officer of equivalent authority, company secretary, registrar or auditors of the issuer. The announcement of an appointment or cessation of service of key persons such as director, chief executive officer, chief financial officer, chief operating officer, general manager, qualified person or other executive officer of equivalent

SEHK may from time to time prescribe by not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day next following the relevant event.

(2) The events referred to in Rule 13.25A(1) are as follows:

- (a) any of the following:
- (i) placing;
 - (ii) consideration issue;
 - (iii) open offer;
 - (iv) rights issue;
 - (v) bonus issue;
 - (vi) scrip dividend;
 - (vii) repurchase of shares or other securities
 - (viii) exercise of an option under the issuer's share option scheme by any of its directors;
 - (ix) exercise of an option other than under the issuer's share option scheme by any of its directors;
 - (x) capital reorganisation; or
 - (xi) change in issued shares not falling within any of the categories referred to in Rule 13.25A(2)(a)(i) to (x) or Rule 13.25A(2)(b); and

(b) Subject to Rule 13.25A(3), any of the following:

- (i) exercise of an option under a share option scheme other than by a director of the issuer;
- (ii) exercise of an option other than under a share option scheme not by a director of the issuer;
- (iii) exercise of a warrant;
- (iv) conversion of convertible securities; or
- (v) redemption of shares or other securities.

authority must contain the information contained in Appendix 7.4.1 or Appendix 7.4.2 of the Singapore Listing Manual, as the case may be.

(b) In the case of a cessation of service of any director, chief executive officer, chief financial officer, chief operating officer, general manager or other executive officer of equivalent authority, such persons must inform the SGX-ST in writing as soon as possible if he is aware of any irregularities in the issuer which would have a material impact on the group, including financial reporting.

(8) Any appointment or reappointment of a director to the audit committee. The issuer must state in the announcement whether the board considers the director to be independent. The issuer must also provide such additional disclosure as may be appropriate in the circumstances to enable its shareholders to assess the independence or otherwise of the appointed director. In the event of any retirement or resignation which renders the audit committee unable to meet the minimum number (not less than three) the issuer should endeavour to fill the vacancy within two months, but in any case not later than three months.

(9) Any appointment of a person who is a relative of a director or chief executive officer or substantial shareholder of the issuer to a managerial position in the issuer or any of its principal subsidiaries. The announcement must state the job title, duties and responsibilities of the appointee, and the information required in Rule 704(7) of the Singapore Listing Manual.

(10) Any promotion of an appointee referred to in Rule 704(9) of the Singapore Listing Manual.

- (3) The disclosure obligation for an event in Rule 13.25A(2)(b) only arises where:
- (a) the event, either individually or when aggregated with any other events described in that rule which have occurred since the listed issuer published its last monthly return under Rule 13.25B or last return under this Rule 13.25A (whichever is the later), results in a change of 5.0% or more of the listed issuer's issued shares; or
 - (b) an event in Rule 13.25A(2)(a) has occurred and the event in Rule 13.25A(2)(b) has not yet been disclosed in either a monthly return published under Rule 13.25B or a return published under this Rule 13.25A.
- (4) For the purposes of Rule 13.25A(3), the percentage change in the listed issuer's issued shares is to be calculated by reference to the listed issuer's total number of issued shares as it was immediately before the earliest relevant event which has not been disclosed in a monthly return published under Rule 13.25B or a return published under this Rule 13.25A.
- (11) Any appointment of, or change in legal representative(s) (or person(s) of equivalent authority, however described), appointed as required by any relevant law applicable to the issuer and/or any of its principal subsidiaries, with sole powers to represent, exercise rights on behalf of, the issuer and/or that principal subsidiary.
- (12) For issuers with principal subsidiaries based in jurisdictions other than Singapore, any of its independent directors' appointment or cessation of service from the boards of these principal subsidiaries.
- (13) Within 60 days after each financial year, the issuer must make an announcement of each person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer as set out in Appendix 7.2 Part II of the Singapore Listing Manual. If there are no such persons, the issuer must make an appropriate negative statement. The SGX-ST may require the issuer to provide additional information on any such person, including his remuneration, any changes to his duties, responsibilities and remuneration package.

Appointment of Special Auditors

- (14) The SGX-ST may require an issuer to appoint a special auditor to review or investigate the issuer's affairs and report its findings to the SGX-ST or the issuer's Audit Committee or such other party as the SGX-ST may direct. The issuer may be required by the SGX-ST to immediately announce the requirement, together with such other information as the SGX-ST directs. The issuer may be required by the SGX-ST to announce the findings of the special auditors.

Rule 13.25B, Listing Rules: Monthly Return

A listed issuer shall, by no later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the fifth business day next following the end of each calendar month, submit for publication on the SEHK's website a monthly return in relation to movements in the listed issuer's equity securities, debt securities and any other securitised instruments, as applicable, during the period to which the monthly return relates, in such form and containing such information as the SEHK may from time to time prescribe (irrespective of whether there has been any change in the information provided in its previous monthly return). Such information includes, among other things, the number as at the close of such period of equity securities, debt securities and any other securitised instruments, as applicable, issued and which may be issued pursuant to options, warrants, convertible securities or any other agreements or arrangements.

Rule 13.73, Listing Rules: Notices

The issuer shall ensure that notice of every meeting of its shareholders or its creditors concerning the issuer (e.g. for winding up petitions, schemes of arrangement or capital reduction) is published in accordance with Rule 2.07C of the Listing Rules. The issuer shall despatch a circular to its shareholders at the same time as (or before) the issuer gives notice of the general meeting to approve the transaction referred to in the circular. The issuer shall provide its shareholders with any material information on the subject matter to be considered at a general meeting that comes to the directors' attention after the circular is issued. The issuer must provide the information either in

**Rule 704, Singapore Listing Manual:
Announcement of specific information**

In addition to Rule 703 of the Singapore Listing Manual, an issuer must immediately announce the following:

General Meetings

- (15) The date, time and place of any general meeting. All notices convening meetings must be sent to shareholders at least 14 calendar days before the meeting (excluding the date of notice and the date of meeting). For meetings to pass special resolution(s), the notice must be sent to shareholders at least 21 calendar days

a supplementary circular or by way of an announcement in accordance with Rules 2.07C not less than ten (10) business days before the date of the relevant general meeting to consider the subject matter. The meeting must be adjourned before considering the relevant resolution to ensure compliance with this ten (10) business day requirement by the chairman or, if that is not permitted by the issuer's constitutional documents, by resolution to that effect.

Paragraph E.1.3 in Appendix 14, Listing Rules: Communication with Shareholders

Effective Communication

The issuer should arrange for the notice to shareholders to be sent for annual general meetings at least twenty (20) clear business days before the meeting and to be sent at least ten (10) clear business days for all other general meetings.

Rules 13.39(4) and (5), Listing Rules: Meetings of Shareholders

Any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

The issuer must announce the meeting's poll results as soon as possible, but in any event at least thirty (30) minutes before the earlier of either the commencement of the morning trading session or any pre-opening session on the business day after the meeting.

before the meeting (excluding the date of notice and the date of meeting).

(16) Immediately after each general meeting and before the commencement of the pre-opening session on the market day following the general meeting, whether the resolutions put to a general meeting of an issuer were passed. The announcement shall include:

- (a) Breakdown of all valid votes cast at the general meeting, in the prescribed format;
- (b) Details of parties who are required to abstain from voting on any resolution(s), including the number of shares held and the individual resolution(s) on which they are required to abstain from voting; and
- (c) Name of firm and/or person appointed as scrutineer.

Rule 730A, Singapore Listing Manual: Facilitating Interaction with Shareholders

- (1) An issuer shall hold all its general meetings in Singapore, unless prohibited by relevant laws and regulations in the jurisdiction of its incorporation.
- (2) All resolutions at general meetings shall be voted by poll.
- (3) At least one scrutineer shall be appointed for each general meeting. The appointed scrutineer(s) shall be independent of the persons undertaking the polling process. Where the appointed scrutineer is interested in the resolution(s) to be passed at the general meeting, it shall refrain from acting as the scrutineer for such resolution(s).

- (4) The appointed scrutineer shall exercise the following duties:
 - (a) ensuring that satisfactory procedures of the voting process are in place before the general meeting; and
 - (b) directing and supervising the count of the votes cast through proxy and in person.

Rule 13.23(1), Listing Rules: Notifiable Transactions, Connected Transactions, Takeovers and Share Repurchases

An issuer must announce details of acquisitions and realisations of assets and other transactions required by Chapters 14 and 14A of the Listing Rules and, where applicable, must circularise holders of its securities with details and obtain their approval thereto.

Rule 704, Singapore Listing Manual: Announcement of Specific Information

In addition to Rule 703 of the Singapore Listing Manual, an issuer must immediately announce the following:

Acquisitions and Realisations

- (17) Any acquisition of:
 - (a) shares resulting in the issuer holding 10.0% or more of the total number of issued shares excluding treasury shares and subsidiary holdings of a quoted company;
 - (b) except for an issuer which is a bank, finance company, securities dealing company or approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment exceeding each multiple of 5.0% of the issuer's latest audited consolidated net tangible assets. The announcement must state:
 - (i) the aggregate cost of the issuer's quoted investments before and after the acquisition, and such amounts as a percentage of the latest audited consolidated net tangible assets of the issuer;
 - (ii) the total market value of its quoted investments before and after the acquisition; and

- (iii) the amount of any provision for diminution in value of investments;
 - (c) shares resulting in a company becoming a subsidiary or an associated company of the issuer (providing the information required by Rules 1010(3) and (5) of the Singapore Listing Manual); and
 - (d) shares resulting in the issuer increasing its shareholding in a subsidiary or an associated company (providing the information required by Rules 1010(3) and (5) of the Singapore Listing Manual).
- (18) Any sale of:
- (a) shares resulting in the issuer holding less than 10% of the total number of issued shares excluding treasury shares and subsidiary holdings of a quoted company;
 - (b) except for an issuer which is a bank, a finance company, a securities dealing company or an approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment in quoted securities falling below each multiple of 5% of the issuer's latest audited consolidated net tangible assets. The announcement must contain the same information as required under Rule 704(17)(b)(i) to (iii) of the Singapore Listing Manual, relating to a sale instead of an acquisition;
 - (c) shares resulting in a company ceasing to be a subsidiary or an associated company of the issuer (providing the information required by Rules 1010(3) and (5) of the Singapore Listing Manual); and
 - (d) shares resulting in the issuer reducing its shareholding in a subsidiary or an associated company (providing the information required by Rules 1010(3) and (5) of the Singapore Listing Manual).

- (19) Any acquisition or disposal of shares or other assets which is required to be announced under Chapter 10 of the Singapore Listing Manual.

Rule 13.25, Listing Rules: Winding-up and Liquidation

An issuer shall inform the SEHK of the happening of any of the following events as soon as it comes to its attention:

- (a) the appointment of a receiver or manager either by any court having jurisdiction or under the terms of a debenture or any application to any court having jurisdiction for the appointment of a receiver or manager, or equivalent action in the country of incorporation or other establishment, in respect of the business or any part of the business of the issuer or the property of the issuer, its holding company or any subsidiary falling under Rule 13.25(2) of the Listing Rules;
- (b) the presentation of any winding-up petition, or equivalent application in the country of incorporation or other establishment, or the making of any winding-up order or the appointment of a provisional liquidator, or equivalent action in the country of incorporation or other establishment, against or in respect of the issuer, its holding company or any subsidiary falling under Rule 13.25(2) of the Listing Rules;
- (c) the passing of any resolution by the issuer, its holding company or any subsidiary falling under Rule 13.25(2) of the Listing Rules that it be wound up by way of members' or creditors' voluntary winding-up, or equivalent action in the country of incorporation or other establishment;

Rule 704, Singapore Listing Manual: Announcement of Specific Information

In addition to Rule 703 of the Singapore Listing Manual, an issuer must immediately announce the following:

Winding Up, Judicial Management, etc.

- (20) Any application filed with a court to wind up the issuer or any of its subsidiaries, or to place the issuer or any of its subsidiaries under judicial management.
- (21) The appointment of a receiver, judicial manager or liquidator of the issuer or any of its subsidiaries.
- (22) Any breach of any loan covenants or any notice received from principal bankers or from the trustee of any debenture holders to demand repayment of loans granted to the issuer or any of its subsidiaries which, in the opinion of the issuer's directors, would result in the issuer facing a cash flow problem.
- (23) Where Rules 704(20), (21) or (22) of the Singapore Listing Manual applies, a monthly update must be announced regarding the issuer's financial situation including:
 - (a) the state of any negotiations between the issuer and its principal bankers or trustee; and
 - (b) the issuer's future direction, or other material development that may have a significant impact on the issuer's financial position.

- (d) the entry into possession of or the sale by any mortgagee of a portion of the issuer's assets where the aggregate value of the total assets or the aggregate amount of profits or revenue attributable to such assets represents more than 5.0% under any of the percentage ratios defined under Rule 14.04(9) of the Listing Rules; or
- (e) the making of any final judgment, declaration or order by any court or tribunal of competent jurisdiction whether on appeal or at first instance which is not subject to any or further appeal, which may adversely affect the issuer's enjoyment of any portion of its assets where the aggregate value of the total assets or the aggregate amount of profits or revenue attributable to such assets represents more than 5.0% under any of the percentage ratios defined under Rule 14.04(9) of the Listing Rules.
- If any material development occurs between the monthly updates, it must be announced immediately.

Rules 13.25(1)(a), (b) and (c) will apply to a subsidiary of the issuer if the value of that subsidiary's total assets, profits or revenue represents 5.0% or more under any of the percentage ratios defined under Rule 14.04(9).

Rules 13.45(1) and (2), Listing Rules: After Board Meetings

An Issuer shall announce immediately after approval by or on behalf of the board of:

- (1) any decision to declare, recommend or pay any dividend or to make any other distribution on its listed securities, including the rate and amount of the dividend or distribution and the expected payment date;
- (2) any decision not to declare, recommend or pay any dividend which would otherwise

Rule 704, Singapore Listing Manual: Announcement of Specific Information

In addition to Rule 703 of the Singapore Listing Manual, an issuer must immediately announce the following:

Announcement of Results, Dividends, etc

- (24) Any recommendation or declaration of a dividend (including a bonus or special dividend, if any), the rate and amount per share and date of payment. If dividends are not taxable in the hands of shareholders, this must be stated in the announcement and

have been expected to have been declared, recommended or paid in due course.

in the dividend advice to shareholders. If there is a material variation in the interim or final dividend rate compared to that for the previous corresponding period, the directors must state the reasons for the variation at the time the dividend is recommended or declared. If the directors decide not to declare or recommend a dividend, this must be announced.

(25) After the end of each of the first three (3) quarters of its financial year, half year or financial year, as the case may be, an issuer must not announce any:

- (a) dividend;
- (b) capitalisation or rights issue;
- (c) closing of the books;
- (d) capital return;
- (e) passing of a dividend; or
- (f) sales or turnover,

unless it is accompanied by the results of the quarter, half year or financial year, as the case may be, or the results have been announced.

Rule 13.66, Listing Rule: Closure of Books and Record Date

- (1) An issuer must announce any closure of its transfer books or register of members in respect of securities listed in Hong Kong at least six (6) business days before the closure for a rights issue, or ten (10) business days before the closure in other cases. In cases where there is an alteration of book closing dates, the issuer must, at least five (5) business days before the

Rule 704, Singapore Listing Manual: Announcement of Specific Information

In addition to Rule 703 of the Singapore Listing Manual, an issuer must immediately announce the following:

Books Closure

- (26) Any intention to fix a books closure date, stating the date, reason and address of the share registry at which the relevant

announced closure or the new closure, whichever is earlier, notify the SEHK in writing and make a further announcement.

- (2) An issuer must ensure that the last day for trading in the securities with entitlements falls at least one (1) business day after the general meeting, if the entitlements require the approval of shareholders in the general meeting or are contingent on a transaction that is subject to the approval of shareholders in the general meeting.

documents will be accepted for registration. At least five (5) market days of notice (excluding the date of announcement and the books closure date) must be given for any books closure date. Issuers could consider a longer notice period, where necessary. Subject to the provisions of the Singapore Companies Act, the SGX-ST may agree to a shorter books closure period. In fixing a books closure date, an issuer must ensure that the last day of trading on a cum basis falls at least one (1) day after the general meeting, if a general meeting is required to be held.

- (27) The issuer must not close its books for any purpose until at least eight (8) market days after the last day of the previous books closure period. This rule does not prohibit identical books closure dates for different purposes.

Treasury Shares and Subsidiary Holdings

- (28) Any sale, transfer, cancellation and/or use of treasury shares, stating the following:
- (a) Date of the sale, transfer, cancellation and/or use;
 - (b) Purpose of such sale, transfer, cancellation and/or use;
 - (c) Number of treasury shares sold, transferred, cancelled and/or used;
 - (d) Number of treasury shares before and after such sale, transfer, cancellation and/or use;
 - (e) Percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and

- (f) Value of the treasury shares if they are used for a sale or transfer, or cancelled.
- (28A) Any sale, transfer, cancellation and/or use of subsidiary holdings, stating the following:
- (a) Date of the sale, transfer, cancellation and/or use;
 - (b) Purpose of such sale, transfer, cancellation and/or use;
 - (c) Number of subsidiary holdings sold, transferred, cancelled and/or used;
 - (d) Number of subsidiary holdings before and after such sale, transfer, cancellation and/or use; and
 - (e) Percentage of the number of subsidiary holdings against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use.

CLASSIFICATION OF TRANSACTIONS AND DISCLOSURES

CHAPTER 14 OF THE LISTING RULES
(NOTIFIABLE TRANSACTIONS)Rules 14.06 and 14.07, Listing Rules:
Classification and Explanation of Terms

Under Chapter 14 of the Listing Rules, the transaction classification is made by using the percentage ratios set out in Rule 14.07. The classifications are:

- (1) share transaction: an acquisition of assets (excluding cash) by a listed issuer where the consideration includes securities for which listing will be sought and where all percentage ratios are less than 5.0%;
- (2) discloseable transaction: a transaction or a series of transactions by a listed issuer where any percentage ratio is 5.0% or more, but less than 25.0%;
- (3) major transaction: a transaction or a series of transactions by a listed issuer where any percentage ratio is 25.0% or more, but less than 100.0% for an acquisition or 75.0% for a disposal;
- (4) very substantial disposal: a disposal or a series of disposals of assets by a listed issuer where any percentage ratio is 75.0% or more;
- (5) very substantial acquisition: an acquisition or a series of acquisitions of assets by a listed issuer where any percentage ratio is 100.0% or more;

CHAPTER 10 OF THE SINGAPORE
LISTING MANUAL (ACQUISITIONS AND
REALISATIONS)Rules 1004 to 1006, Singapore Listing
Manual: Classification of TransactionsRule 1004

Transactions are classified into the following categories under Chapter 10 of the Singapore Listing Manual:

- (a) non-discloseable transactions,
- (b) discloseable transactions;
- (c) major transactions; and
- (d) very substantial acquisitions or reverse takeovers.

Rule 1005

In determining whether a transaction falls within category (a), (b), (c) or (d) of Rule 1004 of the Singapore Listing Manual, the SGX-ST may aggregate separate transactions completed within the last 12 months and treat them as if they were one (1) transaction.

Rule 1006

A transaction may fall into category (a), (b), (c) or (d) of Rule 1004 of the Singapore Listing Manual depending on the size of the relative figures computed on the following bases:

- (a) the net asset value of the assets to be disposed of, compared with the group's net

- (6) reverse takeover: an acquisition or a series of acquisitions of assets by a listed issuer which, in the opinion of the SEHK, constitutes, or is part of a transaction or arrangement or series of transactions or arrangements which constitute, an attempt to achieve a listing of the assets to be acquired and a means to circumvent the requirements for new applicants set out in Chapter 8 of the Listing Rules.
- (b) the net profits attributable to the assets acquired or disposed of, compared with the group's net profits.
- (c) the aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.

The relevant category that a transaction falls under depends on the following percentage ratios computed on the following bases:

- (1) assets ratio: the total assets which are the subject of the transaction divided by the total assets of the listed issuer;
- (2) profits ratio: the profits attributable to the assets which are the subject of the transaction divided by the profits of the listed issuer;
- (3) revenue ratio: the revenue attributable to the assets which are the subject of the transaction divided by the revenue of the listed issuer;
- (4) consideration ratio: the consideration divided by the total market capitalisation of the listed issuer. The total market capitalisation is the average closing price of the listed issuer's securities as stated in the SEHK's daily quotations sheets for the five (5) business days immediately preceding the date of the transaction; and
- (5) equity capital ratio: the number of shares to be issued by the listed issuer as consideration divided by the total number
- (d) the number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.
- (e) the aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.

Rules 1008 to 1017: Non-Disclosable Transactions, Disclosable Transactions, Major Transactions and Very Substantial Acquisitions or Reverse Takeovers

Transactions are categorised as follows under Chapter 10 of the Singapore Listing Manual:

- Rule 1008(1): non-discloseable transactions: where all of the relative figures computed on the bases set out in Rule 1006 of the Singapore Listing Manual amount to 5.0% or less;
- Rule 1010: discloseable transactions: where any of the relative figures computed on the bases set out in Rule 1006 of the Singapore Listing Manual exceeds 5.0% but does not exceed 20.0%;

of the listed issuer's issued shares immediately before the transaction.

Rule 14.34, Listing Rules: Notification and Announcement

As soon as possible after the terms of a share transaction, discloseable transaction, major transaction, very substantial disposal, very substantial acquisition or reverse takeover have been finalised, the listed issuer must in each case inform the SEHK and publish an announcement as soon as possible.

Rules 14.38A to 14.57, Listing Rules: Additional Requirements for Major Transaction, Very Substantial Disposal, Very Substantial Acquisition, Reverse Takeover

Shareholders' approval is required for a major transaction, very substantial disposal and very substantial acquisition, while the approvals from both the shareholders and the SEHK are required for reverse takeover.

- Rule 1014(1): major transactions: where any of the relative figures computed on the bases set out in Rule 1006 of the Singapore Listing Manual exceeds 20.0%, the transaction is classified as a major transaction; and
- Rule 1015(1): very substantial acquisitions or reverse takeovers: where an acquisition of assets (whether or not the acquisition is deemed in the issuer's ordinary course of business) is one where any of the relative figures as computed on the bases set out in Rule 1006 of the Singapore Listing Manual is 100.0% or more, or is one which will result in a change in control of the issuer, the transaction is classified as a very substantial acquisition or reverse takeover respectively.

Where a transaction is classified as a discloseable transaction, major transaction or very substantial acquisition/reverse takeover, the Company must make an immediate announcement in accordance with the relevant rules(s) of the Singapore Listing Manual.

For very substantial acquisitions/reverse takeovers, the issuer must also immediately announce the latest three (3) years of pro forma financial information of the assets to be acquired.

Further, transactions that are major transactions are conditional upon approval of shareholders in general meeting. Very substantial acquisitions/reverse takeovers transactions are conditional upon the approval of shareholders and the approval of the SGX-ST.

A circular to shareholders will need to be distributed to seek shareholders' approval.

The disclosures required to be made in such circular for these types of transactions are prescribed in the Singapore Listing Manual.

EMPLOYEE SHARE OPTION SCHEMES**CHAPTER 17 OF THE LISTING RULES
(SHARE OPTION SCHEMES)****Rule 17.02, Listing Rules: Adoption of a new scheme**

The adoption of share option scheme is subject to the approval of the shareholders of the issuer in general meeting.

Rule 17.03, Listing Rules: Terms of the scheme

The total number of securities which may be issued upon the exercise of all options to be granted under the scheme and any other schemes must not in aggregate exceed 10.0% of the relevant class of securities of the scheme of the issuer (or the subsidiary) in issue as at the date of approval of the scheme. Options lapsed in accordance with the terms of the scheme will not be counted for the purpose of calculating the 10.0% limit.

The issuer may seek shareholders' approval to "refresh" the 10.0% limit under the scheme. However, the total number of securities which may be issued upon exercise of all options to be granted under all of the schemes of the listed issuer (or the subsidiary) under the limit as "refreshed" must not exceed 10.0% of the relevant class of securities in issue as at the date of approval of the limit.

**CHAPTER 8 OF THE SINGAPORE LISTING
MANUAL (CHANGES IN CAPITAL)****Rule 843(3), Singapore Listing Manual:
Share Option Schemes or Share Schemes**

The approval of an issuer's shareholders must be obtained for any share option scheme or share scheme implemented by:

- (a) the issuer; and
- (b) a principal subsidiary of the issuer if the scheme may cause Rule 805(2) of the Singapore Listing Manual to apply.

**Rule 843(4), Singapore Listing Manual: Share
Option Schemes or Share Schemes**

If shareholders' approval is not required pursuant to Rule 843(3) of the Singapore Listing Manual, an issuer must announce the principal terms of any such share option scheme or share scheme implemented by its subsidiaries.

**Rule 844, Singapore Listing Manual: Terms of
Schemes**

Participation in a scheme must be restricted to directors and employees of the issuer and its subsidiaries, except that:

- (1) directors and employees of an associated company of the issuer may participate in the

Rule 17.04(1), Listing Rules: Granting Options to a Director, Chief Executive or Substantial Shareholder of a Listed Issuer, or any of their Respective Associates

In addition to the shareholders' approval set out in note (1) to Rule 17.03(3) and the note to Rule 17.03(4), each grant of options to a director, chief executive or substantial shareholder of a listed issuer, or any of their respective associates, under a scheme of the listed issuer or any of its subsidiaries must comply with the requirements of this Rule 17.04(1). Each grant of options to any of these persons must be approved by independent non-executive directors of the listed issuer (excluding independent non-executive director who is the grantee of the options).

Where any grant of options to a substantial shareholder or an independent non-executive director of the listed issuer, or any of their respective associates, would result in the securities issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the twelve (12) month period up to and including the date of such grant, (a) representing in aggregate over 0.1% of the relevant class of securities in issue; and (b) (where the securities are listed on the SEHK), having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HKD five million (5,000,000), such further grant of options must be approved by shareholders of the listed issuer. The listed issuer must send a circular to the shareholders. The grantee, his associates and all core connected persons of the listed issuer must abstain from voting in favour at such general meeting.

scheme if the issuer has control over the associated company.

- (2) directors and employees of the issuer's parent company and its subsidiaries who have contributed to the success and development of the issuer may participate in the scheme.

Rule 845, Singapore Listing Manual: Terms of Schemes

A limit on the size of each scheme, the maximum entitlement for each class or category of participant (where applicable), and the maximum entitlement for any one participant (where applicable) must be stated. For SGX-ST main board issuers, the following limits must not be exceeded:

- (1) the aggregate number of shares available under all schemes must not exceed 15.0% of the total number of issued shares excluding treasury shares and subsidiary holdings from time to time;
- (2) the aggregate number of shares available to controlling shareholders and their associates must not exceed 25.0% of the shares available under a scheme;
- (3) the number of shares available to each controlling shareholder or his associate must not exceed 10.0% of the shares available under a scheme;
- (4) the aggregate number of shares available to directors and employees of the issuer's parent company and its subsidiaries must not exceed 20.0% of the shares available under a scheme; and

- (5) the maximum discount under the scheme must not exceed 20.0%. The discount must have been approved by shareholders in a separate resolution.

Rule 847, Singapore Listing Manual: Terms of Schemes

The exercise price of options to be granted must be set out. Options granted at a discount may be exercisable after two (2) years from the date of grant. Other options may be exercisable after one (1) year from the date of grant.

Rule 17.06A, Listing Rules: Announcement on Grant of Options

As soon as possible upon the granting by the issuer of an option under its share option scheme, the issuer must publish an announcement setting out the following details:

- (1) date of grant;
- (2) exercise price of the options grant;
- (3) number of options granted;
- (4) market price of its securities on the date of grant;
- (5) where any of the grantees is a director, chief executive or substantial shareholder of the issuer, or an associate of any of them, the names of such grantees and the number of options granted to each of them; and
- (6) validity period of the options.

Rule 704(29), Singapore Listing Manual: Announcement of Employee Share Option or Share Scheme

- (29) Any grant of options or shares. The announcement must be made on the date of the offer and provide details of the grant, including the following:
 - (a) Date of grant;
 - (b) Exercise price of options granted;
 - (c) Number of options or shares granted;
 - (d) Market price of its securities on the date of grant;
 - (e) Number of options or shares granted to each director and controlling shareholder (and each of their associates), if any; and
 - (f) Validity period of the options.

FINANCIAL INFORMATION**CHAPTER 13 OF THE LISTING RULES
(CONTINUING OBLIGATIONS)****CHAPTER 7 OF THE SINGAPORE LISTING
MANUAL (CONTINUING OBLIGATIONS)****Rules 13.46 to 13.50, Listing Rules:
Disclosure of Financial Information****Rule 705, Singapore Listing Manual:
Financial Statements****Distribution of annual report and accounts****Announcement of financial statements**

An issuer is required to send (i) every member of the issuer; and (ii) every other holder of its listed securities (not being bearer securities), a copy of either (a) its annual report including its annual accounts and, where the issuer prepares consolidated financial statements, its consolidated financial statement, together with a copy of the auditors' report thereon or (b) its summary financial report not less than twenty-one (21) days before the date of the issuer's annual general meeting and in any event not more than four (4) months after the end of the financial year to which they relate.

(1) An issuer must announce the financial statements for the full financial year (as set out in Appendix 7.2 of the Singapore Listing Manual) immediately after the figures are available, but in any event not later than 60 days after the relevant financial period.

Interim reports

In respect of the first six (6) months of each financial year of an issuer unless that financial year is of six (6) months or less, the issuer shall send to (i) every member of the issuer; and (ii) every other holder of its listed securities (not being bearer securities), either (a) an interim report, or (b) a summary interim report not later than three (3) months after the end of that period of six (6) months.

(2) An issuer must announce the financial statements for each of the first three (3) quarters of its financial year (as set out in Appendix 7.2 of the Singapore Listing Manual) immediately after the figures are available, but in any event not later than 45 days after the quarter end if:

**Preliminary announcements of results — Full
financial year**

An issuer shall publish its preliminary results in respect of each financial year as soon as possible, but in any event not later than the time that is

(a) its market capitalisation exceeded S\$75 million as at 31 March 2003; or

(b) it was listed after 31 March 2003 and its market capitalisation exceeded S\$75 million at the time of listing (based on the IPO issue price); or

(c) its market capitalisation is S\$75 million or higher on the last trading day of each calendar year commencing from 31 December 2006. An issuer whose obligation falls within this subsection (c) will have a grace period of a year to prepare for quarterly

thirty (30) minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the next business day after approval by or on behalf of the board. The issuer must publish such results not later than three (3) months after the end of the financial year.

Preliminary announcements of results — First half of the financial year

The issuer shall publish a preliminary announcement in respect of its results for the first six (6) months of each financial year, unless that financial year is of six (6) months or less, as soon as possible, but in any event not later than the time that is 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the next business day after approval by or on behalf of the board. The issuer must publish such results not later than two (2) months after the end of that period of six (6) months.

reporting. As an illustration, an issuer whose market capitalisation is S\$75 million or higher as at the end of the calendar year 31 December 2006 must announce its quarterly financial statements for any quarter of its financial year commencing in 2008. Notwithstanding the grace period, all issuers whose obligation falls under this sub-section (c) are strongly encouraged to adopt quarterly reporting as soon as possible.

- (3) (a) An issuer who falls within the subsections in Rule 705(2) of the Singapore Listing Manual above must comply with Rule 705(2) of the Singapore Listing Manual even if its market capitalisation subsequently decreases below S\$75 million.
- (b) An issuer who does not fall within the sub-sections in Rule 705(2) of the Singapore Listing Manual above must announce its first half financial statements (as set out in Appendix 7.2 of the Singapore Listing Manual) immediately after the figures are available, but in any event not later than 45 days after the relevant financial period.
- (4) Notwithstanding the foregoing, with respect to the first announcement to be made by the issuer pursuant to Rules 705(1) or (2) following its listing on the SGX-ST, where the time period between the date of its listing and the final date for the issuer to make the relevant announcement pursuant to Rule 705(1) or (2) of the Singapore Listing Manual above is less than 30 days,

the issuer shall have 30 days from the relevant deadline to make the relevant announcement of the financial statements provided that the following conditions are satisfied:

- (a) the extension is announced by the issuer at the time of the issuer's listing; and
 - (b) in the announcement referred to in paragraph (a), the issuer must confirm that there is no material adverse change to the financial position of the issuer since the date of its prospectus or introductory document issued in connection with its listing on the SGX-ST.
- (5) In the case of an announcement of interim financial statements (quarterly or half-yearly, as applicable, but excluding full year financial statements), an issuer's directors must provide a confirmation that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial statements to be false or misleading in any material aspect. In order to make this confirmation, directors would not be expected to commission an audit of these financial statements. The confirmation may be signed by two (2) directors on behalf of the board of directors.

Rule 4.03, Listing Rules: Reporting Accountants

All accountants' reports must normally be prepared by certified public accountants who are qualified under the Professional Accountants Ordinance for appointment as auditors of a company and who are independent both of the issuer and of any other company concerned to the same extent as that required of an auditor under the Companies Ordinance (Chapter 622, Laws of Hong Kong) ("Companies Ordinance") and in accordance with the requirements on independence issued by the Hong Kong Institute of Certified Public Accountants.

Rule 712, Singapore Listing Manual: Appointment of Auditors

- (1) An issuer must appoint a suitable auditing firm to meet its audit obligations, having regard to the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the size and complexity of the listed group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit. A mineral, oil and gas company must appoint an auditing firm where the auditing firm and audit partner-in-charge have the relevant industry experience.
- (2) The auditing firm appointed by the issuer must be:
 - (a) registered with the Accounting and Corporate Regulatory Authority;
 - (b) registered with and/or regulated by an independent audit oversight body acceptable to the SGX-ST. Such oversight bodies should be members of the International Forum of Independent Audit Regulators, independent of the accounting profession and directly responsible for the system of recurring inspection of accounting firms or are able to exercise oversight of inspections undertaken by professional bodies; or
 - (c) any other auditing firm acceptable by the SGX-ST.
- (3) A change in auditing firm must be specifically approved by shareholders in a general meeting.

**Rule 713, Singapore Listing Manual:
Appointment of Auditors**

- (1) An issuer must disclose in its annual report the date of appointment and the name of the audit partner in charge of auditing the issuer and its group of companies. The audit partner must not be in charge of more than five (5) consecutive audits for a full financial year, the first audit being for the financial year beginning on or after 1 January 1997, regardless of the date of listing. The audit partner may return after two (2) years.
- (2) If the listing of an issuer occurs after five (5) consecutive audits by the same audit partner in charge, the same audit partner may complete the audit of the financial year in which the issuer lists.

Rule 707, Singapore Listing Manual: Annual Report

- (1) The time between the end of an issuer's financial year and the date of its annual general meeting (if any) must not exceed four (4) months.
- (2) An issuer must issue its annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting.
- (3) Notwithstanding Rules 707(1) and (2), with respect to the first annual general meeting immediately following the issuer's listing on the SGX-ST, where the time period between its listing on the SGX-ST and the final date for the issuer to hold its annual general meeting pursuant to Rule 707(1) of the Singapore Listing Manual above is less than 30 days, the issuer shall have 30 days from the relevant deadline to hold its annual general meeting, provided that:
 - (a) such an extension is permitted by and in accordance with all relevant laws and regulations governing the issuer in its place of constitution;

- (b) the SGX-ST is notified of such an extension at the time of the issuer's listing;
- (c) the extension is announced by the issuer at the time of the issuer's listing; and
- (d) in the announcement referred to in paragraph (c), the issuer must confirm that:
 - (i) there is no material adverse change to the financial position of the issuer since the date of its prospectus or introductory document issued in connection with its listing on the SGX-ST; and
 - (ii) the extension is permitted by and in accordance with all relevant laws and regulations governing the issuer in its place of constitution.

PUBLIC FLOAT REQUIREMENTS**CHAPTER 8 OF THE LISTING RULES
(QUALIFICATIONS FOR LISTING)****CHAPTER 7 OF THE SINGAPORE
LISTING MANUAL (CONTINUING
OBLIGATIONS)****Rule 8.08(1), Listing Rules: Qualifications
for listing**

Save and except for the circumstances specified under Chapter 8 of the Listing Rules, an issuer must maintain at least 25.0% of its total issued share capital at all times be held by the public.

**Rule 723, Singapore Listing Manual: Free
Float**

An issuer must ensure that at least 10.0% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public.

**Rule 724, Singapore Listing Manual: Free
Float**

- (1) If the percentage of securities in public hands falls below 10.0%, the issuer must, as soon as practicable, announce that fact and the SGX-ST may suspend trading of the class, or all of the securities of the issuer.
- (2) The SGX-ST may allow the issuer a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of securities in public hands to at least 10.0%. The issuer may be removed from the official list if it fails to restore the percentage of securities in public hands to at least 10.0% after the period.

SHAREHOLDERS' REPORTING OBLIGATIONS

Disclosure of Interests by Substantial Shareholders

The Listing Rules require that the interests held by directors and chief executives and substantial shareholders (i.e. shareholders interested in 10.0% or more of the voting power) be disclosed in annual reports, interim reports and circulars of the listed company.

The SFO and the Outline of Part XV of the SFO — Disclosure of Interests (“**Outline**”) issued by the Securities and Futures Commission provides that a substantial shareholder (i.e. shareholder interested in 5.0% or more of the shares in the listed company) is required to disclose his interest, and short positions, in the shares of the listed company, within ten (10) business days after first becoming a substantial shareholder, or to disclose his changes in percentage figures of his shareholdings in the listed company or ceasing to be a substantial shareholder within three (3) business days after becoming aware of the relevant events. Please refer to section 2.7 of the Outline for examples of relevant events.

Obligation to notify the Company and SGX-ST of Substantial Shareholding, Change in Substantial Shareholding and Cessation of Substantial Shareholding

Under the Singapore Companies Act, a substantial shareholder (i.e. shareholder having not less than 5.0% of the total votes attached to all the voting shares in the company) of a company shall within two (2) business days after becoming a substantial shareholder, or when there is a change in the percentage level of the substantial shareholder’s interest, or when he ceases to be a substantial shareholder, give notice in writing to the company.

Under the Securities and Futures Act (Cap 289) (“**SFA**”), a substantial shareholder shall within two (2) business days after becoming a substantial shareholder, or when there is a change in the percentage level of the substantial shareholder’s interest, or when he ceases to be a substantial shareholder give notice in writing to the company.

Section 81, Singapore Companies Act: Substantial shareholdings and substantial shareholders

A person has a substantial shareholding in a company if he has an interest or interests in one (1) or more voting shares in the company, and the total votes attached to that share or those shares is not less than 5.0% of the total votes attached to all the voting shares in the company.

**Section 82, Singapore Companies Act:
Substantial shareholder to notify company of
his interests**

A substantial shareholder of a company is required to notify the company of his “interests” in the voting shares in the company within two (2) business days after becoming a substantial shareholder.

**Sections 83 and 84, Singapore Companies Act:
Substantial shareholder to notify company of
change in interests and person who ceases to
be substantial shareholder to notify company**

A substantial shareholder is required to notify the company of changes in the “percentage level” of his shareholding or his ceasing to be a substantial shareholder, again within two (2) business days after he becomes aware of such changes.

If the change results in a fraction of a percent, it should be rounded down to a whole number to determine if the percentage level has been crossed, warranting a disclosure. For example, if the interest increases from 6% to 6.75%, rounding 6.75% down to the nearest whole number yields 6%. Hence there is no change in percentage level of interest and no notification is required.

**Sections 135 to 137, SFA: Disclosure by
substantial shareholders in corporation**

A substantial shareholder is also required to give the above notifications to the company at the same time.

INTERESTS BY DIRECTORS AND CHIEF EXECUTIVES**Part XV, SFO: Disclosure of Interests by
Directors and Chief Executives**

A director or a chief executive of a listed company is required to disclose his interest and short position in any shares in a listed company (or any of its associated companies) and his interest in any debentures of the listed company (or any of its associated companies) within ten (10) business days after becoming a director or chief executive of the listed company or within three (3) business days after becoming aware of the relevant events.

If a person is both a substantial shareholder and a director of the listed company concerned under the SFO, such person may have separate duties to file notices (one in each capacity) as a result of a single event. For example, a person who is interested in 5.9% of the shares of a listed company and buys a further 0.2% will have to file a notice because he is a director (and therefore has to disclose all transactions) and will also have to file a notice as a substantial shareholder because his interest has crossed the 6.0% level.

**Section 164, Singapore Companies Act:
Register of director's and chief executive
officer's shareholdings**

Under section 164(1) of the Singapore Companies Act, a company shall keep a register showing with respect to each director of the company particulars of:

- (a) shares in that company or a related corporation being shares of which the director is a registered holder or in which he has an interest and the nature and extent of that interest;
- (b) debentures of or participatory interests made available by the company or a related corporation which are held by the director or in which he has an interest and the nature and extent of that interest;
- (c) rights or options of the director or of the director and another person or other persons in respect of the acquisition or disposal of shares in the company or a related corporation; and
- (d) contracts to which the director is a party or under which he is entitled to a benefit, being contracts under which a person has a right to call for or to make delivery of shares in the company or in a related corporation.

Under section 164(1A) of the Singapore Companies Act, a company shall keep a register showing with respect to each chief executive officer of the company particulars of:

- (a) shares in that company, being shares of which the chief executive officer is their registered holder or in which he has an interest and the nature and extent of that interest;
- (b) debentures of the company which are held by the chief executive officer or in which he has an interest and the nature and extent of that interest;
- (c) rights or options of the chief executive officer or of the chief executive officer and another person or other persons in respect of the acquisition or disposal of shares in the company; and
- (d) contracts to which the chief executive officer is a party or under which he is entitled to a benefit, being contracts under which a person has a right to call for or to make delivery of shares in the company.

A director or chief executive officer of a company shall be deemed to hold or have an interest or a right in or over any shares or debentures if:

- (i) a wife or husband of the director or chief executive officer (as the case may be) (not being herself or himself a director or chief executive officer thereof) holds or has an interest or a right in or over any shares or debentures; or
- (ii) a child of less than 18 years of age of that director or chief executive officer (as the case may be) (not being himself or herself a

director or chief executive officer) holds or has an interest in shares or debentures.

**Section 165, Singapore Companies Act:
General duty to make disclosure**

Under section 165(1) of the Singapore Companies Act, a director and chief executive officer of a company shall give notice in writing to the company of such particulars relating to shares, debentures, participatory interests, rights, options and contracts as are necessary for the purposes of compliance by the first-mentioned company with section 164, among other disclosure requirements.

**Securities and Futures (Amendment) Act
2009: Migration of disclosure obligations**

The Securities and Futures (Amendment) Act 2009 (the “**Amendment Act**”) has, *inter alia*, migrated all the disclosure obligations in the Singapore Companies Act into the SFA and has also introduced new disclosure requirements, for example, the requirement for foreign incorporated companies which have a primary listing on the SGX-ST to comply with the disclosure obligations in the SFA. The new amendments to the SFA expand the current scope of disclosure obligations.

Under the Amendment Act, the disclosure obligations currently under the SFA and the Singapore Companies Act have been consolidated and inserted into the SFA.

Sections 133 and 134, SFA: Duty of director or chief executive officer to notify corporation of his interests

Section 133 of the SFA stipulates that every director and chief executive officer of a corporation shall give notice in writing to the corporation of particulars of, *inter alia*, shares in the corporation, or a related corporation of the corporation, which he holds, or in which he has an interest and the nature and extent of that interest, within two (2) business days after:

- (a) the date on which the director or chief executive officer becomes such a director or chief executive officer; or
- (b) the date on which the director or chief executive officer becomes a holder of, or acquires an interest in, the shares,

whichever last occurs.

Under section 134, any director or chief executive officer of a corporation who intentionally or recklessly contravenes section 133 in relation to the disclosure of shares held in the corporation, or in purported compliance with disclosure of shares held in the corporation furnishes any information which he knows is false or misleading in a material particular or is reckless as to whether it is, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding two (2) years or to both and, in the case of a continuing offence, to a further fine not exceeding S\$25,000 for every day or part thereof during which the offence continues after conviction.

Section 137F, SFA: Power of corporation to require disclosure of beneficial interest in its voting shares

Any corporation may, under section 137F(1) of the SFA, require any member of the corporation within such reasonable time as is specified in the notice:

- (a) to inform it whether he holds any voting shares in the corporation as beneficial owner or as trustee; and
- (b) if he holds them as trustee, to indicate so far as he can the persons for whom he holds them (either by name or by other particulars sufficient to enable those persons to be identified) and the nature of their interest.

Under section 137F(2), whenever a corporation is informed pursuant to a notice given to any person under section 137F(2) or under this section 137F(2) that any other person has an interest in any of the voting shares in the corporation, the corporation may by notice in writing require that other person within such reasonable time as is specified in the notice:

- (a) to inform it whether he holds that interest as beneficial owner or as trustee; and
- (b) if he holds it as trustee, to indicate so far as he can the persons for whom he holds it (either by name or by other particulars sufficient to enable them to be identified) and the nature of their interest.

Any person who intentionally or recklessly contravenes the requirement to comply with the notice, or in purported compliance with the requirement, furnishes any information which he knows is false or misleading in a material particular or is reckless as to whether it is, shall, in the case of an individual, be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding two (2) years or to both and, in the case of a continuing offence, to a further fine not exceeding S\$25,000 for every day or part thereof during which the offence continues after conviction.

Section 137C, SFA: Corporation to keep register of substantial shareholders

Under section 137C, a corporation shall keep a register in which it shall immediately enter:

- (a) the names of persons from whom it has received a notice under section 135 (duty of substantial shareholder to notify corporation of its interests); and
- (b) against each name so entered, the information given in the notice and, where it receives a notice under section 136 (duty of substantial shareholder to notify corporation of change in interests) or section 137 (duty of person who ceases to be substantial shareholder to notify corporation), the information given in that notice.

**Section 137G, SFA: Duty of corporation to
make disclosure**

Under section 137G of the SFA, where a corporation has been notified in writing by a director or chief executive officer of the corporation or a substantial shareholder in respect of a change in the particulars of his shareholdings, the corporation shall announce or otherwise disseminate the information stated in the notice to the securities market operated by the securities exchange on whose official list any or all of the shares of the corporation are listed, as soon as practicable and in any case, no later than the end of the business day following the day on which the corporation received the notice.

Any corporation that intentionally or recklessly contravenes this duty of disclosure, or in purported compliance, announces or disseminates any information knowing that it is false or misleading in a material particular or reckless as to whether it is, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 and, in the case of a continuing offence, to a further fine not exceeding S\$25,000 for every day or part thereof during which the offence continues after conviction.

SHARE BUYBACK

CHAPTER 10, LISTING RULES: EQUITY
SECURITIES**Rules 10.05 and 10.06, Listing Rules:
Restrictions and Notification Requirements
on Issuers Purchasing their own Shares on a
SEHK**

Subject to the provisions of the Code on Share Buy-backs, an issuer may purchase its shares on the SEHK or on another stock exchange recognised for this purpose by the SFC and the SEHK. All such purchases must be made in accordance with Rule 10.06 of the Listing Rules. The Code on Share Buy-backs must be complied with by an issuer and its directors and any breach thereof by an issuer will be a deemed breach of the Listing Rules and the SEHK may in its absolute discretion take such action to penalise any breach of this paragraph or the listing agreement as it shall think appropriate. It is for the issuer to satisfy itself that a proposed purchase of shares does not contravene the Code on Share Buy-backs.

Rule 10.06, Listing Rules

An issuer with primary listing on the SEHK can purchase its shares on the SEHK if the relevant shares are fully-paid up, the issuer has previously sent to the shareholders an explanatory statement complying with the provisions of Rule 10.06(1)(b) of the Listing Rules and that the shareholders of the issuer have given specific approval or a general mandate to the directors to make such a purchase, provided that the amount of shares so purchased under the general mandate shall not exceed 10.0% of the issued share capital

CHAPTER 8, PART XIII, SINGAPORE
LISTING MANUAL: SHARE BUY-BACK**Rules 881, 882 and 883, Singapore Listing
Manual: Shareholder Approval**Rule 881

An issuer may purchase its own shares (“**share buy-back**”) if it has obtained the prior specific approval of shareholders in general meeting.

Rule 882

A share buy-back may only be made by way of (1) on-market purchases transacted through the SGX-ST’s trading system or on another stock exchange on which the issuer’s equity securities are listed (“**market acquisition**”) or (2) off-market acquisition in accordance with an equal access scheme as defined in section 76C of the Singapore Companies Act.

Unless a lower limit is prescribed under the issuer’s law of incorporation, such share buy-back shall not exceed 10.0% of the total number of issued shares excluding treasury shares and subsidiary holdings as at the date of the resolution passed by shareholders for the share buy-back.

Rule 883

For the purpose of obtaining shareholder approval, the issuer must provide at least the following information to shareholders:

- (1) the information required under the Singapore Companies Act;

of the issuer as at the date of the passing of the relevant shareholders' resolution granting the mandate of purchase.

Rule 10.06(1)(b), Listing Rules: Explanatory statement

For the purpose of obtaining shareholders' approval, the issuer must have previously sent to its shareholders an explanatory statement containing all the information reasonably necessary to enable those shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the purchase by the issuer of shares including the information set out below:

- (1) a statement of the total number and description of the shares which the issuer proposes to purchase;
- (2) a statement by the directors of the reasons for the proposed purchase of shares;
- (3) a statement by the directors as to the proposed source of funds for making the proposed purchase of shares, which shall be funds legally available for such purposes in accordance with the issuer's constitutive documents and the laws of the jurisdiction in which the issuer is incorporated or otherwise established;
- (4) a statement as to any material adverse impact on the working capital or gearing position of the issuer (as compared with the position disclosed in its most recent published audited accounts) in the event that the proposed purchases were to be carried out in full at any time during the

- (2) the reasons for the proposed share buy back;
- (3) the consequences, if any, of share purchases by the issuer that will arise under the Singapore Takeover Code or other applicable takeover rules;
- (4) whether the share buy-back, if made, could affect the listing of the issuer's equity securities on the SGX-ST;
- (5) details of any share buy-back made by the issuer in the previous 12 months (whether market acquisitions or off-market acquisitions in accordance with an equal access scheme), giving the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (6) whether the shares purchased by the issuer will be cancelled or kept as treasury shares.

Rule 884, Singapore Listing Manual: Dealing Restriction

An issuer may only purchase shares by way of a market acquisition at a price which is not more than 5.0% above the average closing price market price. For this purpose, the average closing market price is: (1) the average of the closing market prices of a share over the last five (5) market days, on which transactions in the share were recorded, before the day on which the purchases are made; and (2) deemed to be adjusted for any corporate action that occurs after the relevant 5-day period.

proposed purchase period, or an appropriate negative statement;

- (5) a statement of the name of any directors, and to the best of the knowledge of the directors having made all reasonable enquiries, any close associates of the directors, who have a present intention, in the event that the proposal is approved by shareholders, to sell shares to the issuer, or an appropriate negative statement;
- (6) a statement that the directors have undertaken to the SEHK to exercise the power of the issuer to make purchases pursuant to the proposed resolution in accordance with the Listing Rules and the laws of the jurisdiction in which the issuer is incorporated or otherwise established;
- (7) a statement as to the consequences of any purchases which will arise under the HK Takeovers Code of which the directors are aware, if any;
- (8) a statement giving details of any purchases by the issuer of shares made in the previous six (6) months (whether on the SEHK or otherwise) giving the date of each purchase and the purchase price per share or the highest and lowest prices paid for such purchases, where relevant;
- (9) a statement as to whether or not any core connected persons of the issuer have notified the issuer that they have a present intention to sell shares to the issuer or have undertaken not to sell any of the shares held by them to the issuer, in the event that the

Rule 885, Singapore Listing Manual: Off-Market Acquisition on an Equal Access Scheme

An issuer making an off-market acquisition in accordance with an equal access scheme must issue an offer document to all shareholders containing at least the following information:

- (1) terms and conditions of the offer;
- (2) period and procedures for acceptances; and
- (3) information in Rules 883(2), (3), (4), (5) and (6) of the Singapore Listing Manual.

Rule 886, Singapore Listing Manual: Reporting Requirements

- (1) An issuer must notify the SGX-ST of any share buy-back as follows:
 - (a) in the case of a market acquisition, by 9:00 a.m. on the market day following the day on which it purchased the shares,
 - (b) in the case of an off-market acquisition under an equal access scheme, by 9:00 on the second market day after the close of acceptances of the offer.
- (2) Notification must be in the form of Appendix 8.3.1 of the Singapore Listing Manual (or Appendix 8.3.2 of the Singapore Listing Manual for an issuer with a dual listing on another stock exchange). Such notification under Appendix 8.3.2 of the Singapore Listing Manual would include, *inter alia*, the name of the overseas exchange on which the company's shares are also listed, the maximum number of

issuer is authorised to make purchases of shares;

- (10) a statement giving the highest and lowest prices at which the relevant shares have traded on the SEHK during each of the previous twelve months; and
- (11) the disclaimer of the SEHK in the form set out under the Listing Rules.

shares authorised for purchase, the date of purchases, the total number of shares purchased, the purchase price per share, the highest and lowest prices paid for such shares, the total purchase consideration, the cumulative number of shares purchased to date and the number of issued shares excluding treasury shares and subsidiary holdings after the purchase.

Rule 10.06(2), Listing Rules: Dealing Restrictions

The buy-back of shares by an issuer is subject to various dealing restrictions, including, among others, that an issuer shall not purchase its shares on the SEHK if the purchase price is higher by 5.0% or more than the average closing market price for the five (5) preceding trading days on which its shares were traded on SEHK.

Rule 10.06(4), Listing Rules: Reporting Requirements

- (a) An issuer is required to submit for publication to SEHK within thirty (30) minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the issuer makes a purchase of shares (whether on the SEHK or otherwise), the total number of shares purchased by the issuer the previous day, the purchase price per share or the highest and lowest prices paid for such purchases, where relevant, and shall confirm that those purchases which were made on the SEHK were made in accordance with the Listing Rules and if

the issuer's primary listing is on the SEHK, that there have been no material changes to the particulars contained in the explanatory statement. In respect of purchases made on another stock exchange, the issuer's report must confirm that those purchases were made in accordance with the domestic rules applying to purchases on that other stock exchange. Such reports shall be made on a return in such form and containing such information as the SEHK may from time to time prescribe. In the event that no shares are purchased on any particular day then no return need be made to the SEHK. The issuer should make arrangements with its brokers to ensure that they provide to the issuer in a timely fashion the necessary information to enable the issuer to make the report to the SEHK.

- (b) An issuer is also required to include in its annual report and accounts a monthly breakdown of purchases of shares made during the financial year under review showing the number of shares purchased each month (whether on the SEHK or otherwise) and the purchase price per share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid by the issuer for such purchases. The directors' report shall contain reference to the purchases made during the year and the directors' reasons for making such purchases.

GENERAL MEETINGS**Solicitation for Proxy**

Investors holding securities in listed companies listed on SEHK through CCASS who want to attend the shareholders' meetings in person or appoint proxies to vote on their behalf have to solicit for proxy by giving instructions to CCASS directly or through their broker firms (as the case may be) to authorise the investors as corporate representatives or proxies of HKSCC Nominees (or any successor thereto) in respect of such shareholding of the investors in the listed companies.

Section 81SJ(4), SFA: Depository not member of company and depositors deemed to be members

Depositors who wish to attend and vote at the extraordinary general meeting, and whose names are shown in the records of CDP as at a time not later than 72 hours prior to the time of the extraordinary general meeting supplied by CDP to the company, may attend the extraordinary general meeting in person. Such depositors who are individuals and who wish to attend the extraordinary general meeting in person need not take any further action and can attend and vote at the extraordinary general meeting

ISSUANCE OF NEW SHARES, CONVERTIBLE BONDS OR BONDS WITH WARRANTS**Allotment and Issues of Shares**

Under sections 140 and 141 of the Companies Ordinance, the directors of a company may exercise a power (i) to allot shares in the company; or (ii) to grant rights to subscribe for, or to convert any security into, shares in the company, only if the company gives approval in advance by resolution of the company.

Power of directors to allot and issue shares

The power to issue shares in a company is usually vested with the directors of that company subject to any restrictions in the constitution of that company.

However, notwithstanding anything to the contrary in the constitution of a company, prior approval of the company at a general meeting is required to authorise the directors to exercise any power of the company to issue shares. Such approval need not be specific but may be general.

Rules 13.36(1) to (3), Listing Rules: Pre-emptive rights

Except in the circumstances, mentioned in Rule 13.36(2) of the Listing Rules:

- (a) the directors of the issuer shall obtain the consent of shareholders in general meeting prior to allotting, issuing or granting: (i) shares; (ii) securities convertible into shares; or (iii) options, warrants or similar rights to subscribe for any shares or such convertible securities; and
- (b) the directors of the issuer shall obtain consent of the shareholders in general meeting prior to allotting any voting shares if such allotment would effectively alter the control of the issuer.

No such consent as is referred to in Rule 13.36(1)(a) shall be required:

- (a) for the allotment, issue or grant of such securities pursuant to an offer made to the shareholders of the issuer which excludes for that purpose any shareholder that is resident in a place outside Hong Kong provided the directors of the issuer consider such exclusion to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place and, where appropriate, to holders of other equity securities of the issuer entitled to be offered them, pro rata (apart from fractional entitlements) to their existing holdings; or
- (b) if, but only to the extent that, the existing shareholders of the issuer have by ordinary resolution in general meeting given a

**Rule 805, Singapore Listing Manual:
General requirements for an issue of securities**

Except as provided in Rule 806 of the Singapore Listing Manual, an issuer must obtain the prior approval of shareholders in general meeting for the following:

- (1) the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer; or
- (2) if a principal subsidiary of an issuer issues shares or convertible securities or options that will or may result in:
 - (a) the principal subsidiary ceasing to be a subsidiary of the issuer; or
 - (b) a percentage reduction of 20.0% or more of the issuer's equity interest in the principal subsidiary. For example, if the issuer has a 70% interest in a principal subsidiary, shareholders' approval will be required for any issue of shares in the principal subsidiary reducing the issuer's equity interest to 56.0%.

**Rule 806(1), Singapore Listing Manual:
General Mandate**

Approval by an issuer's shareholders under Rule 805(1) of the Singapore Listing Manual is not required if shareholders had, by ordinary resolution in a general meeting, given a general mandate to the directors of the issuer, either unconditionally or on such conditions to issue:

- (i) shares; or
- (ii) convertible securities; or

general mandate to the directors of the issuer, either unconditionally or subject to such terms and conditions as may be specified in the resolution, to allot or issue such securities or to grant any offers, agreements or options which would or might require securities to be issued, allotted or disposed of, whether during the continuance of such mandate or thereafter, subject to a restriction that the aggregate number of securities allotted or agreed to be allotted must not exceed the aggregate of (i) 20% of the number of issued shares of the issuer as at the date of the resolution granting the general mandate (or in the case of a scheme of arrangement involving an introduction in the circumstances set out in Rule 7.14(3), 20% of the number of issued shares of an overseas issuer following the implementation of such scheme) and (ii) the number of such securities repurchased by the issuer itself since the granting of the general mandate (up to a maximum number equivalent to 10% of the number of issued shares of the issuer as at the date of the resolution granting the repurchase mandate), provided that the existing shareholders of the issuer have by a separate ordinary resolution in general meeting given a general mandate to the directors of the issuer to add such repurchased securities to the 20% general mandate.

A general mandate to directors to issue and allot shares shall only continue in force until (a) the conclusion of the first annual general meeting of

- (iii) additional convertible securities issued pursuant to Rule 829 of the Singapore Listing Manual, notwithstanding that the general mandate may have ceased to be in force at the time the securities are issued, provided that the adjustment does not give the holder a benefit that a shareholder does not receive; or
- (iv) shares arising from the conversion of the securities in (ii) and (iii) notwithstanding that the general mandate may have ceased to be in force at the time the shares are to be issued.

**Rule 806(2), Singapore Listing Manual:
General Mandate**

A general mandate must limit the aggregate number of shares and convertible securities that may be issued. The limit must be not more than 50.0% of the total number of issued shares excluding treasury shares and subsidiary holdings, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than 20.0% of the total number of issued shares excluding treasury shares and subsidiary holdings.

Unless prior shareholder approval is required under the Singapore Listing Manual, an issue of treasury shares will not require further shareholder approval, and will not be included in the aforementioned limits.

the issuer following the passing of the resolution at which time it shall lapse, unless such mandate is renewed by the shareholders; or (b) revoked or varied by the shareholders at general meeting, whichever occurs first.

**Rule 806(6), Singapore Listing Manual:
General Mandate**

A general mandate may remain in force until the earlier of the following:

- (a) the conclusion of the first annual general meeting of the issuer following the passing of the resolution. By an ordinary resolution passed at that meeting, the mandate may be renewed, either unconditionally or subject to conditions; or
- (b) it is revoked or varied by ordinary resolution of the shareholders in general meeting.

**Rule 824, Singapore Listing Manual: Issue of
Company Warrants and Other Convertible
Securities**

Every issue of company warrants or other convertible securities not covered under a general mandate must be specifically approved by shareholders in general meeting.

**Rule 13.36(5), Listing Rules: Placing of
Securities for Cash**

In the case of a placing of securities for cash consideration, the issuer may not issue any securities pursuant to a general mandate given under Rule 13.36 (2)(b) if the relevant price represents a discount of 20% or more to the benchmarked price of the securities, Such benchmarked price being the higher of:

- (a) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the general mandate; and

**Rule 811, Singapore Listing Manual: Issue of
Shares, Company Warrants and Convertible
Securities For Cash (Other than Rights
Issues)**

- (1) An issue of shares must not be priced at more than 10.0% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed. If trading in the issuer's shares is not available for a full market day, the weighted average price must be based on the trades done on the preceding market day up to the time the placement agreement is signed.
- (2) An issue of company warrants or other convertible securities is subject to the following requirements:

(b) the average of the closing prices in the five (5) trading days immediately prior to the earlier of:

- (i) the date of the announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate;
- (ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate; and
- (iii) the date on which the placing or subscription price is fixed,

unless the issuer can satisfy the SEHK that it is in a serious financial position and that the only way it can be saved is by an urgent rescue operation which involves the issue of new securities at a price representing a discount of 20% or more to the benchmarked price of the securities or that there are other exceptional circumstances. The issuer shall provide the Exchange with detailed information on the allottees to be issued with securities under the general mandate.

Rule 15.02, Listing Rules: Options, warrants and similar rights

All warrants must, prior to the issue or grant thereof, be approved by the SEHK and in addition, where they are warrants to subscribe equity securities, by the shareholders in general meeting. In the absence of exceptional circumstances which would include, by way of example, a rescue reorganisation, the SEHK will only grant approval to the issue or grant of warrants to subscribe securities if the following requirements are complied with:

- (1) the securities to be issued on exercise of the warrants must not, when aggregated with all other equity securities which remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20.0% of the number of issued shares of the issuer at the time such warrants are issued. Options granted under employee or executive share schemes which

(a) if the conversion price is fixed, the price must not be more than 10.0% discount to the prevailing market price of the underlying shares prior to the signing of the placement or subscription agreement; and

(b) if the conversion price is based on a formula, any discount in the price-fixing formula must not be more than 10.0% of the prevailing market price of the underlying shares before conversion.

(3) Rules 811(1) and (2) are not applicable if specific shareholder approval is obtained for the issue of shares, company warrants or other convertible securities.

(4) Where specific shareholders' approval is sought, the circular must include the following:

(a) information required under Rule 810 of the Singapore Listing Manual; and

(b) the basis upon which the discount was determined.

Rules 824 to 832, Singapore Listing Manual: Issue of Company Warrants and Other Convertible Securities

Rule 824

Every issue of company warrants or other convertible securities not covered under a general mandate must be specifically approved by shareholders in general meeting.

Rule 825

In procuring the approval of shareholders in a general meeting, the circular to the shareholders must include the recommendations of the board of directors of the issuer on such an issue of company warrants or convertible securities and the basis for such recommendation(s).

Rule 826

If application is made for the listing of company warrants or other convertible securities, the SGX-ST will normally require a sufficient spread of holdings to provide for an orderly market in the securities. As a guide, the SGX-ST expects at least 100 warrantholders for a class of company warrants.

comply with Chapter 17 of the Listing Rules are excluded for the purpose of this limit; and

- (2) such warrants must expire not less than one (1) and not more than five (5) years from the date of issue or grant and must not be convertible into further rights to subscribe securities which expire less than one (1) year or more than five (5) years after the date of issue or grant of the original warrants.

Rule 15.03, Listing Rules

The circular or notice to be sent to shareholders convening the requisite meeting under Rule 15.02 must include, at least, the maximum number of securities which would be issued on exercise of the warrants, the period during which the warrants may be exercised and the date when this right commences, the amount payable on the exercise of the warrants, the arrangements for transfer or transmission of the warrants, the rights of the holders on the liquidation of the issuer, the arrangements for the variation in the subscription or purchase price or number of securities to take account of alterations to the share capital of the issuer, the rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the issuer, and a summary of any other material terms of the warrants.

Rule 827

Company warrants or other convertible securities may be listed only if the underlying securities are (or will become at the same time) one of the following:

- (1) a class of equity securities listed on the SGX-ST; or
- (2) a class of equity securities listed or dealt in on a stock market approved by the SGX-ST.

Rule 828

Each company warrant must:

- (1) give the registered holder the right to subscribe for or buy one (1) share of the issuer; and
- (2) not be expressed in terms of dollar value.

Rule 829

The terms of the issue must provide for:

- (1) adjustment to the exercise or conversion price and, where appropriate, the number of company warrants or other convertible securities, in the event of rights, bonus or other capitalisation issues;
- (2) the expiry of the company warrants or other convertible securities to be announced, and notice of expiry to be sent to all holders of the company warrants or other convertible securities at least one (1) month before the expiration date; and
- (3) any material alteration to the terms of company warrants or other convertible securities after issue to the advantage of the holders of such securities to be approved by shareholders, except where the alterations are made pursuant to the terms of the issue.

Rule 830

An issuer must announce any adjustment made pursuant to Rule 829(1) of the Singapore Listing Manual.

Rule 831

Except where the alterations are made pursuant to the terms of an issue, an issuer must not:

- (i) extend the exercise period of an existing company warrant;
- (ii) issue a new company warrant to replace an existing company warrant;

- (iii) change the exercise price of an existing company warrant; or
- (iv) change the exercise ratio of an existing company warrant.

Rule 832

A circular or notice to be sent to shareholders in connection with a general meeting to approve the issue of company warrants or other convertible securities must include at least the following information:

- (1) the maximum number of the underlying securities which would be issued or transferred on exercise or conversion of the company warrants or other convertible securities;
- (2) the period during which the company warrants or other convertible securities may be exercised and the dates when this right commences and expires;
- (3) the amount payable on the exercise of the company warrants or other convertible securities;
- (4) the arrangements for transfer or transmission of the company warrants or other convertible securities;
- (5) the rights of the holders on the liquidation of the issuer;
- (6) the arrangements for the variation in the subscription or purchase price and in the number of company warrants or other convertible securities in the event of alterations to the share capital of the issuer;
- (7) the rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the issuer;
- (8) a summary of any other material terms of the company warrants or other convertible securities;
- (9) the purpose for and use of proceeds of the issue, including the use of future proceeds arising from the conversion/ exercise of the company warrants or other convertible securities; and
- (10) the financial effects of the issue to the issuer.

RIGHTS ISSUE

RULES 7.19(6), LISTING RULES: RIGHTS
ISSUE

If the proposed rights issue would increase either the number of issued shares or the market capitalisation of the issuer by more than 50.0% (on its own or when aggregated with any other rights issues or open offers announced by the issuer (i) within the twelve (12) month period immediately preceding the announcement of the proposed rights issue or (ii) prior to such twelve (12) month period where dealing in respect of the shares issued pursuant thereto commenced within such twelve (12) month period, together with any bonus securities, warrants or other convertible securities (assuming full conversion) granted or to be granted to shareholders as part of such rights issues or open offers):

- (a) the rights issue must be made conditional on approval by shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective associates shall abstain from voting in favour. The issuer must disclose the information required under Rule 2.17 of the Listing Rules in the circular to shareholders;
- (b) the issuer shall set out in the circular to shareholders the purpose of the proposed rights issue, together with the total funds expected to be raised and a detailed breakdown and description of the proposed use of the proceeds. The issuer shall also include the total funds raised and a detailed

CHAPTER 8, PART V, SINGAPORE
LISTING MANUAL: RIGHTS ISSUE**Rule 814, Singapore Listing Manual: Rights
Issue**

- (1) An issuer which intends to make a right issue must announce (having regard to Rule 704(25) of the Singapore Listing Manual) the issue promptly, stating the following:
 - (a) price, terms and purpose of the issue, including the amount of proceeds proposed to be raised from the issue and the intended use of such proceeds on a percentage allocation basis (which could be expressed as a range if the exact allocation has not been determined);
 - (b) whether the issue will be underwritten;
 - (c) the financial circumstances which call for the issue; and
 - (d) whether it has obtained or will be seeking the approval of the SGX-ST for the listing and quotation of the new shares arising from the rights issue.

In addition, an issuer must observe the disclosure requirements in Appendix 8.2 of the Singapore Listing Manual.

- (2) If a rights issue involves an issue of convertible securities, the issuer must also comply with Part VI of Chapter 8 of the Singapore Listing Manual.

breakdown and description of the funds raised on any issue of equity securities in the twelve (12) months immediately preceding the announcement of the proposed rights issue, the use of such proceeds, the intended use of any amount not yet utilised and how the issuer has dealt with such amount; and

- (c) the SEHK reserves the right to require the rights issue to be fully underwritten.

Rule 815, Singapore Listing Manual: Rights Issue

An issuer must announce any significant disbursement of the proceeds raised from the rights issue.

Rule 816, Singapore Listing Manual: Rights Issue

- (1) Subject to Rule 816(2) of the Singapore Listing Manual, a rights issue must provide for the rights to subscribe for securities to be renounceable in part or in whole in favour of a third party at the option of the entitled shareholders.

- (2) (a) An issuer can undertake non-renounceable rights issues:

(i) subject to specific shareholders' approval; or

(ii) in reliance on the general mandate to issue rights shares in a non-renounceable rights issue if the rights shares are priced at not more than 10.0% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the rights issue is announced. If trading in the issuer's shares is not available for a full market day, the weighted average price must be based on the trades done on the preceding market day up to the time the rights issue is announced.

- (b) The non-renounceable rights issue must comply with Part V of Chapter 8 of the Singapore Listing Manual except Rule 816(1) of the Singapore Listing Manual.

Rule 823, Singapore Listing Manual: Rights Issue

An issuer making a rights issue must observe any time-table published by the SGX-ST.

Rule 833, Singapore Listing Manual: Issue of Company Warrants or Other Convertible Securities

The following additional requirements apply to an offer of company warrants or other convertible securities by way of a rights issue or bought deal:

- (1) The issuer's announcement of the rights issue or bought deal must include either:
 - (a) the exercise or conversion price of the company warrants or other convertible securities; or
 - (b) a price-fixing formula to determine the exercise or conversion price. The price-fixing formula must not contain any discretionary element and the amount of premium or discount (in relation to the underlying share price) must be specified.
- (2) Where a price-fixing formula is adopted:
 - (a) if the issue is not underwritten, the issuer must fix and announce the exercise or conversion price before the close of the offer; or
 - (b) if the issue is underwritten, the issuer must fix and announce the exercise or conversion price before the commencement of nil-paid rights trading.

SHARE OPTION SCHEMES OR SHARE SCHEMES

CHAPTER 17 OF THE LISTING RULES
(EQUITY SECURITIES — SHARE OPTION
SCHEMES)**Rule 17.03, Listing Rules: Terms of Share
Option Schemes**

The terms and provisions of the scheme must provide, *inter alia*:

- (i) the total number of securities which may be issued upon exercise of all options to be granted under the scheme and any other schemes must not in aggregate exceed 10.0% of the relevant class of securities of the listed issuer (or the subsidiary) in issue as at the date of approval of the scheme — the limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the scheme and any other schemes must not exceed 30.0% of the relevant class of securities of the listed issuer (or the subsidiary) in issue from time to time. No options may be granted under any schemes of the listed issuer (or the subsidiary) if this will result in the limit being exceeded. The period within which the securities must be taken up under the option must not be more than ten (10) years from the date of grant of the option, and the life of the scheme must not be more than 10 years;
- (ii) unless approved by shareholders in the manner set out in the note to Rule 17.03(4), the maximum entitlement of each

CHAPTER 8, PART VIII OF THE
SINGAPORE LISTING MANUAL (CHANGES
IN CAPITAL — SHARE OPTION SCHEMES
OR SHARE SCHEMES)**Rule 844, Singapore Listing Manual: Terms
of Schemes**

Participation in a scheme must be restricted to directors and employees of the issuer and its subsidiaries, except that:

- (1) directors and employees of an associated company of the issuer may participate in the scheme if the issuer has control over the associated company; and
- (2) directors and employees of the issuer's parent company and its subsidiaries who have contributed to the success and development of the issuer may participate in the scheme.

**Rule 845, Singapore Listing Manual: Terms of
scheme**

A limit on the size of each scheme, the maximum entitlement for each class or category of participant (where applicable), and the maximum entitlement for any one (1) participant (where applicable) must be stated.

For SGX main board issuers, the following limits must not be exceeded:

- (1) the aggregate number of shares available under all schemes must not exceed 15.0% of the total number of issued shares excluding

- participant under the scheme (including both exercised and outstanding options) in any twelve (12) month period must not exceed 1.0% of the relevant class of securities of the issuer (or the subsidiary) in issue; and
- (iii) the basis of determination of the exercise price — the exercise price of the scheme, which must be at least the higher of: (i) the closing price of the securities as stated in the SEHK's daily quotations sheet on the date of grant, which must be a business day; and (ii) the average closing price of the securities as stated in the SEHK's daily quotations sheets for the five (5) business days immediately preceding the date of grant. For the purpose of calculating the exercise price where an issuer has been listed for less than five business days, the new issue price shall be used as the closing price for any business day falling within the period before listing.
- treasury shares and subsidiary holdings from time to time;
- (2) the aggregate number of shares available to controlling shareholder and their associates must not exceed 25.0% of the shares available under a scheme;
- (3) the number of shares available to each controlling shareholder or his associate must not exceed 10.0% of the shares available under a scheme;
- (4) the aggregate number of shares available to directors and employees of the issuer's parent company and its subsidiaries must not exceed 20.0% of the shares available under a scheme; and
- (5) the maximum discount under the scheme must not exceed 20.0%. The discount must have been approved by shareholders in a separate resolution.

INSIDER DEALING

Section 270, SFO: Insider dealing

In general terms, subject to the specified exempted circumstances, section 270 of the SFO prohibits persons from dealing in listed securities (or their derivatives) of a corporation, or otherwise counsels or procures another person to deal in such listed shares (or their derivatives) when such person is connected with the corporation and has information which he knows is relevant information (as defined in the SFO) in relation to the corporation.

Section 278, SFO: Stock Market Manipulation

Section 278 of the SFO prohibits persons in Hong Kong or elsewhere from:

- (a) entering into or carrying out, directly or indirectly, two (2) or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction increase, or are likely to increase, the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to purchase or subscribe for, or to refrain from selling, securities of the corporation or of a related corporation of the corporation;
- (b) entering into or carrying out, directly or indirectly, two (2) or more transactions in securities of a corporation that by themselves or in conjunction with any other

Section 218, SFA: Prohibited conduct by connected person in possession of inside information

Section 218 of the SFA prohibit connected persons from dealing in securities of a corporation if any such person knows or reasonably ought to know that he is in possession of information that is not generally available, and if it was generally available it might have a material effect on the price or value of securities of that corporation.

Such connected persons include:

- (1) officers of a corporation or a related corporation;
- (2) substantial shareholders of a corporation or a related corporation; and
- (3) a person who occupies a position reasonably expected to give him access to inside information by virtue of:
 - (i) any professional or business relationship existing between himself (or his employer or a corporation of which he is an officer) and that corporation or a related corporation; or
 - (ii) being an officer of a substantial shareholder in that corporation or in a related corporation.

transaction reduce, or are likely to reduce, the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to sell, or to refrain from purchasing, securities of the corporation or of a related corporation of the corporation; or

- (c) entering into or carrying out, directly or indirectly, two (2) or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction maintain or stabilise, or are likely to maintain or stabilise, the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to sell, purchase or subscribe for, or to refrain from selling, purchasing or subscribing for, securities of the corporation or of a related corporation of the corporation.

Section 219, SFA: Prohibited conduct by other persons in possession of inside information

Section 219 of the SFA prohibit persons (who is not a connected person referred to in section 218 of the SFA) from dealing in securities of a corporation if any such person knows or reasonably ought to know that he is in possession of information that is not generally available, and if it was generally available it might have a material effect on the price or value of securities of that corporation.

Section 198(1), SFA: Securities Market Manipulation

No person shall effect, take part in, be concerned in or carry out, directly or indirectly, two (2) or more transactions in securities of a corporation, being transactions that have or are likely to have the effect of raising, lowering, maintaining or stabilising the price of the securities of the corporation on a securities market, with intent to induce other persons to subscribe for, purchase or sell securities of the corporation or of a related corporation.

BOARD COMPOSITION

Rules 3.10 and 8.12, Listing Rules: Board Composition

Every board of directors of an issuer must include at least three (3) independent non-executive directors; and at least one (1) of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise.

A new applicant applying for a primary listing on the SEHK must have sufficient management presence in Hong Kong, which normally means that at least two (2) of its executive directors must be ordinarily resident in Hong Kong.

Rules 3.21, 3.22 and paragraph C.3 of Appendix 14, Listing Rules: Audit Committee

Every listed issuer must establish an audit committee comprising non-executive directors only. The audit committee must comprise a minimum of three (3) members, at least one (1) of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise. The majority of the audit

Rule 2, Code of Corporate Governance (“COCG”): Board Composition and Guidance

There should be a strong and independent element on the Board, with independent directors making up at least one-third of the Board.

The independent directors should make up at least half of the Board where:

- (a) the Chairman of the Board (the “**Chairman**”) and the chief executive officer (or equivalent) (the “**CEO**”) is the same person;
- (b) the Chairman and the CEO are immediate family members;
- (c) the Chairman is part of the management team; or
- (d) the Chairman is not an independent director.

Rule 12, COCG: Audit Committee

The Board should establish an audit committee (“**AC**”) with written terms of reference which clearly set out its authority and duties.

Under guideline 12.1 of the COCG, the AC should comprise at least three (3) directors, the majority of whom, including the AC chairman, should be independent. All of the members of the AC should be non-executive directors. The Board should disclose in the company’s annual report

committee members must be independent non-executive directors of the listed issuer. The audit committee must be chaired by an independent non-executive director.

The board of directors of the issuer must approve and provide written terms of reference as required under Rule 3.21 and paragraph C.3 of Appendix 14 to the Listing Rules for the audit committee.

**Rules 3.25, 3.26 and paragraph B.1 of
Appendix 14, Listing Rules: Remuneration
Committee**

An issuer must establish a remuneration committee chaired by an independent non-executive director and comprising a majority of independent non-executive directors, with specific terms of reference that clearly establish its authority and duties, including the terms of references set out in paragraph B.1.2 of Appendix 14 to the Listing Rules.

The board of directors must approve and provide written terms of reference for the remuneration committee which clearly establish its authority and duties.

the names of the members of the AC and the key terms of reference of the AC, explaining its role and the authority delegated to it by the Board.

Under guideline 12.2 of the COCG, the Board should ensure that the members of the AC are appropriately qualified to discharge their responsibilities. At least two (2) members, including the AC chairman, should have recent and relevant accounting or related financial management expertise or experience, as the Board interprets such qualification in its business judgment.

Rule 7, COCG: Remuneration Matters

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

Under guideline 7.1 of the COCG, the Board should establish a remuneration committee (“RC”) with written terms of reference which clearly set out its authority and duties. The RC should comprise at least three (3) directors, the majority of whom, including the RC chairman, should be independent. All of the members of the RC should be non-executive directors. This is to minimise the risk of any potential conflict of interest. The Board should disclose in the company’s annual report the names of the members of the RC and the key terms of reference of the RC, explaining its role and the authority delegated to it by the Board.

**Paragraphs A.5.1 and A.5.2 of Appendix 14
of the Listing Rules: Nomination Committee**

Issuers should establish a nomination committee which is chaired by the chairman of the board or an independent non-executive director and comprises a majority of independent non-executive directors.

The nomination committee should be established with specific written terms of reference which deal clearly with its authority and duties.

Rule 4, COCG: Board Membership

There should be a formal and transparent process for the appointment and reappointment of directors to the Board.

Under guideline 4.1 of the COCG, the Board should establish a nominating committee (“NC”) to make recommendations to the Board on all board appointments, with written terms of reference which clearly set out its authority and duties. The NC should comprise at least three (3) directors, the majority of whom, including the NC chairman, should be independent. The lead independent director, if any, should be a member of the NC. The Board should disclose in the company’s annual report the names of the members of the NC and the key terms of reference of the NC, explaining its role and the authority delegated to it by the Board.

INTERESTED PERSON TRANSACTIONS OR CONNECTED TRANSACTIONS**CHAPTER 14A OF THE LISTING RULES
(CONNECTED TRANSACTIONS)**

Chapter 14A of the Listing Rules specifies circumstances in which transactions between an issuer and certain specified persons (including connected persons) are, unless otherwise exempted, subject to the shareholders’ approval, annual review and disclosure requirements.

**CHAPTER 9 OF THE SINGAPORE
LISTING MANUAL (INTERESTED
PERSON TRANSACTION)**

Chapter 9 of the Singapore Listing Manual, which applies to the Company, prescribes situations in which transactions between entities at risk (as defined in the Singapore Listing Manual) and interested persons (as defined in the Singapore Listing Manual) are required to be disclosed or are subject to the prior approval of shareholders.

**Rules 14A.07 and 14A.24, Listing Rules:
Definitions**

“Connected person” is defined to include a director, chief executive or substantial shareholder of the listed issuer or any of its subsidiaries, any person who was a director of the listed issuer or any of its subsidiaries in the last twelve (12) months, a supervisor of a PRC issuer or any of its subsidiaries, an associate of the respective persons as aforesaid, a connected subsidiary, or a person deemed to be connected by the SEHK

“Financial assistance” includes granting credit, lending money, or providing an indemnity against obligations under a loan, or guaranteeing or providing security for a loan.

“Transaction” include both capital and revenue nature transactions, whether or not conducted in the ordinary and usual course of business of the listed issuer’s group. This includes the following types of transactions:

- (a) the acquisition or disposal of assets by a listed issuer’s group including deemed disposals;
- (b) any transaction involving a listed issuer’s group granting, accepting, transferring, exercising or terminating an option to acquire or dispose of assets or to subscribe for securities; or the issuer’s group deciding not to exercise an option to acquire or dispose of assets or to subscribe for securities;
- (c) entering into or terminating finance leases or operating leases or sub-leases;

Rule 904, Singapore Listing Manual: Definitions

For the purposes of Chapter 9, the following definitions apply:

- (1) “approved exchange” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to this Chapter 9 of the Singapore Listing Manual.
- (2) “entity at risk” means:
 - (a) the issuer;
 - (b) a subsidiary of the issuer that is not listed on the SGX-ST or an approved exchange; or
 - (c) an associated company of the issuer that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company.
- (3) “financial assistance” includes:
 - (a) the lending or borrowing of money, the guaranteeing or providing security for a debt incurred or the indemnifying of a guarantor for guaranteeing or providing security; and
 - (b) the forgiving of a debt, the releasing of or neglect in enforcing an obligation of another, or the assuming of the obligations of another.
- (4) “interested person” means:
 - (a) a director, chief executive officer, or controlling shareholder of the issuer; or

- (d) granting an indemnity or providing or receiving financial assistance;
 - (e) entering into an agreement or arrangement to set up a joint venture entity in any form, such as a partnership or a company, or any other form of joint arrangement;
 - (f) issuing new securities of the listed issuer or its subsidiaries;
 - (g) providing, receiving or sharing of services; or
 - (h) acquiring or providing raw materials, intermediate products and/or finished goods.
- (b) an associate of any such director, chief executive officer, or controlling shareholder.
- (5) “interested person transaction” means a transaction between an entity at risk and an interested person
 - (6) “transaction” includes:
 - (a) the provision or receipt of financial assistance;
 - (b) the acquisition, disposal or leasing of assets;
 - (c) the provision or receipt of services;
 - (d) the issuance or subscription of securities;
 - (e) the granting of or being granted options; and
 - (f) the establishment of joint ventures or joint investments,whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one or more interposed entities).
- (7) “defence funding” means:
 - (a) The provision of a loan to a director or a chief executive officer of an entity at risk to meet expenditure incurred or to be incurred:
 - (i) in defending any criminal or civil proceedings in connection with any alleged negligence, default,

breach of duty or breach of trust by that person in relation to the entity at risk; or

(ii) in connection with an application for relief; or

(iii) in defending himself in an investigation by a regulatory authority or against any action proposed to be taken by a regulatory authority, in connection with any alleged negligence, default, breach of duty or breach of trust in relation to the entity at risk; or

(b) any action to enable such director or chief executive officer to avoid incurring such expenditure.

**Rules 14A.35 to 37, 14A.49, 14A.71, 14A.76,
Listing Rules: Reporting, Announcement and
Independent Shareholders' Approval
Requirements for Connected Transactions**

Rules 14A.35, 14A.36 and 14A.47

Where any connected transaction is proposed, the transaction must be announced as soon as practicable after its terms have been agreed and a circular must be sent to shareholders giving information about the transaction. Prior approval of the shareholders in general meeting will be required before the transaction can proceed, unless it is otherwise exempted under the Listing Rules.

**Rule 905, Singapore Listing Manual:
General Requirements**

(1) An issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3.0% of the group's latest audited net tangible assets.

(2) If the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3.0% or more of the group's latest audited net tangible assets, the issuer must make an immediate announcement of the latest transaction and all future transactions

Rules 14A.37, 14A.73, 14A.76

Certain categories of transactions are exempt from the general meeting requirements and the SEHK may accept a written shareholder's approval, and certain transactions are subject only to disclosure requirements. Amongst other exemptions under the Listing Rules, a connected transaction on normal commercial terms will constitute a de minimis transaction under Rule 14A.76(1), which will be exempt from shareholders' approval, annual review and all disclosure requirements, where each of the percentage ratios (other than the profits ratio) is less than 0.1% or less than 1.0% (where the connected transaction only involves a connected person at the issuer's subsidiary's level), or each of the percentage ratios (other than the profits ratio) is less than 5.0% and the total consideration is less than HK\$3,000,000.

Rules 14A.49, 14A.71, Listing Rules: Reporting Requirements

The listed issuer's annual report must contain the following information on the connected transactions conducted in that financial year (including continuing connected transactions under agreements signed in previous years):

- (1) the transaction date;

entered into with that same interested person during that financial year.

- (3) Rules 905 (1) and (2) do not apply to any transaction below \$100,000.

Rule 906, Singapore Listing Manual: General Requirements

- (1) An issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than:
 - (a) 5.0% of the group's latest audited net tangible assets; or
 - (b) 5.0% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.
- (2) Rule 906(1) of the Singapore Listing Manual does not apply to any transaction below \$100,000.

- (2) the parties to the transaction and a description of their connected relationship; **Rule 907, Singapore Listing Manual: General Requirements**
- (3) a brief description of the transaction and its purpose; An issuer must disclose the aggregate value of interested person transactions entered into during the financial year under review in its annual report. The name of the interested person and the corresponding aggregate value of the interested person transactions entered into with the same interested person must be presented in the prescribed format.
- (4) the total consideration and terms;
- (5) the nature and extent of the connected person's interest in the transaction; and
- (6) for continuing connected transactions,
- Rule 920, Singapore Listing Manual: General Mandate**
- (a) confirmation from the listed issuer's independent non-executive directors on the matters set out in Rule 14A.55; and (1) An issuer may seek a general mandate from shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials, but not in respect of the purchase or sale of assets, undertakings or businesses. A general mandate is subject to annual renewal.
- (b) statement from the listed issuer's board of directors whether the auditors have confirmed the matters set out in Rule 14A.56.
- (a) An issuer must:
- (i) disclose the general mandate in the annual report, giving details of the aggregate value of transactions conducted pursuant to the general mandate during the financial year. The disclosure must be in the form set out in Rule 907 of the Singapore Listing Manual; and
- (ii) announce the aggregate value of transactions conducted pursuant to the general mandate for the financial

periods which it is required to report on pursuant to Rule 705 of the Singapore Listing Manual within the time required for the announcement of such report. The disclosure must be in the form set out in Rule 907 of the Singapore Listing Manual.

- (b) A circular to shareholders seeking a general mandate must include:
 - (i) the class of interested persons with which the entity at risk will be transacting;
 - (ii) the nature of the transactions contemplated under the mandate;
 - (iii) the rationale for and benefit to the entity at risk;
 - (iv) the methods or procedures for determining transaction prices;
 - (v) the independent financial adviser's opinion on whether the methods or procedures in (iv) are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the issuer and its minority shareholders;
 - (vi) an opinion from the audit committee if it takes a different view to the independent financial adviser;
 - (vii) a statement from the issuer that it will obtain a fresh mandate from shareholders if the methods or procedures in (iv) become inappropriate; and
 - (viii) a statement that the interested person will abstain, and has undertaken to ensure that its associates will abstain,

from voting on the resolution approving the transaction.

- (c) An independent financial adviser's opinion is not required for the renewal of a general mandate provided that the audit committee confirms that:
 - (i) the methods or procedures for determining the transaction prices have not changed since last shareholder approval; and
 - (ii) the methods or procedures in Rule 920(1)(c)(i) of the Singapore Listing Manual are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the issuer and its minority shareholders.
- (d) Transactions conducted under a general mandate are not separately subject to Rules 905 and 906 of the Singapore Listing Manual.

Rule 14A.81, Listing Rules: Aggregation of Transactions

The SEHK will aggregate a series of connected transactions and treat them as if they were one (1) transaction if they were all entered into or completed within a twelve (12) month period or are otherwise related. The listed issuer must comply with the applicable connected transaction requirements based on the classification of the connected transactions when aggregated. The aggregation period will cover twenty-four (24)

Rule 908, Singapore Listing Manual: General Requirements

In interpreting the term "same interested person" for the purpose of aggregation in Rules 905 and 906 of the Singapore Listing Manual, the following applies:

- (1) Transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person.

months if the connected transactions are a series of acquisitions of assets being aggregated which may constitute a reverse takeover.

Rule 14A.82, Listing Rules: Aggregation of Transactions

Factors that the SEHK will consider for aggregation of a series of connected transactions include whether:

- (1) they are entered into by the listed issuer's group with the same party, or parties who are connected with one another;
- (2) they involve the acquisition or disposal of parts of one asset, or securities or interests in a company or group of companies; or
- (3) they together lead to substantial involvement by the listed issuer's group in a new business activity.

Rule 14A.83, Listing Rules: Aggregation of Transactions

The SEHK may aggregate all continuing connected transactions with a connected person.

Rule 14A.84, Listing Rules: Aggregation of Transactions

The issuer must consult the SEHK before the listed issuer's group enters into any connected transaction if:

- (1) the transaction and any other connected transactions entered into or completed by the listed issuer's group in the last twelve

- (2) If an interested person, (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons and their associates and have audit committees whose members are completely different.

Rule 918, Singapore Listing Manual: Shareholder Approval

If a transaction requires shareholder approval, it must be obtained either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.

Rule 919, Singapore Listing Manual: Shareholder Approval

In a meeting to obtain shareholder approval, the interested person and any associate of the interested person must not vote on the resolution, nor accept appointments as proxies unless specific instructions as to voting are given.

(12) months fall under any of the circumstances described in Rule 14A.82; or

- (2) the transaction and any other transactions entered into by the listed issuer's group involve the acquisition of assets from a person or group of persons or any of their associates within twenty-four (24) months after the person(s) gain control (as defined in the HK Takeovers Code) of the listed issuer.

Rule 14A.85, Listing Rules: Aggregation of Transactions

The listed issuer must provide information to the SEHK on whether it should aggregate the transactions.

Rule 14A.86, Listing Rules: Aggregation of Transactions

The SEHK may aggregate a listed issuer's connected transactions even if the listed issuer has not consulted the SEHK.

Rules 14A.76, 14A.89, 14A.92 to 14A.101, Listing Rules: Exemptions

The connected transactions which can be exempt from the connected transaction requirements include:

- (1) de minimis transactions;
- (2) financial assistance in certain circumstances;
- (3) issue of new securities by the listed issuer or its subsidiary if (a) the connected person receives a pro rata entitlement to issue as a

Rule 915, Singapore Listing Manual: Exceptions

The following transactions are not required to comply with Rules 905, 906 and 907 of the Singapore Listing Manual:

- (1) A payment of dividends, a subdivision of shares, an issue of securities by way of a bonus issue, a preferential offer, or an off-market acquisition of the issuer's shares, made to all shareholders on a pro-rata basis, including the exercise of rights,

- shareholder; (b) the connected person subscribes for the securities in a rights issue or open offer; (c) the securities are issued to the connected person under a share option scheme; or (d) the securities are issued under a “top-up placing and subscription”;
- (4) SEHK dealings;
- (5) any buy-back of own securities by a listed issuer or its subsidiary from a connected person on SEHK or a recognised stock exchange or under a general offer made under the Code on Share Buy-backs;
- (6) the entering into of a service contract by a director of the listed issuer with the listed issuer or its subsidiary and purchase and maintenance of insurance for a director of the listed issuer or its subsidiaries against liabilities to third parties that may be incurred in the course of performing the director’s duties;
- (7) the acquisition as consumer or selling consumer goods or services to a connected person in the ordinary and usual course of business on normal commercial terms or better in its ordinary and usual course of business if such goods and services are (a) of a type ordinarily supplied for private use or consumption, (b) for the acquirer’s own consumption or use, (c) consumed or used by the acquirer in the same state as when they were acquired (d) on terms no more favorable to the connected person or no less favorable to the listed issuer’s group than those available from independent third parties;
- options or company warrants granted under the preferential offer.
- (2) The grant of options, and the issue of securities pursuant to the exercise of options, under an employees’ share option scheme approved by the SGX-ST.
- (3) A transaction between an entity at risk and an investee company, where the interested person’s interest in the investee company, other than that held through the issuer, is less than 5.0%.
- (4) A transaction in marketable securities carried out in the open market where the counterparty’s identity is unknown to the issuer at the time of the transaction.
- (5) A transaction between an entity at risk and an interested person for the provision of goods or services if:
- (a) the goods or services are sold or rendered based on a fixed or graduated scale, which is publicly quoted; and
- (b) the sale prices are applied consistently to all customers or class of customers.
- Such transactions include telecommunication and postal services, public utility services, and sale of fixed price goods at retail outlets.
- (6) The provision of financial assistance or services by a financial institution that is licensed or approved by the Monetary

- (8) the sharing of administrative services between a listed issuer and a connected person on a cost basis;
- (9) transactions with associates of passive investors; and
- (10) transactions with connected persons at the subsidiary level.
- Authority of Singapore, on normal commercial terms and in the ordinary course of business.
- (7) The receipt of financial assistance or services from a financial institution that is licensed or approved by the Monetary Authority of Singapore, on normal commercial terms and in the ordinary course of business.
- (8) Director’s fees and remuneration, and employment remuneration (excluding “golden parachute” payments).
- (9) Insurance coverage and indemnities for directors and chief executive officers against liabilities attaching to them in relation to their duties as officers of the entity at risk, to the extent permitted under the Singapore Companies Act, and regardless of whether the entity at risk is subject to the Singapore Companies Act.
- (10) Defence funding for directors and chief executive officers of the entity at risk to the extent permitted under sections 163A and 163B of the Singapore Companies Act, regardless of whether the entity at risk is subject to the Singapore Companies Act, provided that in the case of defence funding permitted under section 163B of the Singapore Companies Act, such defence funding is to be repaid upon any action taken by a regulatory authority against him. For this purpose, references to “director” in sections 163A and 163B of the Singapore

Companies Act shall be read as references to “director or chief executive officer”.

**Rule 916, Singapore Listing Manual:
Exceptions**

The following transactions are not required to comply with Rule 906 of the Singapore Listing Manual:

- (1) The entering into, or renewal of a lease or tenancy of real property of not more than three (3) years if the terms are supported by independent valuation.
- (2) Investment in a joint venture with an interested person if:
 - (a) the risks and rewards are in proportion to the equity of each joint venture partner;
 - (b) the issuer confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and
 - (c) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture.

- (3) The provision of a loan to a joint venture with an interested person if:
 - (a) the loan is extended by all joint venture partners in proportion to their equity and on the same terms;
 - (b) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture; and
 - (c) the issuer confirms by an announcement that its audit committee is of the view that:
 - (i) the provision of the loan is not prejudicial to the interests of the issuer and its minority shareholders; and
 - (ii) the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders.

- (4) The award of a contract by way of public tender to an interested person if:
 - (a) the awarder entity at risk announces the following information:

- (i) the price of all bids submitted;
 - (ii) an explanation of the basis for selection of the winning bid; and
 - (b) both the listed bidder (or if the bidder is unlisted, its listed parent company) and listed awarder (or if the awarder is unlisted, its listed parent company) have boards, the majority of whose directors are different and are not accustomed to act on the instructions of the interested person or its associates and have audit committees whose members are completely different.
- (5) The receipt of a contract which was awarded by way of public tender, by an interested person if:
- (a) the bidder entity at risk announces the prices of all bids submitted; and
 - (b) both the listed bidder (or if the bidder is unlisted, its listed parent company) and listed awarder (or if the awarder is unlisted, the listed parent company) have boards, the majority of whose directors are different and are not accustomed to act on the instructions of the interested person or its associates and have audit committees whose members are completely different.

**RESTRICTIONS ON DEALINGS OF DIRECTORS BEFORE
PUBLICATION OF FINANCIAL RESULTS****Rules A3, B8 and C14 of Appendix 10,
Listing Rules: Model Code for Securities
Transactions by Directors of Listed Issuers****Rule A3**

A director must not deal in any securities of the listed issuer on any day on which its financial results are published and:

during the period of sixty (60) days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

during the period of thirty (30) days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results,

unless the circumstances are exceptional as described in Rule C14 below. In any event, the director must comply with the procedure in the Rules B.8 and B.9 of the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Directors Dealing Code**”).

The listed issuer must notify the SEHK in advance of the commencement of each period during which directors are not allowed to deal under Rule A3. Such period will cover any period of delay in the publication of a results announcement.

**Rule 1207(19)(c), Singapore Listing Manual:
Dealings in Securities**

A listed issuer and its officers should not deal in the listed issuer’s securities during the period commencing two (2) weeks before the announcement of the company financial statements for each of the first three (3) quarters of its financial year and one (1) month before the announcement of the company’s full year financial statements (if required to announce quarterly financial statements), or one (1) month before the announcement of the company’s half year and full year financial statements (if not required to announce quarterly financial statements).

Rule C14

If a director proposes to sell or otherwise dispose of securities of the listed issuer under exceptional circumstances where the sale or disposal is otherwise prohibited under the Directors Dealing Code, the director must comply with the provisions of the Rule B.8 of the Directors Dealing Code regarding prior written notice and acknowledgement. The director must satisfy the chairman or the designated director that the circumstances are exceptional and the proposed sale or disposal is the only reasonable course of action available to the director before the director can sell or dispose of the securities. The listed issuer shall give written notice of such sale or disposal to the SEHK as soon as practicable stating why it considered the circumstances to be exceptional. The listed issuer shall publish an announcement in accordance with Rule 2.07C of the Listing Rules immediately after any such sale or disposal and state that the chairman or the designated director is satisfied that there were exceptional circumstances for such sale or disposal of securities by the director.

Rule B8

Under the Directors Dealing Code, a director must not deal in any securities of the listed issuer without first notifying in writing the chairman or a director (otherwise than himself) designated by the board for the specific purpose and receiving a dated written acknowledgement. In his own case, the chairman must first notify the board at a board meeting, or alternatively notify a director (otherwise than himself) designated by the board for the purpose and receive a dated written acknowledgement before any dealing. The

designated director must not deal in any securities of the listed issuer without first notifying the chairman and receiving a dated written acknowledgement.

In each case, (a) a response to a request for clearance to deal must be given to the relevant director within five (5) business days of the request being made; and (b) the clearance to deal in accordance with (a) above must be valid for no longer than five (5) business days of clearance being received.

Rule B9

The procedure established within the listed issuer must, as a minimum, provide for there to be a written record maintained by the listed issuer that the appropriate notification was given and acknowledged pursuant to Rule B.8 of the Directors Dealing Code, and for the director concerned to have received written confirmation to that effect.

II. TAKEOVER OBLIGATIONS**The Singapore Code**

The Singapore Code regulates the acquisition of shares of public companies and contains certain provisions that may delay, deter or prevent a future takeover or change in control of the Company. Any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of the Company's voting shares, or, if such person holds, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% (both inclusive) of the Company's voting shares, and if he (or parties acting in concert with him) acquires additional voting shares representing more than 1.0% of the Company's voting shares in any six (6) month period, must, except with the consent of the Securities Industry Council in Singapore, extend a takeover offer for the remaining voting shares in accordance with the provisions of the Singapore Takeover Code.

"Persons acting in concert" comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Without prejudice to the general application of this definition, the following individuals and companies are presumed to be acting in concert with each other unless the contrary is established. They are as follows:

- (a) (i) a company and its parent company, subsidiaries or fellow subsidiaries ("**Related Companies**"), (ii) the associated companies of any of the company and its Related Companies, (iii) companies whose associated companies include any of these foregoing companies and (iv) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- (b) a company and its directors (together with their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company and its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its clients in respect of the shareholdings of: (i) the adviser and persons controlling, controlled by or under the same control as the adviser and (ii) all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10.0% or more of the client's equity share capital;

- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for the company may be imminent;
- (g) partners; and
- (h) (i) an individual and his close relatives and related trusts, (ii) any person who is accustomed to act in accordance with his instructions, (iii) companies controlled by the individual and his close relatives and related trusts or any person who is accustomed to act in accordance with his instructions and (iv) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights.

A mandatory offer must be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or parties acting in concert with the offeror for Shares during the offer and within the six (6) months preceding the acquisition of Shares that triggered the mandatory offer obligation.

Under the Singapore Takeover Code, where effective control of a company is acquired or consolidated by a person, or persons acting in concert, a general offer to all other shareholders is normally required. An offeror must treat all shareholders of the same class in an offeree company equally. A fundamental requirement is that shareholders in the company subject to the takeover offer must be given sufficient information, advice and time to enable them to reach an informed decision on the offer. No relevant information should be withheld from them.

Following the conclusion of an offer, pursuant to section 215 of the Singapore Companies Act, if an offeror acquires not less than 90.0% of the shares of the offeree company, it may, by notice to the dissenting shareholders, require the dissenting shareholders to sell its shares to the offeror. In calculating the 90% threshold, shares held or acquired by the offeror at the date of the offer are excluded. The notice must be sent within two (2) months after the offer has been so approved. The shareholder whose shares are thus to be acquired may, subject to certain timelines, apply to court for an order that the offeror is not entitled to acquire the shares. Where an offeror could acquire the holdings of minority shareholders but does not, a minority shareholder may serve a notice requiring the offeror to do so within three (3) months from the date of receipt of notice from offeror of the fact that the offeror has acquired 90% of the shares of the offeree company. The offeror is then obliged to, *inter alia*, acquire the shareholder's shares on the same terms as the other shares were acquired during the offer.

The Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong (the “HK Takeovers Code”)

Public companies with a primary listing of their equity securities in Hong Kong fall within the regulatory framework of the HK Takeovers Code. The HK Takeovers Code is not legally enforceable. Its purpose is to provide guidelines for companies and their advisers contemplating, or becoming involved in, takeovers and mergers affecting public companies in Hong Kong.

The aim of the HK Takeovers Code is to ensure fair treatment of shareholders affected by takeovers, mergers and share buy-backs. It requires the timely disclosure of adequate information to enable shareholders to make an informed decision as to the merits of any offer. It also provides an orderly framework within which takeovers, mergers and share buy-backs are to be conducted.

The HK Takeovers Code regulates acquisitions of shares (whether by way of takeovers, mergers and share buy-back) in an offeree company, a potential offeree company, or a company in which control may change or be consolidated that is relevant. Control is currently defined as a holding, or aggregate holdings, of 30.0% or more of the voting rights of a company, irrespective of whether that holding or holdings gives de facto control.

The HK Takeovers Code also applies not only to the offeror and the offeree company, but also to those persons “acting in concert” with the offeror. Under the HK Takeovers Code, “persons acting in concert” are persons who “pursuant to an agreement or understanding (whether formal or informal), actively cooperate to obtain or consolidate control of a company through the acquisition by any of them of voting rights of the company”. The HK Takeovers Code also describes classes of persons who are presumed to be acting in concert with others in the same class unless the contrary is established.

The HK Takeovers Code requires the making of a mandatory general offer to holders of each class of equity share capital of the offeree company, whether the class carries voting rights or not, and also to the holders of any class of voting non-equity share capital in which such person, or persons acting in concert with him, hold shares, unless a waiver has been granted by the executive of the Securities and Futures Commission, where a person or a group of persons acting in concert (a) acquires control of a company (meaning 30.0% or more of the voting rights), whether by a series of transactions over a period of time, or not; or (b) when already holding between 30.0% and 50.0% of the voting rights of a company, acquires more than 2.0% of the voting rights in the target company in a twelve (12) month period ending on and inclusive of the date of the relevant acquisition.

In either of the above cases, an offer must be made to the shareholders. The offer must be in cash or accompanied by a cash alternative at not less than the highest price paid by the offeror (or persons acting in concert with it) for shares of that class of the offeree company during the offer period and within six (6) months prior to its commencement.

A. FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES**1. Incorporation of our Company**

Our Company was incorporated in Singapore under the Companies Act as a company limited by shares on 31 March 1984 under the name of “Summit Audio Enterprise Pte Ltd”. We changed our name to “Summit Audio Industries Pte Ltd” on 19 June 1991, “SM Summit Holdings Limited” on 30 December 1994 and “Centurion Corporation Limited” on 1 August 2011, respectively. Our Company has established a place of business in Hong Kong at Room 5705, 57th Floor, The Center, 99 Queen’s Road Central, Hong Kong on 25 May 2017 and was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on 22 June 2017. Robertsons was appointed as the authorised representative of our Company for the acceptance of service of process and notices on our behalf in Hong Kong. Our address for service of process and notices in Hong Kong is Room 5705, 57th Floor, The Center, 99 Queen’s Road Central, Hong Kong.

As our Company was incorporated in Singapore, its operation is subject to the relevant laws and regulations of Singapore, and our constitutional document comprises the Constitution. A summary of various provisions of our Constitution and the salient provisions of the laws of Singapore is set out in Appendix IV to this prospectus and the major differences between certain applicable Hong Kong and Singapore laws and regulations are set out in Appendix V to this prospectus.

2. Changes in share capital of our Company

As at the Latest Practicable Date, the issued share capital of our Company was S\$190,246,954.68 (including treasury shares) and the number of Shares in issue was 824,228,224 (including treasury shares).

On 22 November 2017, 19,449,600 treasury shares held by our Company as treasury shares were cancelled pursuant to Section 76K of the Companies Act and as a result, the issued share capital and the number of issued Shares is S\$186,264,122.11 and 804,778,624 Shares, respectively.

Save as disclosed above, there has been no alteration in the share capital of our Company in the two years preceding the date of this prospectus.

As at the Latest Practicable Date, our Company had no founder shares, management shares, treasury shares or deferred shares.

3. Resolution of the Shareholders passed at the general meeting of our Company held on 26 April 2017

At the annual general meeting of our Company held on 26 April 2017, resolutions of Shareholders were passed pursuant to which, amongst other things, pursuant to Section 161 of the Companies Act and Rule 806 of the Singapore Listing Manual, our Directors were granted a general mandate (the “**Share Issue Mandate**”) to:

- (i) issue shares in the capital of our Company whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as our Directors may in their absolute discretion deem fit; and
- (iii) (notwithstanding the authority conferred by such resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by our Directors while such resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to such resolution (including shares to be issued in pursuance of the Instruments, made or granted pursuant to such resolution) shall not exceed fifty percent (50%) of the total number of issued shares (excluding treasury shares) in the capital of our Company, of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of our Company shall not exceed twenty percent (20%) of the total number of issued shares (excluding treasury shares) in the capital of our Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of our Company at the time of the passing of such resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of convertible securities;

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- (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of such resolution; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by such resolution, our Company shall comply with the provisions of the Singapore Listing Manual for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of our Company; and
- (4) unless revoked or varied by our Company in general meeting, the authority conferred by such resolution shall continue in force until the conclusion of the next annual general meeting of our Company or the date by which the next annual general meeting of our Company is required by law to be held, whichever is the earlier.

At the extraordinary general meeting of our Company held on 6 September 2017, resolutions of Shareholders were passed pursuant to which, amongst other things, approval was given for:

- (a) the proposed Share Offer and Listing; and
- (b) the proposed adoption of the new Constitution.

Pursuant to the renewal of the Share Purchase Mandate at a general meeting of our Company held on 26 April 2017, resolutions of Shareholders were passed pursuant to which, amongst other things, approval was given for our Directors to purchase or acquire Shares from time to time of up to the Maximum Percentage (as defined below), as at such price or prices as may be determined by our Directors up to the Maximum Price (as defined below), whether by way of:

- (i) market purchases on the SGX-ST; and/or
- (ii) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other relevant laws and regulations, including but not limited to the provisions of the Companies Act and listing rules of the SGX-ST as may for the time being be applicable (the “**Share Purchase Mandate**”).

Unless varied or revoked by our Company in general meeting, the authority conferred on our Directors pursuant to the Share Purchase Mandate may be exercised by our Directors at any time and from time to time during the period commencing from the date of the passing of such resolution and expiring on the earlier of:

- (i) the date on which the next annual general meeting of our Company is held;
- (ii) the date by which the next annual general meeting of our Company is required by law to be held; or
- (iii) the date on which the purchases or acquisitions of Shares by our Company, have been carried out to the full extent mandated.

In this resolution:

“**Maximum Percentage**” means that number of issued Shares representing 10.0% of the total number of issued Shares (excluding treasury shares) as at the date of the passing of such resolution; and

“**Maximum Price**” means the purchase price (excluding related brokerage, stamp duties, commission, applicable goods and services tax and other expenses of the purchase or acquisition) (a) in the case of a market purchase, 105% of the average of the closing market prices of a Share for the five (5) consecutive market days, on which the Shares were transacted on the SGX-ST, before the day on which the purchase or acquisition of Shares was made, or as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action that occurs after the relevant five (5) market days period (“**Average Closing Price**”); and (b) in the case of an off-market purchase pursuant to an equal access scheme, 120% of the Average Closing Price.

4. Repurchase of our own securities

This section includes information required by the Stock Exchange to be included in this prospectus concerning the repurchase by us of our own securities:

(a) Provision of the Listing Rules

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the more important of which are summarised below:

(i) Shareholders' approval

All proposed repurchases of securities (which must be fully paid-up in the case of shares) on the Stock Exchange must be approved in advance by an ordinary resolution of the Shareholders, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to the Shareholders resolutions passed in the annual general meeting of our Company on 26 April 2017, the repurchase mandate was given to our Directors authorising any repurchase of Shares by our Company as described above in the paragraph headed “A. Further information about our Company and our subsidiaries — 3. Resolution of the Shareholders passed at the general meeting of our Company held on 26 April 2017” in this section.

(ii) Source of funds

Any repurchases of Shares must be funded out of funds legally available for the purpose in accordance with the memorandum of association of our Company and the Constitution, and the applicable laws and regulations in Singapore. A listed company on the SGX-ST may not repurchase its own securities on the SGX-ST for a consideration other than cash or for settlement otherwise than in accordance with the Listing Manual and trading rules of the SGX-ST which are in effect from time to time.

(iii) Shares to be repurchased

The Listing Rules provide that the Shares which are proposed to be repurchased must be fully paid up.

(b) Reasons for repurchases

Our Directors believe that it is in the best interest of our Company and our Shareholders for our Directors to have general authority from the Shareholders to enable them to repurchase Shares in the market at any time, subject to market conditions, during the period when the repurchase mandate is in force. Our Directors believe that the repurchases of Shares will enhance the return on equity of the Company, and will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner. Repurchase of our Shares will only be made where our Directors believe that such repurchases will benefit our Company and our Shareholders.

(c) Exercise of the repurchase mandate

Exercise in full of the repurchase mandate could accordingly result in up to 73,988,343 Shares (as ascertained as at the date of the annual general meeting of the Company on 26 April 2017) being repurchased by our Company during the period prior to (i) the date on which the next annual general

meeting of our Company is held; (ii) the date by which the next annual general meeting of our Company is required by law to be held; or (iii) the date on which the purchases or acquisitions of shares by our Company, have been carried out to the full extent mandated, whichever is the earliest.

(d) Funding of repurchases

Our Company may, in accordance with the provisions of the Companies Act, purchase or otherwise acquire the Shares if it is expressly permitted to do so by the Constitution. In purchasing Shares, our Company may only apply funds legally available for such purpose in accordance with the Constitution and the applicable laws in Singapore. Our Company may not purchase its shares for a consideration other than cash and where relevant, settlement shall be in accordance with the trading rules of the SGX-ST. Previously, any payment made by our Company in consideration of the purchase or acquisition of its own Shares may only be made out of distributable profits.

The Companies Act now permits our Company to purchase or acquire its own Shares out of capital, as well as from its distributable profits. Furthermore, our Company may obtain or incur borrowings to finance its purchase or acquisition of Shares.

However, our Directors do not propose to exercise the repurchase mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the liquidity (for example, share trading volume) of our Group.

(e) Director's undertaking

Our Directors have undertaken to the Stock Exchange that they will exercise the power of our Company to make purchase of our Company's securities in accordance with the Listing Rules, the Listing Manual, the applicable laws of Singapore and the Constitution.

We have not made any repurchases of our own securities in the past six months.

(f) Disclosure of interests

None of our Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their close associates, as defined in the Listing Rules, currently intends to sell any Shares to our Company.

No core connected person, as defined in the Listing Rules, has notified our Company that he or she has a present intention to sell Shares to our Company, or has undertaken not to do so, if the repurchase mandate is exercised.

(g) Takeovers Code consequences

If, as a result of the repurchase of the securities by our Company pursuant to the repurchase mandate, a Shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the repurchase mandate.

Our Directors have no intention to exercise the repurchase mandate to such an extent as would result in takeover obligations under the Takeovers Code.

5. Changes in share capital or registered capital of the subsidiaries of our Company

The subsidiaries of our Group are listed in the Accountant's Report set out in Appendix I to this prospectus.

In addition to those disclosed in the section headed "History and corporate structure" in this prospectus, the following are alterations in the share or registered capital of each of our subsidiaries which have taken place within the two years immediately preceding the date of this prospectus:

- (a) on 10 March 2016, the issued share capital of Westlite Dormitory Management Pte. Ltd. was increased from S\$3,200,000 comprising 3,200,000 shares to S\$3,500,000 comprising 3,500,000 shares;
- (b) on 10 May 2016, the issued share capital of Westlite Dormitory (V Three) Pte. Ltd. was increased from S\$1.00 comprising 1 share to S\$30,000 comprising 30,000 shares;
- (c) on 14 March 2017, Centurion Overseas Investments (II) Pte. Ltd. was incorporated in Singapore with an issued and paid-up share capital of S\$100,000 comprising 100,000 shares;
- (d) on 14 July 2017, Centurion US Student Accommodation Holdings Pte. Ltd. was incorporated in Singapore with an issued and paid-up share capital of S\$100 comprising 100 shares;
- (e) on 5 September 2017, Centurion Accommodation Management Pte. Ltd. was incorporated in Singapore with an issued and paid-up share capital of S\$1.00 comprising 1 share;

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- (f) on 9 November 2017, Centurion Student Investment Management Pte. Ltd. was incorporated in Singapore with an issued and paid-up share capital of S\$1,000 comprising 1,000 shares;
- (g) on 9 November 2017, Centurion Student Accommodation Trustee Pte. Ltd. was incorporated in Singapore with an issued and paid-up share capital of S\$1,000 comprising 1,000 shares;
- (h) on 29 February 2016, the issued share capital of Centurion Student Services Pty Ltd was increased from A\$2.00 comprising 2 shares to A\$100,000 comprising 100,000 shares;
- (i) on 21 March 2017, Centurion SA Investments Pty Ltd was incorporated the New South Wales, Australia with an issued and paid-up share capital of A\$2.00 comprising 2 shares;
- (j) on 16 March 2017, Centurion Investments (JS A) Ltd was incorporated in Jersey with an authorised share capital of £10,000 divided into 10,000 shares of £1.00 each with 10,000 shares issued to Centurion Overseas Investments (II) Pte. Ltd on the same date at par value each; and
- (k) on 8 January 2016, the issued share capital of Centurion Overseas Ventures was increased from A\$23,100,002 comprising 23,100,000 shares to A\$27,600,002 comprising 27,600,000 shares.

B. FURTHER INFORMATION ABOUT THE BUSINESS OF OUR GROUP**1. Summary of material contracts**

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of our Group within the two years preceding the date of this prospectus and are or may be material:

- (a) the Deed of Non-competition;
- (b) the Deed of Indemnity; and
- (c) the Public Offer Underwriting Agreement.




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2. Intellectual property rights of our Group

(a) Trademarks

(i) Registered trademarks owned by our Group

As at the Latest Practicable Date, our Group had registered the following trademarks:

Trademark registration number	Trademark	Registered owner	Place of registration	Class	Expiry date
1. 40201401697U		our Company	Singapore	43	21 November 2024
2. 40201612929R	DWELL STUDENT	our Company	Singapore	36, 43	11 August 2026
3. 40201612928T	DWELL	our Company	Singapore	36, 43	11 August 2026
4. 40201612927V		our Company	Singapore	36, 43	11 August 2026
5. 2014068935		our Company	Malaysia	43	16 December 2024
6. 1697583 (designated via IR No. 1250182)		our Company	Australia	43	27 January 2025
7. 1824648	DWELL STUDENT	our Company	Australia	36, 43	18 October 2026
8. 1250182		our Company	Philippines	43	27 January 2025
9. WO1250182		our Company	Vietnam	43	27 January 2025

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	<u>Trademark registration number</u>	<u>Trademark</u>	<u>Registered owner</u>	<u>Place of registration</u>	<u>Class</u>	<u>Expiry date</u>
10.	G1250182		our Company	China	43	27 January 2025
11.	1344000		our Company	The World Intellectual Property Organization (designating Australia, United Kingdom and United States of America)	36, 43	18 October 2026
12.	1834980	DWELL	our Company	Australia	36, 43	25 October 2026

(ii) Applications for registration of trademarks

As at the Latest Practicable Date, our Group had applied for registration of the following trademarks:

	<u>Trademark application number</u>	<u>Trademark</u>	<u>Applicant</u>	<u>Place of application</u>	<u>Class</u>	<u>Application date</u>
1.	79203974	DWELL	our Company	United States of America	36, 43	25 October 2016
2.	79201188	DWELL STUDENT	our Company	United States of America	36, 43	18 October 2016
3.	J002014058577		our Company	Indonesia	43	18 December 2014

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(b) Domain names

As at the Latest Practicable Date, our Group had registered the following domain name:

Domain name	Registered owner	Date of registration	Expiry date
1. www.centurionstudents.co.uk	Centurion Student Services (UK) Ltd	18 August 2014	18 August 2019
2. www.centurioncorp.com.au	Centurion Accommodation (Australia) Pty Ltd	21 August 2014	21 August 2018
3. www.dwellstudent.com.au	Centurion Accommodation (Australia) Pty Ltd	26 February 2016	26 February 2018
4. www.dwellstudent.co.uk	Centurion Student Services (UK) Ltd	26 February 2016	26 February 2018
5. www.cslstudents.com.sg	CSL Student Living (Selegie) Pte. Ltd.	11 June 2015	11 June 2018
6. www.dwellstudent.com.sg	The Company	26 February 2016	26 February 2018
7. www.dwellstudent.com	The Company	26 February 2016	26 February 2018
8. www.workerdormitoryservices.com.sg	WLC Facilities Services Pte. Ltd.	19 August 2016	19 August 2018
9. www.workerdormitoryservices.sg	WLC Facilities Services Pte. Ltd.	19 August 2016	19 August 2018
10. www.tptpooling.com.sg	WLC Facilities Services Pte. Ltd.	26 August 2016	26 August 2018
11. www.tptpooling.sg	WLC Facilities Services Pte. Ltd.	26 August 2016	26 August 2018

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	<u>Domain name</u>	<u>Registered owner</u>	<u>Date of registration</u>	<u>Expiry date</u>
12.	www.fwtptpooling.com.sg	WLC Facilities Services Pte. Ltd.	31 August 2016	31 August 2018
13.	www.fwtptpooling.sg	WLC Facilities Services Pte. Ltd.	31 August 2016	31 August 2018
14.	www.fwsharetransport.com.sg	WLC Facilities Pte Ltd	31 August 2016	31 August 2018
15.	www.fwsharetransport.sg	WLC Facilities Pte Ltd	31 August 2016	31 August 2018
16.	www.centurioncorp.com.sg	The Company	13 July 2011	13 July 2018
17.	www.westlite.com.sg	Centurion Dormitory (Westlite) Pte Ltd	16 January 2012	16 January 2018
18.	www.westlite.com.my	Westlite Dormitory Management Sdn. Bhd.	13 March 2012	13 March 2019

Save as disclosed in this prospectus, there are no trademarks, patents or other intellectual property rights which are material in relation to the business of our Group.

3. Property interests

For details of our owned and leased properties, please refer to the property valuation report prepared by Knight Frank Petty Limited as set out in Appendix III to this prospectus.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of interests

(a) Interests and short positions of our Directors and the chief executive of our Company in the Shares, underlying shares and debentures of our Company and its associated corporations

So far as our Directors are aware, immediately following completion of the Share Offer, the interests or short positions of our Directors and chief executive of our Company in the Shares or underlying shares of or debentures of our Company and its associated corporations (within the

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meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which will be required to notify our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, will be as follows:

Interests or short positions in our Company:

	Direct Interest			Deemed Interest			Total Interest	
	Capacity/Nature of interests	No. of Shares	% ⁽²⁾	Capacity/Nature of interests	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Mr. Loh	Beneficial owner	19,216,750 ^{(L)(8)}	2.286	Interest of controlled corporation	445,756,126 ⁽³⁾	53.017	465,172,876 ^(L)	55.326
				Interest of spouse	200,000 ⁽⁴⁾	0.024		
Mr. Han	Beneficial owner	4,664,700 ^{(L)(9)}	0.555	Interest of controlled corporation	445,756,126 ⁽⁵⁾	53.017	458,368,326 ^(L)	54.517
				Interest of spouse	7,947,500 ⁽⁶⁾	0.945		
Mr. Gn Hiang Meng	—	—	—	Interest of spouse	247,500 ⁽⁷⁾	0.029	247,500 ^(L)	0.029

Notes:

- (1) The letter “L” denotes the person’s long position in the relevant Shares.
- (2) Based on 840,778,624 Shares in issue on Listing (on the basis that the treasury shares have been cancelled in full).
- (3) Mr. Loh holds a 50% shareholding interest in Centurion Global, which is the 100% holding company of Centurion Properties. Thinkpac Limited is a wholly-owned subsidiary of Centurion Properties. Mr. Loh is, therefore, deemed to be interested in 435,756,126 Shares held by Centurion Properties and 10,000,000 Shares held by Thinkpac Limited. Of the 19,216,750 Shares interested in by Mr. Loh, 16,716,750 Shares are registered in the name of UOB Kay Hian Private Limited and 2,500,000 Shares are registered in the name of Raffles Nominees (Pte.) Limited.
- (4) Mr. Loh also has a deemed interest in 200,000 Shares held by his spouse, Ms. Wong Wan Pei.
- (5) Mr. Han holds a 50% shareholding interest in Centurion Global, which is the 100% holding company of Centurion Properties. Thinkpac Limited is a wholly-owned subsidiary of Centurion Properties. Mr. Han is, therefore, deemed to be interested in 435,756,126 Shares held by Centurion Properties and 10,000,000 Shares held by Thinkpac Limited. Of the 4,664,700 Shares interested in by Mr. Han, 3,300,000 Shares are registered in the name of Citibank Nominees Singapore Pte Ltd, 685,500 Shares are registered in the name of UOB Kay Hian Private Limited and 679,200 Shares are registered in his own name.

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- (6) Mr. Han also has a deemed interest in 7,947,500 Shares held by his spouse, Ms. Kang Lee Cheng Susanna, which are registered in the name of DB Nominees (S) Pte Ltd.
- (7) Mr. Gn Hiang Meng has a deemed interest in 247,500 Shares held by his spouse, Ms. Loo Bee Hoon.
- (8) Of these Shares, 16,716,750 have been pledged to an independent third party financial institution(s).
- (9) Of these Shares, 3,985,500 have been pledged to independent third party financial institution(s).

(b) *Interests and short positions of substantial shareholders in the Shares and underlying Shares*

So far as our Directors are aware, immediately following completion of the Share Offer without taking into account the Shares which may be issued upon the exercise of the Warrants, based on the information available as at the Latest Practicable Date, other than a Director or chief executive of our Company whose interests are disclosed under the paragraph headed “C. Further information about our Directors and substantial Shareholders — 1. Disclosure of interests — (a) Interests and short positions of our Directors and the chief executive of our Company in the Shares, underlying shares and debentures of our Company and its associated corporations” above, the following persons not being a Director or Chief executive of our Company will have interest and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the issued voting shares of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company or any other member of our Group:

Interests or short positions in our Company:

	Direct Interest			Deemed Interest			Total Interest	
	Capacity/Nature of interests	No. of Shares	% ⁽²⁾	Capacity/Nature of interests	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Centurion Properties ⁽³⁾	Beneficial owner	435,756,126 ^{(L)(8)}	51.828	Interest of controlled corporation	10,000,000	1.189	445,756,126 ^(L)	53.017
Centurion Global ⁽⁴⁾	—	—	—	Interest of controlled corporation	445,756,126	53.017	445,756,126 ^(L)	53.017
Ms. Kang Lee Cheng Susanna ⁽⁵⁾	Beneficial owner	7,947,500 ^(L)	0.945	Interest of spouse	449,735,326	53.490	458,368,326 ^(L)	54.517
Ms. Wong Wan Pei ⁽⁶⁾	Beneficial owner	200,000 ^(L)	0.024	Interest of spouse	464,972,876	55.303	465,172,876 ^(L)	55.326
Mr. Teo ⁽⁷⁾	Beneficial owner	63,723,330 ^(L)	7.579	—	—	—	63,723,330 ^(L)	7.579

Notes:

- (1) The letter “L” denotes the person’s long position in the relevant Shares.
- (2) Based on 840,778,624 Shares in issue on Listing (on the basis that the treasury shares have been cancelled in full).

- (3) Of the 435,756,126 Shares interested in by Centurion Properties, 310,000,000 Shares are registered in the name of DB Nominees (S) Pte Ltd and 125,756,126 Shares are registered in the name of Raffles Nominees (Pte.) Limited. Centurion Properties is deemed to be interested in 10,000,000 Shares held by Thinkpac Limited, its wholly-owned subsidiary.
- (4) Thinkpac Limited is a wholly-owned subsidiary of Centurion Properties which is in turn a wholly-owned subsidiary of Centurion Global. Centurion Global is, therefore, deemed to be interested in 435,756,126 Shares held by Centurion Properties and 10,000,000 Shares held by Thinkpac Limited.
- (5) Ms. Kang Lee Cheng Susanna is the spouse of Mr. Han and is therefore deemed to be interested in the Shares directly and indirectly held by Mr. Han by virtue of SFO.
- (6) Ms. Wong Wan Pei is the spouse of Mr. Loh and is therefore deemed to be interested in the Shares directly and indirectly held by Mr. Loh by virtue of SFO.
- (7) Of the 63,723,330 Shares interested in by Mr. Teo Peng Kwang, 40,270,164 Shares are registered in the name of DBS Nominees Pte Ltd, 96,250 Shares are registered in the name of United Overseas Bank Nominees Pte Ltd, 16,000,000 Shares are registered in the name of DB Nominees (S) Pte Ltd and 7,356,916 Shares are registered in the name of UOB Kay Hian Private Ltd.
- (8) These Shares have been pledged to independent third party financial institution(s).

2. Particulars of Directors' letters of appointment

(1) Non-executive Directors

Each of our non-executive Directors, Mr. Wong Kok Hoe, Mr. Loh and Mr. Han, has entered into a letter of appointment with our Company for a fixed term of three years commencing from the Listing Date, which may be terminated in accordance with its terms. Pursuant to their respective letter of appointment, each of Mr. Wong Kok Hoe, Mr. Loh and Mr. Han will be entitled to an annual director's fee as proposed by the Remuneration Committee and approved/ratified by Shareholders in general meeting. For the year ended 31 December 2016, the approved fees for Mr. Wong Kok Hoe, Mr. Loh and Mr. Han were S\$99,000, S\$42,000 and S\$42,000, respectively. Save for the Director's fee, none of our non-executive Director is expected to receive any other remuneration for holding his office as a non-executive Director.

(2) Independent non-executive Directors

Each of our independent non-executive Director has entered into a letter of appointment with our Company for a fixed term of three years commencing from the Listing Date, which may be terminated in accordance with its terms. Each of Mr. Gn Hiang Meng, Mr. Chandra Mohan s/o Rethnam and Mr. Owi Kek Hean will be entitled to an annual director's fee as proposed by the Remuneration Committee and approved/ratified by Shareholders in general meeting. For the year ended 31 December 2016, the approved fees for Mr. Gn Hiang Meng, Mr. Chandra Mohan s/o Rethnam and Mr. Owi Kek Hean were S\$111,000, S\$86,000 and nil, respectively. Save for the Director's fee, none of our independent non-executive Director is expected to receive any other remuneration for holding his office as an independent non-executive Director.

Save as disclosed above, none of our Directors has or is proposed to have a service contract with our Company or any of our subsidiaries other than contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation).

3. Directors' remuneration

- (i) For the three years ended 31 December 2014, 2015, 2016 and the six months ended 30 June 2017, the aggregate remuneration and directors' fees paid by our Group to our Directors were approximately S\$1.9 million, S\$2.0 million, S\$0.4 million and S\$0.2 million, respectively.
- (ii) Our Directors confirm that our Company's remuneration policies for Directors will remain the same immediately after the Share Offer.
- (iii) Under the arrangements currently in force, the aggregate remuneration paid and benefit in kind granted (excluding the discretionary bonus) by our Group to our Directors (including our non-executive Directors (in their respective capacity as directors)) for the year ending 31 December 2017, are expected to be approximately S\$0.4 million for our non-executive Director and independent non-executive Directors.
- (iv) None of our Directors or any past directors of any members of our Group has been paid any sum of money for each of the three years ended 31 December 2016 and six months ended 30 June 2017 as (i) an inducement to join or upon joining our Company; or (ii) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any members of our Group.
- (v) There has been no arrangement under which a Director waived or agreed to waive any emoluments for each of the three years ended 31 December 2016 and six months ended 30 June 2017.

4. Personal guarantee

None of our Directors has provided personal guarantee in favour of any lenders in connection with banking facilities granted or to be granted to any member of our Group.

5. Related party transactions

Our Group had entered into related party transactions within the two years immediately preceding the date of this prospectus as mentioned in Note 37 to the Accountant's Report as set out in Appendix I to this prospectus and the section headed "Connected transaction" in this prospectus.

6. Disclaimers

Save as disclosed in this prospectus:

- (a) none of our Directors or chief executive has any interest and/or short position in the shares, underlying shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, to be notified to us and the Stock Exchange once our Shares are listed;
- (b) our Directors are not aware of any person (not being a Director or the chief executive of our Company) who will, immediately after completion of the Share Offer, have an interest or a short position in the Shares or underlying shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who will, directly or indirectly, be interested in 10% or more of the issued voting shares of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company or any other member of our Group;
- (c) none of our Directors nor any of the parties listed in the paragraph headed “D. Other information — 7. Qualifications of experts” in this Appendix has been interested in the promotion of, or has any direct or indirect interest in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed by or leased to our Company or any of its subsidiaries, or are proposed to be acquired or disposed of by or leased to our Company or any other member of our Group;
- (d) none of our Directors nor any of the parties listed in the paragraph headed “D. Other information — 7. Qualifications of experts” in this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group;
- (e) none of our Directors has any existing or proposed service contracts with our Company or any of its subsidiaries, excluding contracts which are expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation);

- (f) our Directors confirmed that none of our Directors, their respective associates or our Shareholders who are interested in 5% or more of the issued share capital of our Company has any interests in the five largest customers or the five largest suppliers of our Group during the Track Record Period;
- (g) none of our Directors is interested in any business apart from the business of our Group, which competes or is likely to compete, either directly or indirectly, with our Group's business; and
- (h) none of the experts referred to in the paragraph headed "D. Other information — 7. Qualifications of experts" in this Appendix has any shareholding in our Company or any of its subsidiaries or the right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or any of its subsidiaries.

D. OTHER INFORMATION

1. Deed of Indemnity

Our Controlling Shareholders (collectively the "**Indemnifiers**"), have entered into the Deed of Indemnity (being one of the material contracts referred to in the section headed "B. Further information about the business of our Group — 1. Summary of material contracts" in this Appendix) to provide indemnities to our Group on a joint and several basis in respect of, among other matters, any liability for Hong Kong estate duty which might be incurred by any member of our Group by reason of any transfer of property (within the meaning of section 35 or section 43 of the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong)) to any member of our Group on or before the date on which our shares are listed on the Stock Exchange ("**Effective Date**"). Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of its subsidiaries under the laws of Singapore, Malaysia, United Kingdom, Australia, the PRC, the BVI, Jersey, Hong Kong, being jurisdictions in which one or more of the companies comprised our Group are incorporated.

Under the Deed of Indemnity, the Indemnifiers have also given indemnities to our Group on a joint and several basis in relation to any and all tax liabilities together with all reasonable costs (including all legal costs), expenses or other liabilities which in whatever part of the world might be payable by any member of our Group in respect of among other matters any income, profits, gains, transactions, events, matters or things earned, accrued or received or entered into (or deemed to be so earned, accrued, received or entered into) on or before the Effective Date.

The Deed of Indemnity does not cover any claim, and the Indemnifiers shall be under no liability under the Deed of Indemnity, in respect of any taxation:

- (a) to the extent that full provision or allowance has been made for such taxation in the audited accounts of our Company or any of its subsidiaries for the three years ended 31 December 2016 and the six months ended 30 June 2017; or
- (b) to the taxation falling on any member of our Group in respect of their accounting periods or any accounting period commencing on or after 1 January 2017 unless liability for such taxation would not have arisen but for some act or omission of, or transaction voluntarily effected by, any member of our Group (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) with the prior written consent or agreement of the Indemnifiers other than any such act, omission or transaction:
 - (i) carried out or effected in the ordinary course of business after 30 June 2017; or
 - (ii) carried out, made or entered into pursuant to a legally binding commitment created on or before the date on which dealings in the Shares first commence on the Stock Exchange or pursuant to any statement of intention made in this prospectus.

Under the Deed of Indemnity, the Indemnifiers have also undertaken to indemnify, on a joint and several basis, any member of our Group against:

- (a) any fines, penalties, losses, damages, liabilities, fees, costs, expenses, demands, claims, proceedings, actions (including without limitation any legal costs) and taxation which our Company or any of its subsidiaries may suffer, sustain or incur or which may be commenced, brought or instituted against any member of our Group arising in connection with the non-compliance incidents as referred to in the paragraph headed “Business — Regulatory non-compliance” in this prospectus; and
- (b) any fines, penalties, losses, damages, liabilities, fees, costs, expenses, demands, claims, proceedings, actions (including without limitation any legal costs) which any member of our Group may suffer, sustain or incur by as a result of any act, non-performance, non-compliance, omission or otherwise of any Group Company and/or shareholders on or before the Effective Date.

2. Litigation

No member of our Group is engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against any member of our Group, that would have a material adverse effect on the results of operations or financial condition of our Group as at the Latest Practicable Date.

3. Preliminary expenses

The preliminary expenses of the Share Offer are estimated to be approximately HK\$4,000 and are payable by our Company.

4. Promoter

Our Company does not have a promoter. Within the two years preceding the Latest Practicable Date, no cash, securities or other benefits has been paid, allotted or given or is proposed to be paid, allotted or given to any promoter in connection with the Share Offer and the related transactions described in this prospectus.

5. Sponsor's fee, agency fees or commissions received

The Sole Sponsor will receive a fee of HK\$4.6 million to act as the sponsor to our Company in connection with the Share Offer.

6. Sole Sponsor

The Sole Sponsor has made an application on behalf of our Company to the Listing Committee for listing of, and permission to deal in, the Shares in issue and the new Shares to be allotted and issued pursuant to the Share Offer as mentioned in this prospectus. All necessary arrangements have been made to enable the Shares to be admitted into CCASS for clearing and settlement.

The Sole Sponsor has declared pursuant to Rule 3A.08 of the Listing Rules that it is independent pursuant to Rule 3A.07 of the Listing Rules.

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7. Qualifications of experts

The following are the qualifications of the experts who have given opinions or advice which are included in this prospectus:

Name	Qualification
VBG Capital Limited	Licensed under the SFO for type 1 (dealing in securities) and type 6 (advising on corporate finance) of the regulated activities as defined under the SFO
PricewaterhouseCoopers	Certified Public Accountants
Dentons Rodyk & Davidson LLP	Singapore legal advisers
Roosdiono & Partners, a member of ZICOlaw	Indonesia legal advisers
Shanghai Juming Law Office	PRC legal advisers
Lee & Tengku Azrina	Malaysia legal advisers
Withers Australia	Australia legal advisers
Norton Rose Fulbright LLP	United Kingdom legal advisers
Knight Frank Petty Limited	Chartered surveyors and valuers
Euromonitor International Limited	Industry Consultant

8. Consents of experts

Each of VBG Capital Limited, PricewaterhouseCoopers, Dentons Rodyk & Davidson LLP, Roosdiono & Partners, a member of ZICOlaw, Shanghai Juming Law Office, Lee & Tengku Azrina, Withers Australia, Norton Rose Fulbright LLP, Knight Frank Petty Limited and Euromonitor International Limited has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report, letter, summary of valuation, valuation certificate, opinion or summaries of opinions (as the case may be) and the references to its name included herein in the form and context in which they respectively included.

As at the Latest Practicable Date, none of the experts named in the paragraph headed “D. Other information — 7. Qualifications of experts” in this Appendix has any shareholding interests in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

9. Taxation of holders of Shares

(1) Hong Kong

Dealings in Shares registered on our Company’s Hong Kong branch register of members will be subject to Hong Kong stamp duty. Intending holders of Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in Shares. It is emphasised that none of our Company, our Directors or the other parties involved in the Share Offer can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in Shares.

Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

The sale, purchase and transfer of Shares registered with Hong Kong Branch Share Register will be subject to Hong Kong Stamp Duty, comprising a stamp duty of HK\$5 on the seller per transfer instrument and ad valorem stamp duty on both the buyer and the seller charged at the rate of 0.1% each of the consideration or, if higher, of the fair value of the Shares being sold or transferred.

(2) Singapore

(a) Dividend Distributions

A company is a tax resident in Singapore when the control and management of the company is exercised in Singapore. Singapore adopts the One-Tier Corporate Taxation System (the “**One-Tier System**”). Under the One-Tier System, the tax collected from corporate profits is a final tax and the after-tax profits of the company resident in Singapore can be distributed to the shareholders as tax-exempt (one-tier) dividends. Such dividends are tax-exempt in the hands of the shareholders, regardless of whether the shareholder is a company or an individual and whether or not the shareholder is a Singapore tax resident.

As our Company is a Singapore tax resident company, the dividends distributed by our Company will be tax exempt (one-tier) dividends. The dividends will be exempt from Singapore income tax in the hands of our shareholders, regardless of whether the shareholder is a company or an individual and whether or not the shareholder is a Singapore tax resident.

Dividends paid by a Singapore tax resident company would be considered as sourced from Singapore. Singapore does not currently impose withholding tax on dividends paid to resident or non-resident shareholders. Shareholders are advised to consult their own tax advisors in respect of the tax laws of their respective countries of residence which are applicable on such dividends received by them and the applicability of any double taxation agreement that their country of residence may have with other jurisdictions.

(b) Gains on Disposals of Ordinary Shares

Singapore does not impose tax on capital gains. There are no specific laws or regulations which deal with the characterisation of whether a gain is revenue or capital in nature. The characterization would usually depend on the facts and circumstances surrounding the purchase and sale of a particular asset and by reference to established case law principles. In general, gains or profits derived from the disposal of our Shares acquired for long-term investment purposes should be considered as capital gains and not subject to Singapore tax.

On the other hand, gains may be construed to be of an income nature and subject to Singapore income tax if they arise from or are otherwise connected with activities which the Comptroller regards as the carrying on of a trade or business of dealing in shares in Singapore.

For any disposal of our ordinary Shares from 1 June 2012 to 31 May 2022 (both dates inclusive) by a company, upfront “non-taxation” certainty may however be granted on any gains derived by the divesting company if immediately prior to the date of share disposal, the divesting company has held at least 20% of our Shares for a continuous period of at least 24 months.

For share disposals that do not satisfy the above conditions, the tax treatment on any gains/losses that may arise from the disposal of shares (i.e. whether the gains/losses are capital or revenue in nature) would continue to be determined based on a consideration of the specific facts and circumstances of the case and by reference to established case law principles. As the precise tax status of a Shareholder varies from another, Shareholders are advised to consult their own professional advisers on the Singapore tax consequences that may be applicable to their individual circumstances.

In addition, corporate shareholders who apply, or who are required to apply, the Singapore Financial Reporting Standard 39 Financial Instruments — Recognition and Measurement (“**SFRS 39**”) for the purposes of Singapore income tax may be required to recognise revenue gains or losses (i.e. excluding capital gains or losses) in accordance with the provisions of SFRS 39 (as modified by the applicable provisions of Singapore income tax law) even though no sale or disposal of our Shares have been made. Shareholders who may be subject to such tax treatment should consult their own accounting and tax advisors regarding the Singapore income tax consequences of their acquisition, holding and disposal of our Shares.

(c) Stamp Duty

No stamp duty is payable on the subscription and issuance of our Shares. Stamp duty is also not applicable to electronic transfers of our Shares through the CDP.

There could be stamp duty implications if any sale and purchase agreement for or instrument of transfer for our Shares is executed. Potential investors should seek professional advice based on the specific circumstances of their situation. Where existing Shares evidenced in certificated form are acquired in Singapore, stamp duty is payable on the instrument of transfer of the Shares at the rate 0.2% of the amount of the consideration or the market value of the Shares, whichever is higher. The purchaser is liable for the stamp duty charge, unless otherwise agreed by the parties to the transaction.

No stamp duty is payable if no instrument of transfer is executed (such as in the case of scripless shares, the transfer of which does not require an instrument of transfer to be executed) or if the instrument of transfer is executed outside of Singapore. However, stamp duty may be payable if the instrument of transfer which is executed outside Singapore is subsequently brought into Singapore.

(d) Estate Duty

Singapore estate duty was abolished with effect from 15 February 2008.

(e) Goods and Services Tax (“GST”)

The sale of our Shares by a GST-registered investor belonging in Singapore through a SGX-ST member or to another person belonging in Singapore is an exempt supply not subject to GST.

Any GST (for example, GST on brokerage) incurred by the GST-registered investor in connection with the making of this exempt supply will generally become an additional cost to the investor unless the investor satisfies certain conditions prescribed under the GST legislation or by the comptroller of GST.

Where our Shares are sold by a GST-registered investor to a person belonging outside Singapore (and who is outside Singapore at the time of supply), the sale is a taxable supply subject to GST at zero rate. Consequently, any GST (for example, GST on brokerage) incurred by him in the making of this zero-rated supply for the purpose of his business will, subject to the provisions of the GST legislation, be recoverable as an input tax credit in his GST returns.

Investors should seek their own tax advice on the recoverability of GST incurred on expenses in connection with the purchase and sale of our Shares.

Services such as brokerage and handling services rendered by a GST-registered person to an investor belonging in Singapore in connection with the investor's purchase or sale of our Shares will be subject to GST at the prevailing rate at 7.0%. Similar services rendered contractually to an investor belonging outside Singapore are subject to GST at zero-rate provided that the investor is not physically present in Singapore at the time the services are performed and the services do not directly benefit a person who belongs in Singapore.

(3) Consultation with professional advisers

Potential holders of the Shares are recommended to consult their professional advisers if they are in any doubt about the taxation implications of the subscription, holding or disposal of, dealing in, or the exercise of any rights in relation to, the Shares. It is emphasised that none of our Company, the Sole Sponsor, any of their respective directors, agents, employees, advisors or affiliates or any other person involved in the Share Offer accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, holding or disposal of, dealing in, or the exercise of any rights in relation to, the Shares.

10. Bilingual Document

The English language and Chinese language versions of this prospectus are being published separately. This prospectus is written in English language and the Chinese language version is for information purposes only. Should there be any discrepancy between the English language version and the Chinese language version of this prospectus, the English language version shall prevail.

11. Register of members and branch register of members

Subject to the provisions of Companies Act, the principal register of members of our Company is maintained in Singapore and the branch register of members of our Company will be maintained in Hong Kong. Unless the Directors otherwise agree, all transfers and other documents of title of Shares which are traded on the Stock Exchange must be lodged for registration with and registered by, Hong Kong Branch Share Registrar and may not be lodged in Singapore.

12. No material adverse change

Our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since 30 June 2017 (being the date to which the latest audited consolidated financial statements of our Group were made up) which would materially affect the information shown in this prospectus.

13. Miscellaneous

- (1) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
 - (i) no share or loan capital of our Company or any of its subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - (ii) no share or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) neither our Company nor any of its subsidiaries have issued or agreed to issue any founder shares, management shares or deferred shares;
 - (iv) no commissions, discounts, brokerage or other special terms have been granted in connection with the issue or sale of any shares or loan capital of any member of our Group;
 - (v) there is no arrangement under which future dividends are waived or agreed to be waived; and
 - (vi) our Group has no outstanding convertible debt securities or debentures.
- (2) Save for our Company, no member of our Group is presently listed on any stock exchange or traded on any trading system.
- (3) Our Directors confirm that there has not been any interruption in the business of our Group which may have or have had a material and adverse effect on the financial position of our Group in the 12 months immediately preceding the date of this prospectus.
- (4) There is no restriction affecting the remittance of profits or repatriation of capital into Hong Kong and from outside Hong Kong.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were (i) copies of the Application Forms; (ii) the written consents referred to in the paragraph headed “D. Other information — 8. Consents of experts” in Appendix VI to this prospectus; and (iii) copies of the material contracts referred to in the paragraph headed “B. Further information about the business of our Group — 1. Summary of material contracts” in Appendix VI to this prospectus.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the office of Robertsons at 57th Floor, The Center, 99 Queen’s Road Central, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this prospectus:

- (a) the new Constitution of our Company;
- (b) the Accountant’s Report from PricewaterhouseCoopers, the text of which is set out in Appendix I to this prospectus;
- (c) the report from PricewaterhouseCoopers relating to the unaudited interim condensed financial information of our Group for the nine months ended 30 September 2017, the text of which is set out in Appendix 1A to this prospectus;
- (d) the report to the unaudited pro forma financial information of our Group from PricewaterhouseCoopers, the text of which is set out in Appendix II to this prospectus;
- (e) the audited consolidated financial statements of our Group for the three years ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2017;
- (f) the annual reports of our Company for each of the two years ended 31 December 2015 and 2016;
- (g) the property valuation report relating to the property interests of our Group prepared by Knight Frank Petty Limited, the text of which is set out in Appendix III to this prospectus;
- (h) the Singapore legal opinion prepared by Dentons Rodyk & Davidson LLP, our legal advisers as to Singapore law;
- (i) the PRC legal opinion (in Chinese) prepared by Shanghai Juming Law Office, our legal advisers as to PRC law;
- (j) the PRC legal opinion (in Chinese) prepared by Shanghai Juming Law Office, our legal advisers as to PRC law, in relation to our Group’s property in the PRC;

- (k) the UK legal opinion prepared by Norton Rose Fulbright LLP, our legal advisers as to UK law;
- (l) the certificates of title in respect of the Braemar Portfolio prepared by Norton Rose Fulbright LLP, our legal advisers as to UK law;
- (m) the certificates of title in respect of the LIMA Portfolio prepared by Mills & Reeve LLP, our legal advisers as to UK law;
- (n) the Malaysia legal opinion prepared by Lee & Tengku Azrina, our legal advisers as to Malaysia law;
- (o) the Australia legal opinion prepared by Withers Australia, our legal advisers as to Australia law;
- (p) the Indonesia legal opinion prepared by Roosdiono & Partners, a member of ZICOlaw, our legal advisers as to Indonesia law;
- (q) the industry report prepared by Euromonitor International Limited referred to in the section headed “Industry overview” in this prospectus;
- (r) the material contracts referred to in the paragraph headed “B. Further information about the business of our Group — 1. Summary of material contracts” in Appendix VI to this prospectus;
- (s) the service agreements with each of the Directors referred to in the paragraph headed “C. Further information about our Directors and substantial Shareholders — 2. Particulars of Directors’ service agreements” in Appendix VI to this prospectus; and
- (t) the written consents referred to in the paragraph headed “D. Other information — 8. Consents of experts” in Appendix VI to this prospectus.

In addition, prospective investors and/or Shareholders can access copies of the following documents (all of which are very large documents) via the following weblinks:

Companies Act

<http://statutes.agc.gov.sg/aol/search/display/view.w3p?page=0;query=DocId%3A%22c3063e4b-61ed-4faf-8014-fabd5b998ed7%22%20Status%3Ainforce%20Depth%3A0;rec=0>

The SFA

<http://statutes.agc.gov.sg/aol/search/display/view.w3p?page=0;query=DocId:%2225de2ec3-ac8e-44bf-9c88-927bf7eca056%22%20Status:inforce%20Depth:0;rec=0>

The Singapore Code

[http://www.mas.gov.sg/~media/resource/sic/2015 Code Amendments Response Press Release/Annex 2.pdf](http://www.mas.gov.sg/~media/resource/sic/2015%20Code%20Amendments%20Response%20Press%20Release/Annex%202.pdf)

The Singapore Listing Manual

http://rulebook.sgx.com/en/display/display_viewall.html?rbid=3271&element_id=4830&print=1

Centurion Corporation Limited
勝捷企業有限公司*

