



Centurion Corporation Limited

(Incorporated in the Republic of Singapore with limited liability)

(Co. Reg. No.: 198401088W)

SGX Stock Code: OU8

SEHK Stock Code: 6090



A DECADE
OF **GROWTH,**
WELL POISED
FOR **THE FUTURE**

ANNUAL REPORT **2021**

Portfolio of
36 owned and
managed assets
in 17 cities and six
countries around
the world

9

Assets in
Singapore

8

Assets in
Malaysia

10

Assets in
United Kingdom

6

Assets in
United States

2

Assets in
Australia

1

Asset in
South Korea



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1. MWOC Punggol Northshore team and CEO Mr. Kong (Singapore)
2. Contactless COVID management measures using proprietary app developed by Centurion implemented in all workers accommodation (Singapore)
3. dwell Village Melbourne City Facade (Melbourne, Australia)
4. Westlite-PKNS Petaling Jaya marks Centurion's first workers accommodation asset in Selangor (Selangor, Malaysia)
5. Care Packs distribution to all residents in workers accommodation as part of Deepavali celebrations (Singapore)

CORPORATE PROFILE

Centurion Corporation Limited (“Centurion” or the “Company” and together with its subsidiaries, the “Group”) owns, develops and manages quality, Purpose-Built Workers Accommodation assets in Singapore and Malaysia, and Purpose-Built Student Accommodation assets in Australia, South Korea, the United Kingdom (“UK”) and the United States (“US”). Headquartered in Singapore, Centurion is listed on the Singapore Exchange (SGX: OU8) and on the Main Board of The Hong Kong Stock Exchange Limited (SEHK: 6090).

As at 31 December 2021, the Group’s portfolio of 36 operational accommodation assets comprises approximately 79,713 beds. Centurion’s established portfolio of workers accommodation assets are managed under the “Westlite” brand and comprises nine workers accommodation assets in Singapore as well as eight workers accommodation assets in Malaysia. The Group’s student accommodation assets are managed under the “dwell” brand, with 10 assets in the UK, two assets in Australia and one asset in South Korea.

In line with the Group’s asset light strategy to scale up in an efficient, sustainable manner, Centurion also launched and manages two private funds. Under the inaugural Centurion US Student Housing Fund launched in November 2017 in which Centurion has a 28.7% stake, the Group holds a portfolio of six assets in the US. The Group has also established the Centurion Student Accommodation Fund in December 2018 to invest in Purpose-Built Student Accommodation globally (ex-US).

With global reach and a clear growth strategy to actively enhance and manage its assets, identify strategic acquisitions supported by joint ventures and investment funds, and expand business and revenue streams through management services and ancillary accommodation-related services, Centurion has evolved to become a leading Singapore-based provider of quality specialised accommodation around the world.

OUR CORE VALUES

Our core values reflect our passion to meet our customers’ objectives and provide services that promote the wellbeing of our stakeholders.

RESPECT

We treat every individual with consideration, dignity and respect at all times. We are sensitive and attentive to different needs arising from the diverse backgrounds, nationalities, religions, traditions and culture. We have in place consultation and grievance mechanisms for the wellbeing of our residents, customers, and staff.



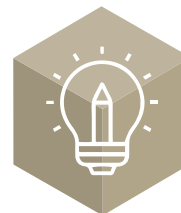
INTEGRITY

We believe in upholding the highest standards of integrity and to confidently act with honesty at all times. We have the courage to do what is right and earn the trust of all our customers and stakeholders, dedicating our best knowledge and skills to obtain the best outcome.



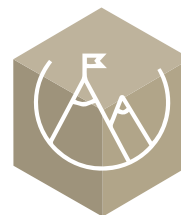
CREATIVITY

We explore innovative methods, processes and best practices to achieve higher efficiency and productivity to stay ahead. As a team, we encourage personal initiative, resourcefulness and a positive mindset to make a difference. This ensures that we embrace change while constantly improving ourselves to keep ahead of competition, and enables us to continue pushing boundaries and expectations.



EXCELLENCE

We strive for excellence and persevere in everything we do to obtain the best outcome. Our focus and commitment to quality is embedded in every aspect of our business – not just physical infrastructure and products, but also our relationships, processes and services that go into creating a healthy and positive environment.



EVENTS IN 2021



1. Ministers' walkthrough prior to MWOC Punggol Northshore's opening in March (Singapore)
2. Newly acquired blocks at Westlite Pasir Gudang (Johor, Malaysia)
3. Distributing food and supplies to residents of Westlite Jalan Tukang, Centurion's third QBD (Singapore)
4. Refurbished dwell MSV South (Manchester, UK)
5. Construction of 2,000 new beds at Westlite Tampoi which completed in 4th Quarter (Johor, Malaysia)

1st Quarter

- Management contracts for two Migrant Worker Onboarding Centres ("MWOCs") in Singapore commenced

2nd Quarter

- First of two acquired blocks at Westlite Pasir Gudang, Johor completed retrofitting and commenced operations with approximately 420 beds
- The Group's third QBD Westlite Jalan Tukang in Singapore commenced operations with approximately 3,420 beds
- Declined option to extend lease of dwell Selegie in Singapore for the final phase of 3+3+2 year tenure upon expiry of the second three-year phase in June

3rd Quarter

- Asset Enhancement Initiative ("AEI") of Westlite Toh Guan in Singapore commenced in August, to redevelop one block
- AEI of dwell MSV and dwell MSV South, UK completed by September, reconfigured some rooms to enable occupancy and revenue uplifts in upcoming academic years

4th Quarter

- The Group's fourth QBD Westlite Tuas South Boulevard in Singapore with approximately 628 beds commenced operations
- Second acquired block (out of two blocks) at Westlite Pasir Gudang in Johor, Malaysia commenced operations with approximately 470 beds after retrofitting
- Added three blocks to Westlite Tampoi in Johor, Malaysia with approximately 2,000 beds (reduced from 3,600 beds to comply with Department of Labour of Peninsular Malaysia's ("JTKSM") requirement after completion of AEI)



A DECADE IN REVIEW (2011 – 2020)

2011

- Completed acquisition of Westlite Toh Guan and 45% in Lian Beng-Centurion in Singapore
- Renamed Centurion Corporation Limited following Reverse Takeover ("RTO"), pivoted to Specialised Accommodation



1. Westlite Toh Guan (Singapore)
2. Westlite Tebrau (Johor, Malaysia)
3. Westlite Pasir Gudang (Johor, Malaysia)
4. RMIT Village, Centurion's first student accommodation asset (Melbourne, Australia)
5. Westlite Woodlands, winner of MOM Best Dormitory award in 2018 (Singapore)

2012

- Acquired assets in Johor Westlite Tebrau, two blocks of workers accommodation at Pasir Gudang in Malaysia



2013

- Acquired two additional blocks of workers accommodation at Pasir Gudang in Johor, Malaysia
- Commenced operations of Westlite Senai in Johor, Malaysia

2014

- Opened Westlite Johor Technology Park in Johor, Malaysia
- Completed upgrading works at Westlite Toh Guan, Singapore
- Entered the Purpose-Built Student Accommodation ("PBSA") segment, acquiring dwell Village Melbourne City (previously known as RMIT Village) in Melbourne, Australia
- Opened the 6,300-bed Westlite Mandai in Singapore
- Acquired four student accommodation assets in Manchester and Liverpool in the UK



2015

- Commenced operations of Westlite Tampoi in Johor, Malaysia
- Awarded the tender to operate a 332-bed student accommodation, dwell Selegie in Singapore
- Completed Westlite Woodlands workers accommodation asset in Singapore

A DECADE IN REVIEW (2011 – 2020)

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2016

- Acquired four student accommodation assets in Bristol, Newcastle and Manchester in the UK
- Completed the development of ASPRI-Westlite Papan workers accommodation
- Commenced operations of Westlite Senai II in Johor, Malaysia

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2018

- Completed development and commenced operation of dwell East End Adelaide in Australia
- Acquired 121 Princess Street, Manchester, Castle Gate Haus, Nottingham in the UK; and dwell Dongdaemun (55% stake) in Seoul, South Korea
- First closing of the Group's global (ex-United States) Centurion Student Accommodation Fund with aggregate committed capital of S\$70.0 million. The fund acquires Castle Gate Haus, Nottingham in the UK (the Group holding 14.3% of the units of the fund, managing the Fund and the property)

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2020

- Obtained Written Permission for reconstruction of a block in Westlite Toh Guan, with expected extension of the existing lease for approved use as a workers dormitory, by 25 years additional from September 2032 to November 2057
- Secured 3+1 year lease to manage four Quick Build Dormitories (QBD) from JTC Corporation in Singapore. The first two Westlite Kranji Way and Westlite Tuas Avenue 2 commenced operations the same year
- Secured 21+9 year lease from Selangor State Development Corporation (PKNS) to manage Westlite-PKNS Petaling Jaya in Malaysia

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2017

- Launched "dwell Student Living" as the Group's student accommodation brand
- Acquired a PBSA development site at Adelaide
- Dual primary listed in HK in December 2017 (SEHK code: 6090)
- Acquired six US assets with the establishment of Centurion US Student Housing Fund (with the Group holding 28.7% of the units of the Fund, managing the Fund and the properties)

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2019

- Completed development of Westlite Bukit Minyak in Penang, Malaysia
- Secured 10+5 year lease to operate Westlite Juniper, Singapore
- Acquired Archer House, Nottingham in the UK

9



6. Completed the development of ASPRI-Westlite Papan (Singapore)

7. Launch of new brand for its student accommodation with H.E. Ms Foo Chi Hsia officiating the event (Manchester, UK)

8. dwell East End Adelaide commenced operations (Adelaide, Australia)

9. Westlite Bukit Minyak, commenced operations (Penang, Malaysia)

10. Secured 21+9 year lease from Selangor State Development Corporation to manage Westlite-PKNS Petaling Jaya (Selangor, Malaysia)

JOINT CHAIRMEN LETTER TO SHAREHOLDERS

Challenged with a pandemic of unprecedented proportion, the Group has managed to achieve continued growth during this time, with strong performance in financial year 2021 capping a decade of steady, stable growth.



Mr. Han Seng Juan

DEAR SHAREHOLDERS,

A MILESTONE YEAR

2021 marked a significant milestone, the 10th year, since Centurion Corporation Ltd pivoted into specialised accommodation business.

Ten years ago, the advent of high-speed internet and cloud brought unprecedented challenges to the company's original digital storage devices business. With foresight and agility, Centurion refocused through an RTO in August 2011 to the niche, emerging property segment of Purpose-Built Workers Accommodation.

In the 10 years since, we have built a stable and resilient business, from a single workers accommodation asset of 5,300 beds in Singapore into a portfolio of 36 accommodation assets under management with over 79,700 beds in 17 cities across six countries. In that time, annual revenue from accommodation business has climbed more than tenfold, from S\$13.0 million in 2011 to S\$141.5 million in 2021.

In the past two years, the company has been challenged with a global pandemic of unprecedented proportion. We are pleased to report that the Group has managed to achieve continued growth during this time, with strong performance in financial year 2021 capping a decade of steady, stable growth.

CONTINUED GROWTH IN CHALLENGING TIMES

For the larger part of the year 2021, knock-on effects of COVID-19 continued to impact demand and occupancies, with migrant worker numbers as well as university attendance reduced in varying degrees across Singapore, Malaysia, the UK, Australia and South Korea.

JOINT CHAIRMEN LETTER TO SHAREHOLDERS



Mr. Loh Kim Kang David

During that time, the Company focussed on management measures to conserve cash and enhance operational efficiencies, while prudently, strategically enlarging our portfolio capacity and revenue streams through asset-light means.

We were able to enlarge our revenue-accretive bedcount by more than 9% over the year, with new assets leased in Singapore and Selangor, and with existing assets enhanced in Malaysia and Manchester. We also secured management contracts for two Migrant Worker Onboarding Centres in Singapore, expanding our capabilities and revenue from accommodation-related services and management services.

These strategic measures derived additional revenue which cushioned the impact of compressed occupancies, and enabled the Group to deliver growth of 11% in revenue from core business operations and 13% in net profit from core business attributable to equity holders. Valuation of our assets has improved S\$24.6 million year on year, and Net Asset Value per share at the end of FY2021 is 9% higher than a year ago.

RECOVERY AND RENEWAL

Recovery is now underway, with restrictions on travel and social interactions progressively lifted across the world. Workers and students are returning, and occupancy rates are recovering across all countries where we operate, with Australia also improving since November 2021.

As the world moves towards a new endemicity, new consumer demands, regulatory requirements and market opportunities are emerging, and the Group will remain agile to tap these shifts. We will need to recalibrate our assets and operations to learnings and needs arising from the pandemic.

The Group had quickly developed digital solutions to provide for the safety and wellbeing of our worker and student residents when physical movement and engagement were restricted. We have also moved quickly to reopen communal spaces and resume events and activities for our resident communities at the earliest safe and sensible times.

Centurion is well-positioned for the recovery and the necessary evolution of our spaces and systems for new endemic needs. We are confident that demand for our core business assets and services remains robust in the mid to long term.

RE-COMMITMENT TO OUR STAKEHOLDERS

The wellbeing of our resident communities remains core to our business, and at the forefront of our sustainability and governance efforts for our stakeholders.

Our achievements would not have been possible without the trust and support of all our stakeholders.

We wish to express our gratitude to our Board of Directors for your contributions and counsel. We would also like to thank our shareholders, loyal partners, and community stakeholders for their continued trust in Centurion over the last decade and the past year. Finally, we wish to acknowledge the hard work contributed by our management and staff.

Yours faithfully

HAN SENG JUAN
LOH KIM KANG, DAVID
Joint Chairmen

CEO'S STATEMENT

Reduced occupancy in Singapore and Australia was cushioned by portfolio and business expansions, stable performance in Malaysia and the US, and marked recovery in our student accommodation occupancies in the UK and South Korea in the second half of the year.



DEAR SHAREHOLDERS,

Over the past decade since Centurion entered the Specialised Accommodation business, we have delivered portfolio and revenue growth consistently over the years.

We are happy to announce that, for financial year 2021, despite continued challenges from the pandemic, the Group has been able, again, to deliver strong growth.

HEADWAY DESPITE HEADWINDS

The first half of 2021 saw our occupancies under pressure with the emergence of the COVID-19 Delta variant, which curtailed the lifting of travel restrictions and resulted in further reductions in migrant worker and international student populations across Singapore, Malaysia, Australia, the UK and South Korea.

While restrictions were gradually lifted over the second half of the year, average financial occupancy of our Singapore Purpose-Built Workers Accommodation was at 85% in FY2021, lower by nine percentage points as compared to FY2020. In Australia, international student travel re-opened only from November 2021 and occupancy was 26% for the full year, reducing 28 percentage points as compared to FY2020.

The reduced occupancy in Singapore and Australia was cushioned in part by stable performance in Malaysia and the US, and marked recovery in our student accommodations occupancies in the UK and South Korea in the second half of the year which improved by 16 percentage points (to 82%) and by 23 percentage points (to 78%) respectively, as compared to the first half of the year.

Management efforts to enlarge portfolio capacity and expand business revenue streams further bolstered revenue, enabling the Group to deliver improved performance in revenue and net profit from core business for the year.

CEO'S STATEMENT



Mr. Kong Chee Min

BENEFITING FROM DIVERSIFICATION

Since the beginning of 4Q2020 and during 2021, the Group's portfolio of revenue-generating bed capacity has enlarged by about 15,000 beds.

In Malaysia, we secured a master lease for Westlite-PKNS Petaling Jaya in Selangor, acquired and refurbished two blocks in Westlite Pasir Gudang and completed an asset enhancement initiative adding three blocks to Westlite Tampoi in Johor Malaysia. With the added capacity, and improved occupancy of the existing portfolio assets, Malaysia accounted for 9.4% of Group revenue for FY2021.

The UK portfolio, which had completed asset enhancement initiatives at dwell MSV and dwell MSV South, saw strong recovery of occupancies in the Academic Year 2021 beginning September and contributed 17.1% of Group revenue for the year.

In Singapore, the Group commenced operations of two additional master-leased Quick Build Dormitories, and also secured management contracts for two Migrant Worker Onboarding Centres in 2021 which provided added revenue streams from facilities management and accommodation-related services. Including management services income from the Centurion US Student Housing Fund, which holds the US portfolio of six assets, other revenue from Accommodation Business and management services delivered revenue of S\$16.9 million or 11.8% of Group revenue in FY2021.

Our portfolio diversification across two core segments and across markets, and the ability to pivot to asset-light growth strategies and derive added revenue from accommodation-related services has delivered resilient, continued growth despite reduced occupancies in Singapore and Australia.

We will continue to review our portfolio of assets and growth strategies, to deliver stable, sustainable value to our stakeholders.

RECALIBRATING OUR SPACES

Since 2011, when Centurion entered the Purpose-Built Workers Accommodation business, we have continually enhanced our properties to meet evolving regulatory standards and lead design, development, and management standards of the industry.

The COVID-19 pandemic has accentuated the need for specialised accommodation owners and operators to recalibrate assets and spaces for future pandemic management.

In Malaysia, we have completed reconfiguration of our Purpose-Built Workers Accommodation assets to comply with new regulatory specifications from the Amendment to the Workers Minimum Standards of Housing and Amenities Act (Act 446) which was passed in 2019. As a result, portfolio bed count has reduced from 39,758 beds to 24,411 as of 1 January 2022. The vast majority of employers lease entire apartment units regardless of the bed capacity in each unit, and the revenue, occupancy and valuation of our assets are stable and unaffected.

In Singapore, new specifications for existing worker dormitories are expected to be announced in 2022. The Government has announced that time and support would be extended to dormitory operators and the industry, for a managed transition to new standards.

WELL-POISED FOR RECOVERY

While occupancies across our markets are gradually improving, headwinds remain. The safety and wellbeing of our residents and stakeholders require continued close attention. Travel and social interaction may still be restricted with new COVID-19 variants while the world learns, adapts and gradually moves towards living with the virus.

Demand for quality worker and student accommodation, however, has been pent-up and is now recovering apace. We are optimistic that occupancies will continue to improve further. With the resilience and stability of our portfolio, and the support of our stakeholders, the Group is well-positioned for the recovery.

I would like to thank our Board of Directors for their guidance. I also thank our business partners and community stakeholders for their support, and our management team and staff for their commitment. Last but not least, I thank you, our Shareholders, for your continued confidence in Centurion.

Yours faithfully

KONG CHEE MIN

Chief Executive Officer

BOARD OF DIRECTORS



MR. LOH KIM KANG DAVID, PBM, BBM
Executive Director and Joint Chairman

Mr. Loh Kim Kang David (羅敬惠) (“Mr. Loh”), aged 58, joined the Company on 8 May 2015 as a Non-Executive Director and was appointed a Joint Chairman of the Board on 13 November 2019. Mr. Loh was re-designated from Non-Executive Director to Executive Director on 1 March 2021, and appointed Chairman of the Executive Committee on 1 January 2022. He is responsible for the formulation of corporate and business strategies of the Company and leads the execution of strategic growth plans of the Group. He was last re-elected a Director of the Company on 25 April 2019 and will be seeking re-election at the forthcoming Annual General Meeting to be held on 28 April 2022.

Mr. Loh has over 20 years of experience in the investment and brokerage industry. He has been a Principal and Director of Centurion Global Ltd, a controlling shareholder of the Company since April 2008 to present. He previously worked at UOB Kay Hian Pte Ltd (formerly known as Kay Hian Pte Ltd) where his last position was Director (Business Development Consultant) from July 2009 to March 2010 and he was a Director (Dealing) from July 2007 to June 2009, Executive Director (Dealing) from July 1999 to July 2007, and Associate Director (Dealing) from July 1996 to July 1999.

From July 1999 to October 2001, Mr. Loh served as a Managing Director (Management) at UOB Kay Hian (Hong Kong) Ltd (formerly known as Kay Hian Overseas Securities Ltd). Prior to joining UOB Kay Hian Pte Ltd, he was with OUB Securities Pte Ltd as Dealing Director from August 1995 to June 1996. He started his career as Dealer (Dealing Director) at Ong & Company Pte Ltd from November 1989 to August 1995.

Mr. Loh was presented with the Bintang Bakti Masyarakat (Public Service Star) (BBM) at the 2016 National Day Awards. He was previously presented with the Pingat Bakti Masyarakat (Public Service Medal) (PBM) at the 2011 National Day Awards.

Mr. Loh currently is also a director of Cape Incorporation Limited, Centurion Management and Consultancy Services Pte Ltd, Centurion Private Equity Ltd, Centurion US Student Housing Fund, Dloh Strategic Development Pte. Ltd., Luxnovo Asia Ltd, Ohmyhome Pte Ltd, PC Portfolio Pte. Ltd. and Vienna Management Ltd.

Mr. Loh obtained a Bachelor of Science from the University of Oregon in June 1988. He is the maternal cousin of Mr. Han Seng Juan (Non-Executive Director, a Joint Chairman of the Board and a controlling shareholder of the Company).



MR. HAN SENG JUAN, PBM, BBM
Non-Executive Director and Joint Chairman

Mr. Han Seng Juan (韓成元) (“Mr. Han”), aged 59, joined the Company on 8 May 2015 as a Non-Executive Director and was appointed a Joint Chairman of the Board on 13 November 2019. He was appointed a member of the Executive Committee on 1 January 2022. Mr. Han is responsible for the formulation of corporate and business strategies of the Company. He was last re-elected a Director of the Company on 27 April 2021.

Mr. Han has over 20 years of experience in the investment and brokerage industry. He has been a Principal and Director of Centurion Global Ltd, a controlling shareholder of the Company, since April 2008 to present. He previously worked at UOB Kay Hian Pte Ltd (formerly known as Kay Hian Pte Ltd) where his last position was Director (Business Development Consultant) from July 2009 to March 2010 and he was Director (Dealing) from July 2007 to June 2009, Executive Director (Dealing) from July 1999 to July 2007, and Associate Director (Dealing) from July 1996 to July 1999.

Before joining UOB Kay Hian Pte Ltd, Mr. Han was with OUB Securities Pte Ltd as Dealing Director from August 1995 to June 1996 and Ong & Company Pte Ltd as Dealing Director from November 1989 to August 1995. He started his career as a dealer at UOB Securities Pte Ltd from July 1987 to October 1989.

Mr. Han was presented with the Bintang Bakti Masyarakat (Public Service Star) (BBM) at the 2015 National Day Awards and the Pingat Bakti Masyarakat (Public Service Medal) (PBM) at the 2010 National Day Awards.

Mr. Han currently is also a director of Centurion Management and Consultancy Services Pte Ltd, Centurion Private Equity Ltd and Frontier Empire Limited.

Mr. Han obtained a Bachelor of Science from the University of Oregon in March 1987. He is the maternal cousin of Mr. Loh (Executive Director, a Joint Chairman of the Board and a controlling shareholder of the Company).

BOARD OF DIRECTORS

**MR. WONG KOK HOE**

Executive Director and Deputy Chairman

Mr. Wong Kok Hoe (黃國豪) (“Mr. Wong”), aged 59, first joined the Company on 1 August 2011 as a Non-Executive Director and Chairman of the Board. On 13 November 2019, Mr. Wong stepped down as Chairman of the Board and was re-designated from Non-Executive Director to Executive Director and appointed as Deputy Chairman of the Board. He was appointed a member of the Executive Committee on 1 January 2022. Mr. Wong was last re-elected a Director of the Company on 27 April 2020.

Mr. Wong is responsible for overseeing the Group’s operations and implementation of the Company’s business strategies and developing new business opportunities for the Group. He also participates in the formulation of corporate and business strategies of the Company.

Mr. Wong is a Director of Centurion Global Ltd and Centurion Properties Pte Ltd, controlling shareholders of the Company. Mr. Wong is also a Director of several other private companies.

Prior to joining Centurion Global Ltd in 2009, Mr. Wong was admitted as a practising lawyer in Singapore on 14 March 1990. He has more than 18 years of legal experience in 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.

Mr. Wong obtained a Bachelor of Laws (Honours) degree from the National University of Singapore in June 1989.

**MR. TEO PENG KWANG KELVIN**Executive Director
Chief Operating Officer – Accommodation Business

Mr. Teo Peng Kwang (趙炳光) (“Mr. Teo”), aged 62, was appointed as Chief Operating Officer of the Group’s accommodation business in August 2011 and an Executive Director of the Company on 8 May 2018. He was appointed a member of the Executive Committee on 1 January 2022. Mr. Teo was last re-elected a Director of the Company on 25 April 2019 and will be seeking re-election at the forthcoming Annual General Meeting to be held on 28 April 2022.

Mr. Teo is presently responsible for the day-to-day operations and expansion of the Group’s accommodation business. He also assists the Chief Executive Officer in the Group’s growth and strategic planning.

Mr. Teo joined in 2007 as an Executive Director of Westlite Dormitory (Toh Guan) Pte Ltd (formerly known as Centurion Dormitory (Westlite) Pte Ltd), one of the Group’s subsidiaries acquired in 2011.

Prior to joining the Group, Mr. Teo served as a 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 a Director of Maxfresh Leisure Pte Ltd, a company principally engaged in the rental services of fishing boats, from August 2010 to April 2011. From January 2006 to July 2007, he served as a Director of Intertrade (S) Enterprise Pte Ltd, a company principally engaged in chemical trading.

Prior to 2011, Mr. Teo owned and managed various businesses in Singapore including a real estate and construction business. He was a Director of ISO Industry Pte Limited from March 2006 to February 2011 and Maxi Consultancy Pte Limited from December 2008 to January 2010. He was also a Director at Pointbuilt Pte Limited from May 2008 to February 2011, Serangoon Garden Staff Apartment Pte Ltd from March 2009 to August 2011, and Swissplan Dormitory Management Pte Ltd from September 2007 to April 2011.

Mr. Teo currently is also a director of Kelvin & Elvin Investment Pte Ltd, since May 2018.

Mr. Teo was the Vice President of Dormitory Association of Singapore Limited from July 2015 to July 2021 and the President of Dormitory Association of Singapore Limited from October 2012 to June 2015 and served as an Independent Trustee of the Board of Trustees for the Migrant Workers’ Assistance Fund from November 2014 to July 2020.

Mr. Teo completed his primary school education in 1972 at River Valley Primary School.

BOARD OF DIRECTORS



MR. GN HIANG MENG
Lead Independent Director

Mr. Gn Hiang Meng (鄞憲民) ("Mr. Gn"), aged 73, was appointed as an Independent Non-Executive Director on 17 May 2007 and as Lead Independent Director on 1 March 2014. Mr. Gn is also the Chairman of the Audit Committee and a member of the Nominating Committee. He was last re-elected a Director of the Company on 27 April 2021 and the continued appointment of Mr. Gn as an Independent Non-Executive Director was approved in separate resolutions by shareholders at the Annual General Meeting held on 27 April 2021 ("2021 AGM"), in the manner as described in Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST, for a term of three (3) years, with effect from the passing of the relevant ordinary resolutions at the 2021 AGM, until the conclusion of the third Annual General Meeting of the Company following the passing of the aforesaid resolutions, or the retirement or resignation of Mr. Gn as a Director, whichever is the earlier.

Mr. Gn was with the United Overseas Bank Group for 28 years. Prior to his resignation in 2001, he was the Senior Executive Vice-President in charge of investment banking and stock broking businesses. He was the Deputy President of UOL Group from 2001 to 2007.

Mr. Gn has served as an Independent Non-Executive Director of Haw Par Corporation Limited (stock code: H02.SI), a company listed on the Mainboard of SGX-ST and principally engaged in manufacturing, marketing and trading healthcare products since 13 August 2014.

Mr. Gn was an Independent Non-Executive Director of Koh Brothers Group Limited (stock code: K75.SI), a company listed on the Mainboard of SGX-ST and principally engaged in construction, property development and specialist engineering solutions provider, from 16 August 2007 to 31 December 2021.

Mr. Gn was an Independent Non-Executive Director of SingHaiyi Group Limited (now known as SingHaiyi Pte. Ltd.), a company principally engaged in investing, developing, and managing real estate properties from 1 December 2013 to 31 January 2022.

Mr. Gn was also an Independent Non-Executive Director of TEE International Limited (stock code: M1Z.SI), a company listed on the Mainboard of SGX-ST and principally engaged in engineering works with business interests in real estate and infrastructure, from 1 June 2013 to 21 January 2021.

Mr. Gn obtained a Bachelor of Business Administration (Honours) degree from the University of Singapore (currently known as the National University of Singapore).



MR. CHANDRA MOHAN S/O RETHNAM, PBM, BBM
Independent Non-Executive Director

Mr. Chandra Mohan s/o Rethnam ("Mr. Mohan"), aged 59, was appointed as an Independent Non-Executive Director on 17 May 2007. He is also the Chairman of the Remuneration Committee and a member of the Audit Committee. He was last re-elected a Director of the Company on 27 April 2021 and the continued appointment of Mr. Mohan as an Independent Non-Executive Director was approved in separate resolutions by shareholders at the 2021 AGM, in the manner as described in Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST, for a term of three (3) years, with effect from the passing of the relevant ordinary resolutions at the 2021 AGM, until the conclusion of the third Annual General Meeting of the Company following the passing of the aforesaid resolutions, or the retirement or resignation of Mr. Mohan as a Director, whichever is the earlier.

Mr. Mohan is presently an Advocate and Solicitor and has been a partner at Rajah & Tann Singapore LLP, a law firm in Singapore, since 1995. He is also a Director of Oldham Enterprise Pte Ltd and PC Portfolio Pte. Ltd.

Mr. Mohan was a lecturer with the Faculty of Law at the National University of Singapore from July 1989 to March 1995.

Mr. Mohan sat on the Singapore Indian Development Association (SINDA) Executive Committee from 2015 to 2021.

Mr. Mohan has also been a council member of the North West Community Development Council (NWCDC) since 2002, holding the appointments of Chairman for the NWCDC SkillsFuture Standing Committee from 2017, NWCDC Finance Committee (2009-2017), Organising Committee for NWCDC Food Aid Fund for needy residents (2010-2018), and NWCDC Corporate Communications Committee (2006-2009). He has been the Chairman of the Organising Committee for Club 100 @ NWCDC annual dinner (which raises funds for the NWCDC Food Aid Fund for needy residents) from 2010 to date.

He was presented with the Bintang Bakti Masyarakat (Public Service Star) (BBM) at the 2015 National Day Awards. He was previously presented with the Pingat Bakti Masyarakat (Public Service Medal) (PBM) at the 2011 National Day Awards. Mr. Mohan has been appointed a Justice of the Peace (JP) by the President of the Republic of Singapore for a term of 5 years with effect from 1 September 2020 for his significant contributions to social services and the community at large in Singapore. He is also a Professional Deputy (Personal Welfare and Property & Affairs), Office of the Public Guardian and Deputy Registrar of Marriages, Singapore.

Mr. Mohan obtained a Bachelor of Laws (Honours) 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.

BOARD OF DIRECTORS



MR. OWI KEK HEAN
Independent Non-Executive Director

Mr. Owi Kek Hean (黃裕賢) (“Mr. Owi”), aged 64, was appointed as an Independent Non-Executive Director on 1 January 2017. He is also the Chairman of the Nominating Committee and a member of the Audit Committee. He was last re-elected a Director of the Company on 27 April 2020.

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 Services, Finance Partner and Deputy Managing Partner.

Mr. Owi has been appointed as an Independent Director and the Lead Independent Director of SLB Development Ltd, a company which shares are listed on the Catalist Board of SGX-ST (SGX:1J0), since 23 March 2018. He is also an Executive Director of IMO & Partners Pte Ltd, a Director of Centurion US Student Accommodation Holdings Pte Ltd and an Independent Director of Centurion US Student Accommodation Inc.

Mr. Owi obtained a Bachelor of Business Administration degree 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.



MS. TAN POH HONG, PBM, PPA(E)
Independent Non-Executive Director

Ms. Tan Poh Hong (陳寶鳳) (“Ms. Tan”), aged 63, was appointed as an Independent Non-Executive Director of the Company on 8 May 2018. She is also a member of the Remuneration Committee and a member of the Nominating Committee. She was last re-elected a Director of the Company on 25 April 2019 and will be seeking re-election at the forthcoming Annual General Meeting to be held on 28 April 2022.

Ms. Tan previously served as the Chief Executive Officer of Agri-Food & Veterinary Authority (AVA) of Singapore from May 2009 to September 2017 and was responsible for the implementation of the organisation’s policies and strategies.

Prior to her appointment at AVA, Ms. Tan was Deputy CEO of the Housing and Development Board (HDB) from September 2004 to March 2009, where she was responsible for the planning, development and management of HDB properties. She also held various leadership positions in HDB, ranging from sales and operations to corporate strategy and communications; and policy development.

Ms. Tan has been an Independent Director of Sheng Siong Group Ltd. (a company listed on the Mainboard of SGX-ST) since 5 January 2018, an Independent Director of VICOM Group Ltd (a company listed on the Mainboard of SGX-ST) since 25 April 2019 and an Independent Director of APAC Realty Limited (a company listed on the Mainboard of SGX-ST) since 1 October 2020. She is also an Independent Director of AnnAik Limited, a company listed on the Catalist Board of SGX-ST, since 26 July 2018, and an Independent Director of OTS Holdings Limited, a company listed on the Catalist Board of SGX-ST, since 19 May 2021. She has also been a Director of Jilin Food Zone Pte Ltd since 1 October 2019. Ms Tan is Singapore’s Non-Resident Ambassador to the Kingdom of Denmark.

Ms. Tan obtained a Bachelor of Science (Honours) in Estate Management from the National University of Singapore, and a Master of Business Administration (with Distinction) from New York University. She was awarded the Public Administration Medal (Gold) in August 2013, and the Public Service Medal in August 1999 by the Singapore Government.

BOARD OF DIRECTORS



MR. LEE WEI LOON
Independent Non-Executive Director

Mr. Lee Wei Loon (李維倫) (“Mr. Lee”), aged 42, was appointed as an Independent Non-Executive Director of the Company on 13 November 2019. He is also a member of the Remuneration Committee. He was last re-elected a Director of the Company on 27 April 2020.

Mr. Lee has been a Director of Watchbox Singapore Pte Ltd since 19 September 2019 and, Executive Vice President and CEO of Asia of Watchbox since August 2019.

Mr. Lee was previously an Executive Director, Investment Banking Division, of Morgan Stanley Asia (Singapore) from October 2017 to August 2019 and a Director Commissioner of PT Morgan Stanley Asia International (Indonesia) from January 2015 to September 2017. Prior to that, he was an Executive Director, Institutional Equities Division, of Morgan Stanley Asia (Singapore) from June 2012 to January 2015, a Director, Asian Equities Sales, at Bank of America Merrill Lynch (Singapore) from May 2010 to June 2012, and Vice President, Asian Equities Sales & Trading, Hedge Fund Sales, of Credit Suisse (New York and Singapore) from May 2004 to March 2010. He was also a Director of Novena Global Healthcare Group (Cayman) from 30 December 2016 to 23 October 2020.

Mr. Lee obtained a Bachelor of Science degree with a major in Finance from the New York University, Stern School of Business in May 2004.

SENIOR MANAGEMENT

MR. LOH KIM KANG DAVID, PBM, BBM

Executive Director and Joint Chairman

Mr. Loh Kim Kang David was re-designated from Non-Executive Director to Executive Director of the Company on 1 March 2021. He is also a Joint Chairman of the Board and the Chairman of the Executive Committee. Please refer to his profile under the Board of Directors section of this Annual Report (see page 10).

MR. WONG KOK HOE

Executive Director and Deputy Chairman

Mr. Wong Kok Hoe was re-designated from Non-Executive Director to Executive Director of the Company in November 2019. He is also Deputy Chairman of the Board and a member of the Executive Committee. Please refer to his profile under the Board of Directors section of this Annual Report (see page 11).

Mr. Kong Chee Min (江志明) ("Mr. Kong"), aged 56, was appointed as the Chief Executive Officer of the Group in August 2011 and is responsible for the overall management of the Group's operations, implementation of business strategies and the long-term growth objectives approved by the Board. He joined the Group in March 1996 and was appointed a member of the Board on 28 March 2000. He stepped down as a Board member on 8 May 2015. Mr. Kong was appointed a member of the Executive Committee on 1 January 2022.

Prior to Mr. Kong's appointment as Chief Executive Officer, he was the Regional Chief Executive Officer and Finance Director of the Group. He also assisted the former Group Chief Executive Officer in managing and driving the strategic development and growth of the Group's optical disc business.

Prior to joining Centurion, 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, from April 1994 to March 1996. He was an audit senior at Cooper & Lybrand, an accountancy firm, from June 1991 to April 1994.

Mr. Kong obtained a 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).



MR. KONG CHEE MIN
Chief Executive Officer

Ms. Foo Ai Huey (符愛慧) ("Ms. Foo"), aged 53, was appointed as the Chief Financial Officer after the Group enlarged its principal business activities to include the accommodation business. She was previously the Group's Finance Manager since she joined the Company in April 2000. Currently, she heads the finance team and manages the full spectrum of finance and management reporting requirements.

Prior to joining the Group, Ms. Foo was a Senior Accountant at MOH Holdings Pte Ltd (formerly known as Health Corporation of Singapore Pte Ltd), a company principally engaged in the provision of healthcare services and had also worked as an internal auditor in a Singapore-listed company.

Ms. Foo has accumulated close to three decades of finance and accounting related experience covering internal audit, taxation, internal control, financial accounting, cost and management accounting in the accommodation, manufacturing, service and healthcare industries.

Ms. Foo obtained a Bachelor of Commerce from the University of Newcastle, Australia, in May 1992. She has been 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.



MS. FOO AI HUEY
Chief Financial Officer

SENIOR MANAGEMENT

MR. TEO PENG KWANG KELVIN

Executive Director and Chief Operating Officer – Accommodation Business

Mr. Teo Peng Kwang was appointed as Chief Operating Officer of the Group's accommodation business in August 2011 and Executive Director of the Company in May 2018. He was appointed a member of the Executive Committee on 1 January 2022. Please refer to his profile under the Board of Directors section of this Annual Report (see page 11).

Mr. Ho Lip Chin (何立錦) ("Mr. Ho"), aged 53, joined the Group in January 2012 as Director, Investments before his appointment as Chief Investment Officer of Accommodation Business in 2015.

He is responsible for growing the Group's accommodation business and assists in the Group's strategic planning activities. He has over 20 years of experience in the real estate and hospitality industries across Asia Pacific. Prior to joining the Group, he was Director, Real Estate at Centurion Properties Pte Ltd (a subsidiary of the Company's controlling shareholder, Centurion Global Ltd) from May 2010 to January 2012, where he was involved in its real estate investments and workers accommodation business.

From July 2002 to May 2010, Mr. Ho worked in a number of companies in the real estate and hospitality industries. He was a Senior Vice President of Investment at Pramerica Real Estate Investors (Asia) Pte Ltd, a fund management company principally engaged in real estate investment, from March 2008 to 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; a Director of Development, Southern Asia, from January 2003 to January 2007 at Intercontinental Hotels Group, a company principally engaged in managing hotels; a Senior Associate from July 2002 to January 2003 at HVS International Singapore, a hospitality consulting firm; an Investment Manager at an investment holding company, HKR Asia-Pacific Pte Ltd, from January 1996 to June 2002; and a Management Trainee at Shangri-La Hotel, a company principally engaged in hotel operations, from September 1994 to March 1995 and from August 1989 to January 1990.

Mr. Ho obtained a Bachelor of Science in Business Administration and a Master of Business Administration from the University of San Francisco.



MR. HO LIP CHIN

Chief Investment Officer – Accommodation
Business

SENIOR MANAGEMENT

Mr. Leong Siew Fatt (梁兆發) (“Mr. Leong”), aged 55, joined the Group in 1993 as an engineer and is currently the Head of Student Accommodation Business. He is responsible for the overall management of the Group’s student accommodation business across the United Kingdom, United States, South Korea, and Australia.

Prior to the appointment of his current role, Mr. Leong was responsible for the operations of the Group’s workers accommodation in Malaysia as well as the technical and manufacturing operations of the Group’s Optical Disc Business. He has extensive technical, operational and management experience spanning 33 years.

Mr. Leong holds a Bachelor of Engineering Management from the University of Western Sydney.



MR. LEONG SIEW FATT
Head, Student Accommodation Business

Ms. Lee Geok Ing (李玉英) (“Ms. Lee”), aged 60, was appointed a member of the Board on 11 August 1994 and became the Group’s Human Resources and Administration Manager in January 1995. She stepped down from the Board on 18 May 2007 but remains as the Group’s Human Resources and Administration Manager.

Ms. Lee has over 35 years of accounting, human resource and administrative experience. Prior to joining the Group, she was 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; and had worked as an external auditor with a local public accounting firm in Singapore.

Ms. Lee obtained her GCE Ordinary Level in 1977 from Singapore-Cambridge General Certificate of Education Examination.



MS. LEE GEOK ING JANICE
Human Resources & Administration Manager

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COMPANY SECRETARY

MS. CHEUNG YUET FAN

(張月芬)

Ms. Cheung Yuet Fan (“Ms. Cheung”) was appointed as the Hong Kong Company Secretary of the Company on 19 June 2019.

She is a Director of Corporate Services Division of Tricor Services Limited (“Tricor”), a global professional services provider specialising in integrated business, corporate and investor services. Ms. Cheung has over 30 years of experience in the corporate secretarial field and has been providing professional corporate services to Hong Kong-listed companies as well as multinational, private and offshore companies.

She is currently acting as the company secretary or joint company secretary of several companies, the shares of which are listed on The Stock Exchange of Hong Kong Limited. Ms. Cheung is a Chartered Secretary, a Chartered Governance Professional and a Fellow member of both The Hong Kong Chartered Governance Institute (formerly “The Hong Kong Institute of Chartered Secretaries”) and The Chartered Governance Institute (formerly “The Institute of Chartered Secretaries and Administrators”) in the United Kingdom. Prior to joining Tricor, Ms. Cheung had worked in the Company Secretarial Department of Deloitte Touche Tohmatsu in Hong Kong and also in the role of company secretary and corporate governance area in various Hong Kong listed companies. She holds a Bachelor of Arts degree in Accountancy from City Polytechnic of Hong Kong (now known as City University of Hong Kong). (Note: The Company has engaged Tricor as an external service provider).

MS. HAZEL CHIA LUANG CHEW

(謝鸞秋)

Ms. Hazel Chia Luang Chew (“Ms. Chia”) was appointed as Company Secretary of the Company on 30 January 2015. She also previously served as a company secretary of the Company from 12 January 1995 to 17 June 2005 and from 1 January 2006 to 31 July 2014. She has been responsible for the Company’s compliance with the relevant statutory and regulatory requirements under the Singapore Companies Act and SGX-ST Listing Rules since her appointment.

Ms. Chia is currently a Director of Alpine Corporate Services Pte Ltd, a professional service provider specialising in corporate secretarial and corporate governance advisory services.

Ms. Chia has over 30 years of experience in corporate secretarial practice, having worked in several established professional business services companies in Singapore, such as, Lim Associates (Pte) Ltd, a member of Boardroom Limited and KCS Corporate Services Pte Ltd, and acted as company secretary of several companies listed on the Singapore Stock Exchange and private limited companies incorporated in Singapore.

Ms. Chia was admitted as a fellow member of the Institute of Chartered Secretaries and Administrators (now known as The Chartered Governance Institute), United Kingdom, in April 2001 and has been a practising chartered secretary to engage in public practice in Singapore certified by the Chartered Secretaries Institute of Singapore (formerly known as the Singapore Association of the Institute of Chartered Secretaries and Administrators) since October 1991.

MS. JULIANA TAN BENG HWEE

(陳明慧)

Ms. Juliana Tan Beng Hwee (“Ms. Tan”) was appointed as Company Secretary of the Company on 1 January 2017. She also previously served as a company secretary of the Company from 1 January 2006 to 30 January 2015. She has been responsible for the Company’s compliance with the relevant statutory and regulatory requirements under the Singapore Companies Act and SGX-ST Listing Rules since her appointment.

Ms. Tan is currently an Associate Director of Alpine Corporate Services Pte Ltd, a professional service provider specialising in corporate secretarial and corporate governance advisory services.

Ms. Tan has over two decades of experience in corporate secretarial practice, having worked in several established professional business services companies, namely, Lim Associates (Pte) Ltd, a member of Boardroom Limited and KCS Corporate Services Pte Ltd, and acted as company secretary of several companies listed on the Singapore Stock Exchange and private limited companies incorporated in Singapore.

Ms. Tan holds a Bachelor of Science (Economics) in Management Studies from the University of London and was admitted as a practising chartered secretary to engage in public practice 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.

CORE SUBSIDIARIES AND ASSOCIATES

SINGAPORE

CENTURION DORMITORIES PTE LTD
WESTLITE DORMITORY MANAGEMENT
PTE LTD
45 Ubi Road 1 #05-01
Singapore 408696
Tel: (65) 6745 3288
Fax: (65) 6743 3288
Email: enquiry@centurioncorp.com.sg
Website: www.centurioncorp.com.sg

WESTLITE DORMITORY (TOH GUAN)
PTE LTD
28 Toh Guan Road East #02-01
Singapore 608596
Tel: (65) 6316 3018
Fax: (65) 6316 3020
Email: tohguan@westlite.com.sg
Website: www.westlite.com.sg

WESTLITE DORMITORY (WOODLANDS)
PTE LTD
2 Woodlands Sector 2 #01-01
Singapore 737723
Tel: (65) 6250 6616
Fax: (65) 6250 3787
Email: enquiry@westlite.com.sg
Website: www.westlite.com.sg

WESTLITE KRANJI WAY
18A Kranji Way
Singapore 739443
Tel: (65) 6970 4805
Email: enquiry@westlite.com.sg
Website: www.westlite.com.sg

WESTLITE TUAS AVE 2
1A Tuas Avenue 2
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Email: enquiry@westlite.com.sg
Website: www.westlite.com.sg

WESTLITE TUAS SOUTH BOULEVARD
11A Tuas South Boulevard
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Email: enquiry@westlite.com.sg
Website: www.westlite.com.sg

WESTLITE JALAN TUKANG
11A Jln Tukang
Singapore 619267
Tel: (65) 9236 9390
Email: enquiry@westlite.com.sg
Website: www.westlite.com.sg

WESTLITE JUNIPER (MANDAI) PTE LTD
23 Mandai Estate #01-13
Singapore 729937
Tel: (65) 6368 1709
Email: enroll.juniper@westlite.com.sg
Website: www.westlite.com.sg

CENTURION-LIAN BENG (PAPAN) PTE LTD
5C Jalan Papan #02-29
Singapore 619420
Tel: (65) 6255 1028
Fax: (65) 6250 2261
Email: enquiry@westlitepapan.com.sg
Website: www.westlitepapan.com.sg

LIAN BENG-CENTURION (DORMITORY)
PTE LTD
34 Mandai Estate #01-15
Singapore 729940
Tel: (65) 6368 1878
Fax: (65) 6468 1687
Email: mandai@westlite.com.sg
Website: www.westlite.com.sg

SM SUMMIT HOLDINGS PTE LTD
SUMMIT CREATIONS PTE LTD
*(formerly known as Summit CD
Manufacture Pte Ltd)*
45 Ubi Road 1 #04-02
Singapore 408696
Tel: (65) 6745 3288
Fax: (65) 6748 9612
Email: enquiry@smsummit.com.sg
Website: www.smsummit.com.sg

MALAYSIA

CENTURION DORMITORIES SDN BHD
WESTLITE DORMITORY MANAGEMENT SDN BHD
No. 17, Jalan Ekoperniagaan 1/23,
Taman Ekoperniagaan, 81100 Johor Bahru,
Johor, Malaysia
Tel: (607) 555 9366
Fax: (607) 555 9351
Email: enquiry@westlite.com.my
Website: www.westlite.com.my

AUSTRALIA

CENTURION STUDENT SERVICES PTY LTD
5-17 Flemington Road
North Melbourne VIC 3051
Tel: (613) 8330 2000
Fax: (613) 8330 2001
Email: StayVMC@dwelstudent.com.au
Website: www.dwellstudent.com.au

DWELL ADELAIDE STUDENT LIVING PTY LTD
12-18 Synagogue Place
Adelaide, South Australia 5000
Tel: (618) 8470 9291
Email: StayEastEnd@dwelstudent.com.au
Website: www.dwellstudent.com.au

UNITED KINGDOM

CENTURION STUDENT SERVICES (UK) LTD
Lower Chatham Street, Manchester M1 5SX
United Kingdom
Tel: +44 (0) 161 200 5540
Email: salesenquiries@dwelstudent.co.uk
Website: www.dwellstudent.co.uk

UNITED STATES

DWELL US STUDENT LIVING LLC
200 College Street
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CT 06510 USA
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Email: inquiries@dwelstudent.com

SOUTH KOREA

CSL STUDENT LIVING BENIKEA KP LTD.
Dwell Student Living Korea Ltd.
Dwell Dongdaemun
188-5, Hoegi-ro
Dongdaemun-gu, Seoul
South Korea, Republic of Korea (02446)
Tel: +85-2-957 8008/0700
Fax: +85-2-957 1188
Email: staydongdaemun@dwelkorea.co.kr
Website: www.dwellstudent.co.kr



1



2



3

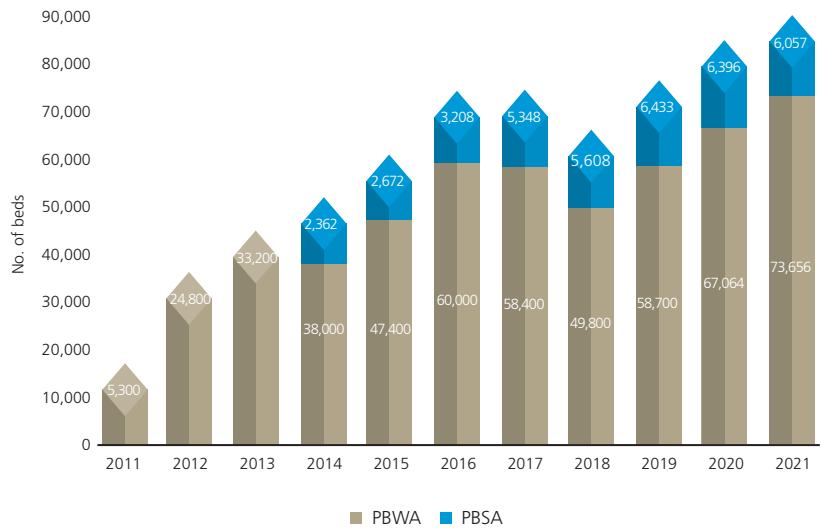
CONTINUED PORTFOLIO EXPANSION DESPITE PANDEMIC

Since Centurion's successful diversification into the specialised accommodation business in 2011, the Group has strategically expanded its portfolio to comprise assets across two core business segments of Purpose-Built Workers Accommodation and Purpose-Built Student Accommodation, in six key markets across Singapore, Malaysia, Australia, the UK, the US and South Korea. With continual portfolio expansion even during uncertain times, the Group's business was able to remain stable and resilient.

Although the Group faced challenges from the transition to an endemic COVID-19, its focussed portfolio growth and business expansion since 4Q2020 effectively cushioned the impact of COVID-19 restrictions on occupancy in 2021. In Singapore, the portfolio grew with four Quick Build Dormitories and financial occupancies have been ramping up well. In Malaysia, the Group increased capacity with Westlite-PKNS Petaling Jaya in Selangor and one block in Westlite Pasir Gudang in Johor. Centurion also expanded revenue streams with the management of two Migrant Worker Onboarding Centres in Singapore and accommodation-related or ancillary services.



ACCOMMODATION PORTFOLIO – BED CAPACITY



1. Brand new 1 Bedroom Studio at dwell Village Melbourne City (Melbourne, Australia)
2. Collection of e-purchase of groceries via MyMA app at Westlite Woodlands (Singapore)
3. dwell Manchester Student Village's Welcome Pizza Party for residents (Manchester, UK)
4. Continuing with Cleanest Unit Award despite contract restrictions to motivate residents to keep the surroundings clean and virus free (Singapore)

GLOBAL PRESENCE

As at 31 December 2021, the Group owns and manages a strong portfolio of 36 operational accommodation assets totalling 79,713 beds, across two specialised accommodation asset types, and six geographic markets. With the reconfiguration of its Malaysia PBWA properties to comply with the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 ("Act 446"), the Group's portfolio bedcount will be adjusted to 64,389 beds in FY2022.

OPERATIONAL

79,713

BEDS IN TOTAL

17

WORKERS ACCOMMODATION

19

STUDENT ACCOMMODATION

UNITED STATES

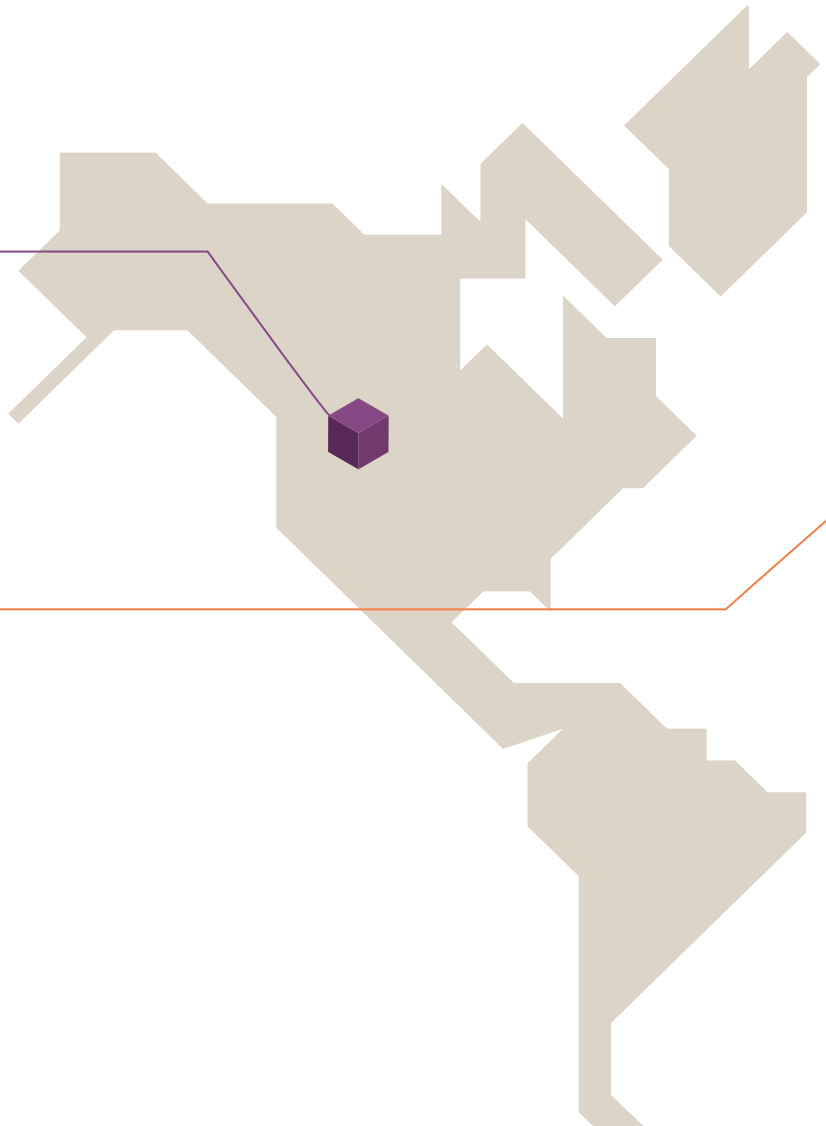
STUDENT ACCOMMODATION

- dwell College & Crown
- dwell Logan Square
- dwell Stadium View
- dwell Tenn Street
- dwell The Statesider
- dwell The Towers on State

UNITED KINGDOM

STUDENT ACCOMMODATION

- dwell MSV
- dwell MSV South
- dwell The Grafton
- dwell Cathedral Campus
- dwell Weston Court
- dwell Hotwells House
- dwell Garth Heads
- dwell Princess Street
- dwell Castle Gate Haus
- dwell Archer House



GLOBAL PRESENCE



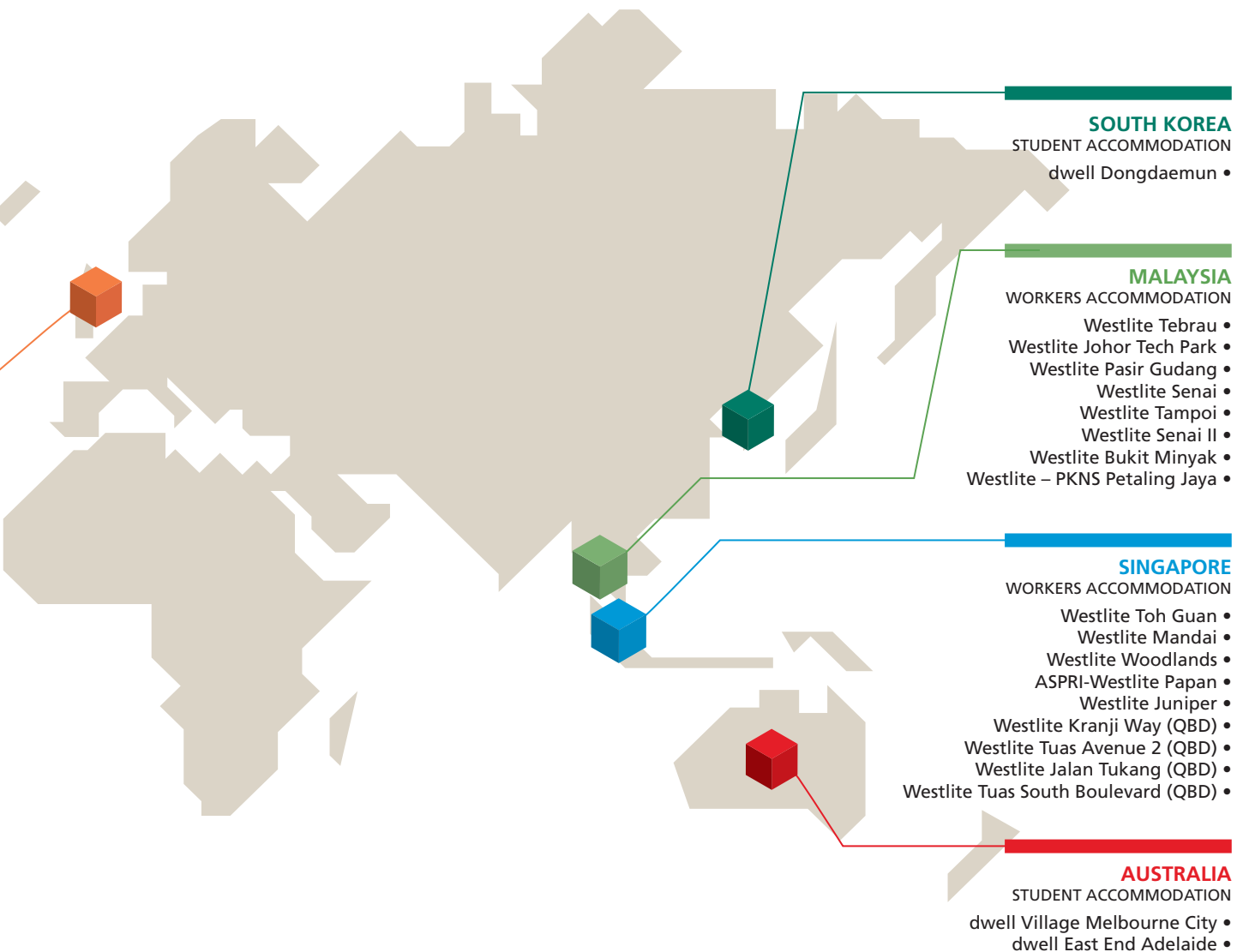
WORKERS ACCOMMODATION

- Own, develops and manages 17 quality purpose-built workers accommodation assets in Singapore and Malaysia
- The Westlite brand is synonymous with reliable and quality provision of workers accommodation serving multinational companies and corporates across various industries



STUDENT ACCOMMODATION

- Owns, develops, and manages 19 quality purpose-built student accommodation assets near leading universities in Australia, South Korea, the United Kingdom and the United States
- The dwell brand has extended and deepened its reach globally, becoming a recognised name amongst student communities in urban centres



BUSINESS PORTFOLIO

SINGAPORE c.33,898

Total beds operational as at 31 December 2021

PBWA

1. ASPRI-WESTLITE PAPAN

(51% owned)

- c.7,900 beds
- Land tenure: 23 years (wef 2015)
- Land area: 14,817 sqm
- First-of-its-kind workers accommodation in Singapore that incorporates a training centre

2. WESTLITE JUNIPER

- c.1,900 beds
- Land tenure: 10-year lease (wef 2019, with an option to renew for another 5 years)
- Land area: 4,255 sqm
- Conveniently located in the Mandai Estate, the accommodation is in close proximity to Sungai Kadut and Woodlands industrial districts

3. WESTLITE MANDAI (45% owned)

- c.6,300 beds
- Land tenure: Freehold
- Land area: 11,265 sqm
- The largest freehold Purpose-Built Workers Accommodation in Singapore and caters to workers from all industries

4. WESTLITE TOH GUAN

- c.7,330 beds
- Land tenure: 60 years (wef 1997)
- Land area: 11,685 sqm
- Conveniently located in the Jurong locality with easy access to major expressways, the accommodation caters to workers from all industries

5. WESTLITE WOODLANDS

- c.4,100 beds
- Land tenure: 30 years (wef 2013)
- Land area: 9,542 sqm
- Strategically located near the Woodlands industrial hub, the accommodation caters to workers from the marine, process and manufacturing industries

QBD

6. WESTLITE JALAN TUKANG

- c.3,420 beds
- Land tenure: 3-year lease (wef 2021, with an option to renew for another 1 year)
- Land area: 52,546 sqm
- Provides convenience and accessibility for companies nestled within the Jurong industrial area

7. WESTLITE KRANJI WAY

- c.1,300 beds
- Land tenure: 3-year lease (wef 2020, with an option to renew for another 1 year)
- Land area: 25,497 sqm
- Provides convenience and accessibility for companies within the Kranji industrial estate

8. WESTLITE TUAS AVENUE 2

- c.1,020 beds
- Land tenure: 3-year lease (wef 2020, with an option to renew for another 1 year)
- Land area: 22,390 sqm
- Provides convenience and accessibility for companies nestled within the Tuas industrial area

9. WESTLITE TUAS SOUTH BOULEVARD

- c.628 beds
- Land tenure: 3-year lease (wef 2021, with an option to renew for another 1 year)
- Land area: 10,000 sqm
- Provides convenience and accessibility for companies nestled within the Tuas industrial area

Purpose-Built Workers Accommodation ("PBWA") refers generally to all quality worker dormitories designed, developed and managed as specialised housing for migrant workers across Singapore and Malaysia.

Purpose-Built Dormitories ("PBDs") refers to the specific class of dormitories which comply to the FEDA license in Singapore and JTKSM certification in Malaysia, with land leases of 20 years or longer, which are typically built as permanent structures using reinforced concrete.

Quick Build Dormitories ("QBDs") refers to the interim dormitories which were developed by the Government in Singapore at speed during 2020 and 2021 as part of pandemic management measures, with short leases of 4 years or less.



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BUSINESS PORTFOLIO

MALAYSIA

c.39,758

Total beds operational as at
31 December 2021

JOHOR

1. WESTLITE JOHOR TECH PARK

- c.5,800 beds
- Land tenure: 99 years (wef 2013)
- Land area: 14,314 sqm
- One of the largest Purpose-Built Workers Accommodation in Johor

2. WESTLITE PASIR GUDANG

- c.2,984 beds; c.400 beds (leased adjacent block in Westlite Pasir Gudang)
- Land tenure: 99 years (wef 1986); 6+3 years lease (wef 2019)
- Land area: 8,391 sqm; 2,268 sqm
- Located near the industrial zone within Pasir Gudang

3. WESTLITE SENAI

- c.2,600 beds
- Land tenure: Freehold
- Land area: 20,310 sqm
- Located near established industrial parks in Senai where several major multinational electronics manufacturers are based

4. WESTLITE SENAI II

- c.5,900 beds
- Land tenure: Freehold
- Land area: 19,071 sqm
- Located near established industrial parks in Senai where several major multinational electronics manufacturers are based

5. WESTLITE TAMPOI

- c.7,330 beds
- Land tenure: Freehold
- Land area: 28,328 sqm
- Located in one of the established industrial zones in Iskandar, Malaysia within close proximity to several major multinational electronics manufacturers

6. WESTLITE TEBRAU

- c.2,100 beds
- Land tenure: 60 years (wef 2000)
- Land area: 5,718 sqm
- One of Johor's first Purpose-Built Workers Accommodation

PENANG

7. WESTLITE BUKIT MINYAK

- c.6,600 beds
- Land tenure: Freehold
- Land area: 16,398 sqm
- Centurion's first Westlite Accommodation outside Johor

SELANGOR

8. WESTLITE - PKNS PETALING JAYA

- c. 6,044 beds
- Land tenure: 21-year lease (wef 2020, with an option to renew for another nine years)
- Land area: 14,030 sqm
- First Westlite Accommodation in Selangor



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BUSINESS PORTFOLIO

UNITED KINGDOM c.2,808

Total beds operational
as at 31 December 2021

BRISTOL

1. DWELL HOTWELLS HOUSE

- c.157 beds
- Land tenure: 125 years (wef 2009)
- Land area: 2,400 sqm
- Short walk to the main University of Bristol campus

LIVERPOOL

2. DWELL CATHEDRAL CAMPUS

- c.383 beds
- Land tenure: 250 years (wef 2007)
- Land area: 16,400 sqm
- Close proximity to Liverpool John Moores University, Liverpool Institute of Performing Arts, and Liverpool City Centre

MANCHESTER

3. DWELL MSV

- c.1,003 beds
- Land tenure: Freehold
- Land area: 4,500 sqm
- Easy access to the University of Manchester and Manchester Metropolitan University campuses, as well as Manchester City Centre

4. DWELL MSV SOUTH

- c.362 beds
- Land tenure: Freehold
- Land area: 6,300 sqm
- Short walk from the city campuses to the North and Fallowfield to the South

5. DWELL PRINCESS STREET

- c.127 beds
- Land tenure: freehold
- Land area: 500 sqm
- Short walk to University of Manchester and Manchester Metropolitan University

6. DWELL THE GRAFTON

- c.145 beds
- Land tenure: Freehold
- Land area: 2,000 sqm
- Located off the main Oxford Road and short walk to the University of Manchester's main campus

7. DWELL WESTON COURT

- c.140 beds
- Land tenure: 125 years (wef 2008)
- Land area: 3,700 sqm
- Short walk to the University of Manchester – Fallowfield Campus

NEWCASTLE

8. DWELL GARTH HEADS

- c.181 beds
- Land tenure: 125 years (wef 1995)
- Land area: 2,000 sqm
- Located within a short walk to both Northumbria University and Newcastle University

NOTTINGHAM

9. DWELL ARCHER HOUSE

- c.177 beds
- Land tenure: freehold
- Land area: 1,133 sqm
- Located close to the University of Nottingham and Nottingham Trent University

10. DWELL CASTLE GATE HAUS (14.3% OWNED)

- c.133 beds
- Land tenure: freehold
- Land area: 1,230 sqm
- Short walk to Nottingham Trent University and short drive to the University of Nottingham



1



3



2



4

BUSINESS PORTFOLIO



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BUSINESS PORTFOLIO

UNITED STATES c.2,145*

Total beds operational
as at 31 December 2021

ALABAMA

1. DWELL LOGAN SQUARE

- c.642 beds
- Land tenure: Freehold
- Land area: 45,891 sqm
- Located close to Auburn University

CONNECTICUT

2. DWELL COLLEGE & CROWN

- c.206 beds
- Land tenure: Freehold
- Land area: 4,484 sqm
- Preferred apartments located close to University and Yale New Haven Hospital

FLORIDA

3. DWELL TENN STREET

- c.624 beds
- Land tenure: Freehold
- Land area: 76,769 sqm
- Quality student apartments located close to Florida State University, Florida A&M University, and Tallahassee Community College

TEXAS

4. DWELL STADIUM VIEW

- c.216 beds
- Land tenure: Freehold
- Land area: 23,755 sqm
- Apartments are located close to Texas A&M University

WISCONSIN

5. DWELL THE STATESIDER

- c.226 beds
- Land tenure: Freehold
- Land area: 809 sqm
- Off-campus apartments located close to University of Wisconsin

6. DWELL THE TOWERS ON STATE

- c.231 beds
- Land tenure: Freehold
- Land area: 1,983 sqm
- Quality student apartments located close to University of Wisconsin

*28.7% owned through the Centurion US Student Housing Fund



BUSINESS PORTFOLIO

AUSTRALIA
c.896

Total beds operational
as at 31 December 2021

ADELAIDE

1. DWELL EAST END ADELAIDE

- c.280 beds
- Land tenure: Freehold
- Land area: 598 sqm
- Located close to University of Adelaide and University of South Australia – City East Campus

MELBOURNE

2 & 3. DWELL VILLAGE MELBOURNE CITY

- c.616 beds
- Land tenure: Freehold
- Land area: 6,200 sqm
- Centurion's first student accommodation asset
- Located close to Melbourne's Central Business District, RMIT University and University of Melbourne

SOUTH KOREA
c.208

Total beds operational
as at 31 December 2021

4, 5 & 6. DWELL DONGDAEMUN
(55% OWNED)

- c.208 beds
- Land Tenure: Freehold
- Land Area: 968 sqm
- Short walk to Kyunghee University, University of Seoul, KAIST (fka Korea Advanced Institute of Science and Technology) and Hankuk University of Foreign Studies



KEY FIGURES

REVENUE (FY2021)

↑ **S\$143.0m**

from S\$128.4m in FY2020

11% increase YoY

GROSS PROFIT (FY2021)

↑ **S\$94.3m**

from S\$89.6m in FY2020

5% increase YoY

CORE PROFIT (NON IFRS)^{1,2&3} (FY2021)

↑ **S\$46.5m**

from S\$41.3m in FY2020

13% increase YoY

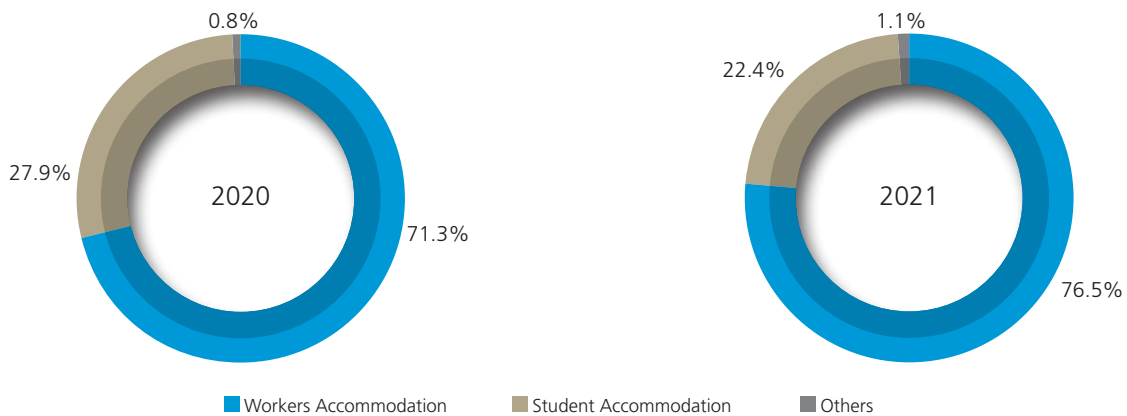
¹ Attributable to equity holders of the company

² Core Profit (non-IFRS) exclude one-off transactions which refer to fair value gains/losses on investment properties and rent guarantee, deferred tax arising from fair value changes, gain/loss on disposal of assets held for sale and gain on disposal of a subsidiary

³ IFRS refer to Singapore Financial Reporting Standards (International) and International Financial Reporting Standards collectively

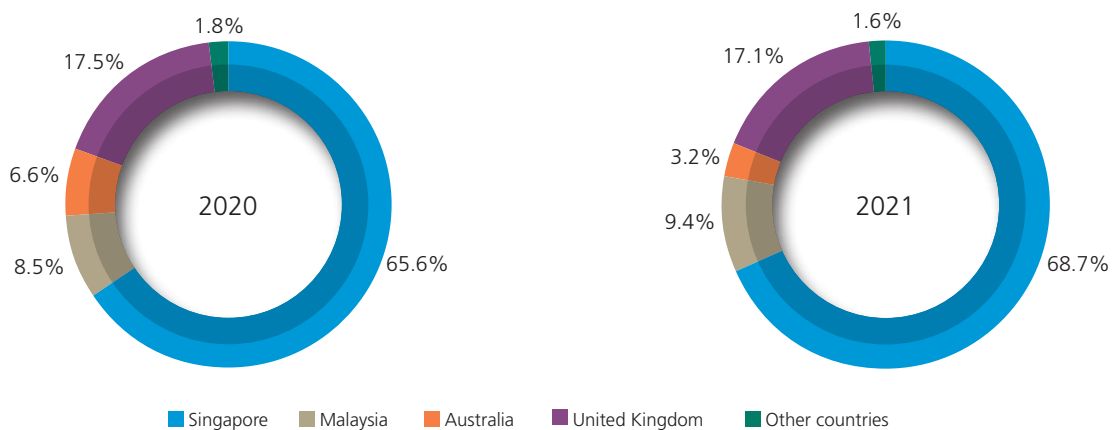
SEGMENTAL REVIEW

REVENUE CONTRIBUTION BY BUSINESS SEGMENT (%)



SEGMENTAL REVIEW

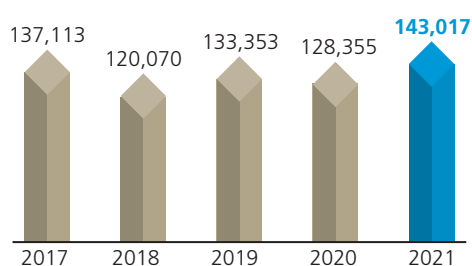
REVENUE CONTRIBUTION BY GEOGRAPHY (%)



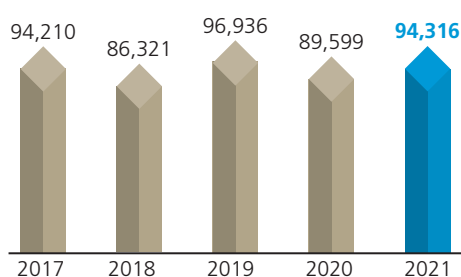
KEY FIGURES

IFRS¹ FINANCIAL MEASURES

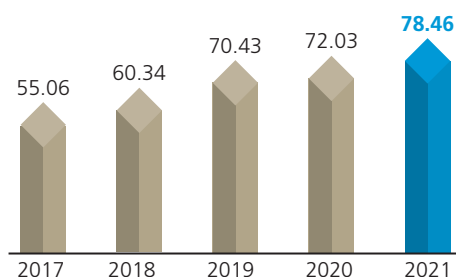
REVENUE (\$'000)



GROSS PROFIT (\$'000)

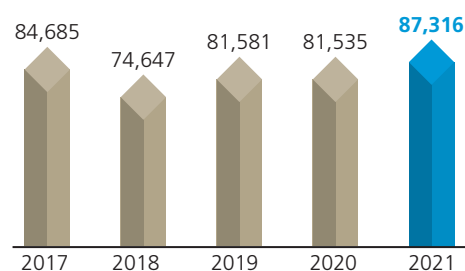


NET ASSET VALUE PER SHARE (CENTS)

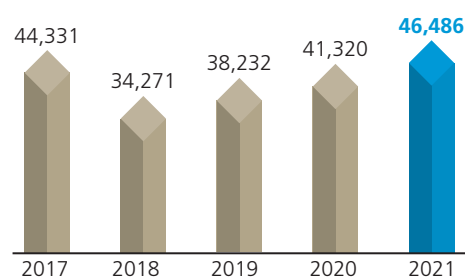


NON-IFRS¹ FINANCIAL MEASURES

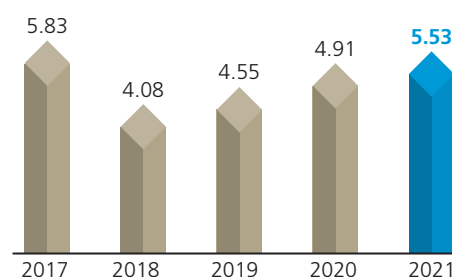
EBITDA³ – CORE BUSINESS² (\$'000)



NET PROFIT⁴ FROM CORE BUSINESS² (\$'000)



EARNINGS PER SHARE – CORE BUSINESS² (CENTS)



¹ IFRS refer to Singapore Financial Reporting Standards (International) and International Financial Reporting Standards collectively

² Core business exclude one-off transactions which refer to fair value gains/losses on investment properties and rent guarantee, deferred tax arising from fair value changes, dual primary listing expenses, gain/loss on disposal of assets held for sale and gain on disposal of a subsidiary

³ EBITDA is defined as earnings before interest expense, taxes, depreciation and amortization

⁴ Attributable to equity holders of the company

FINANCIAL REVIEW

FINANCIAL HIGHLIGHTS

(S\$'000)	FY2021	FY2020	Change
Revenue	143,017	128,355	11%
Gross Profit	94,316	89,599	5%
Gross Margin	66%	70%	-4pp
Net Profit After Tax	55,797	18,711	198%
Net Profit After Tax Attributable to Equity Holders	52,679	17,171	207%
Net Profit from Core Business Operations attributable to Equity Holders (Non IFRS Measure)	46,486	41,320	13%

The reconciliation of IFRS financial measures to non-IFRS financial measures for FY2021 and FY2020 are as follows:

(S\$'000)	FY2021	FY2020	Change
Net Profit After Tax (IFRS)	55,797	18,711	198%
Adjusted for:			
– Net fair value losses on investment properties	3,076	27,641	89%
– Share of fair value (gains)/losses from associated companies and joint venture	(7,950)	2,714	N.M
	(4,874)	30,355	N.M
– Deferred tax arising from fair value changes	4,184	(566)	N.M
– Fair value loss on rent guarantee	–	107	N.M
– (Gain)/loss on disposal of assets held for sale	(2,019)	97	N.M
– Gain on disposal of a subsidiary	–	(1,398)	N.M
Profit from core business operations (non-IFRS)	53,088	47,306	12%
Net Profit After Tax Attributable to Equity Holders (IFRS)	52,679	17,171	207%
Adjusted for:			
– Net fair value losses on investment properties	3,076	27,641	89%
– Share of fair value (gains)/losses from associated companies and joint venture	(7,950)	2,714	N.M
– Non-controlling interest's share of fair value loss on an investment property	(3,484)	(4,446)	22%
	(8,358)	25,909	N.M
– Deferred tax arising from fair value changes	4,184	(566)	N.M
– Fair value loss on rent guarantee	–	107	N.M
– (Gain)/loss on disposal of assets held for sale	(2,019)	97	N.M
– Gain on disposal of a subsidiary	–	(1,398)	N.M
– Profit from core business operations attributable to Equity Holders (non-IFRS)	46,486	41,320	13%

The Group has disclosed non-IFRS measures to provide the shareholders and potential investors with a clearer understanding of the Group's financial performance relating to operations of the Group. Profit from core business operations (non-IFRS) refers to the year-to-year recurring profits derived from the Group's core business operations which is the managing and operating of workers and student accommodation.

N.M : Not meaningful

FINANCIAL REVIEW

GROSS REVENUE

The Group registered a 11% growth in revenue to S\$143.0 million in FY2021 from S\$128.4 million in FY2020. Revenue contribution from the Group's workers accommodation business grew five percentage points in proportion to the Group's total revenue in FY2021 while the Group saw a reduction from the Group's student accommodation business.

The higher revenue was mainly contributed by newly leased and operated assets for workers accommodation in Singapore and Malaysia. These included four Quick Build Dormitories ("QBDs") in Singapore as well as a Purpose-Built Dormitory ("PBD") in Malaysia, Westlite-PKNS Petaling Jaya ("PKNS"). Two Migrant Worker Onboarding Centres ("MWOCs") that the Group manages have also contributed positively, along with the Group's Purpose-Built Student Accommodation ("PBSA") portfolio in UK which has been recovering from COVID-19 disruptions with financial occupancies improving two percentage points to 72%.

The increase in revenue was however offset by a reduction in revenue from the Group's existing PBD assets in Singapore and PBSA portfolio in Australia where they experienced weaker demands due to COVID-19 travel and immigration restrictions. Excluding QBDs, the Singapore PBD assets' financial occupancy rates reduced nine percentage points from 94% in FY2020 to 85% in FY2021. The number of migrant workers population have not recovered to pre-COVID-19 levels as the inflow of migrant workers back to Singapore continued to be disrupted with the emergence of new COVID-19 variants. At the same time, supply of dormitory beds had increased with QBDs and Construction Temporary Quarters ("CTQs") built in response to the pandemic. Revenue from the PBSA portfolio in Australia also declined as it experienced further reduction in demand due to strict travel restrictions and border closures in FY2021.

PROFITABILITY

Gross profit increased by S\$4.7 million from S\$89.6 million to S\$94.3 million, in line with the increase in revenue from new businesses and offset by lower contribution from Australia PBSA portfolio and Singapore PBD portfolio.

Other income and loss on derecognition of financial assets reduced by S\$4.2 million and S\$2.9 million respectively due to lower government grant income.

An allowance of S\$1.3 million was provided for the impairment of trade and other receivables in FY2020 whereas S\$112,000 was written back in FY2021.

During FY2021, the Group registered a gain of S\$2.0 million from the disposal of the factory unit in Indonesia. In comparison, in FY2020, the Group registered a gain of S\$1.4 million on disposal of Shanghai Huade Photoelectron Science & Technology Co Ltd in China, offset by a S\$0.5 million impairment of property, plant & equipment in dwell Selegie in FY2020.

Finance expenses decreased by S\$0.6 million to S\$22.7 million due to the lower interest rate environment in FY2021, offset by higher interest incurred in the lease liabilities from the leasing of the four QBDs in Singapore and Westlite-PKNS Petaling Jaya in Malaysia.

Purpose-Built Workers Accommodation ("PBWA") refers generally to all quality worker dormitories designed, developed and managed as specialised housing for migrant workers across Singapore and Malaysia.

Purpose-Built Dormitories ("PBDs") refers to the specific class of dormitories which comply to the FEDA license in Singapore and JTKSM certification in Malaysia, with land leases of 20 years or longer, which are typically built as permanent structures using reinforced concrete.

Quick Build Dormitories ("QBDs") refers to the interim dormitories which were developed by the Government in Singapore at speed during 2020 and 2021 as part of pandemic management measures, with short leases of 4 years or less.

Share of profit of associated companies and joint venture increased S\$10.3 million to S\$15.1 million in FY2021 from S\$4.8 million in FY2020 largely due to the fair value uplift on investment properties in the US PBSA portfolio.

Net fair value losses on investment properties was S\$3.1 million as compared to S\$27.6 million in FY2020 mainly from fair value reduction on right-of-use assets and the PBWA portfolio in Singapore offset by the fair value gains in the UK PBSA portfolio and Malaysia PBWA portfolio due to the recovery of occupancy rates and market environment from COVID-19 in FY2021.

Income tax expenses increased S\$5.1 million largely due to deferred income tax provided on fair value adjustments in investment properties.

Accordingly, the Group's net profit in FY2021 was S\$55.8 million, S\$37.1 million or 198% higher than the S\$18.7 million recorded in FY2020. Excluding the effects on fair value adjustments, the Group's net profit from core business operations attributable to equity holders was S\$46.5 million in FY2021, an increase of 13% from S\$41.3 million in FY2020.

CASH FLOWS

In FY2021, the Group generated a positive cash flow of S\$74.3 million from operating activities.

Net cash used in investing activities amounted to S\$20.0 million, mainly due to the addition to investment properties, and property, plant and equipment.

The Group recorded net cash used in financing activities of S\$71.8 million mainly for the repayment of borrowings including the redemption of remaining Series 4 Notes in February 2021, interest and principal portion of lease liabilities paid during the year.

As a result of the above activities, the Group's cash and cash equivalents decreased from S\$83.9 million in FY2020 to S\$66.3 million in FY2021.

CAPITAL AND RISK MANAGEMENT

Foreign Currency Risks

The Group is cognisant of its exposure to Australia, Malaysia, South Korea, the UK and the US markets and consequently, the possible foreign currency fluctuations that could affect the stability of those income streams.

Exposures to foreign currency risks are managed as far as possible by natural hedges where the Group matches its sales and purchases in the same foreign currency. Regular monitoring and analysis by the management and the Board are done so that any relevant risks can be addressed, and appropriate measures can be carried out to minimise the exposure.

Liquidity Risks

The Group's prudent liquidity risk management includes maintaining sufficient cash balances and the availability of funding through an

FINANCIAL REVIEW

adequate amount of committed credit facilities. As at 31 December 2021, the Group's balance sheet remained healthy with cash and bank balances of S\$67.5 million.

To manage liquidity risk arising from expansion and development plans, the Group ensures that there are sufficient cash and short terms deposits and bank facilities to meet any short-term liabilities and unanticipated fund requirements. The Group has sufficient cash resources and banking facilities available totalling S\$167.7 million to meet its current liabilities.

Apart from the available cash, short term deposits and committed banking facilities, the Group also has an available MTN Programme facility of up to S\$750 million in which the Group can readily tap the debt capital market for funds. Centurion has successfully raised S\$365 million from debt capital markets over five different occasions over the years, including the latest issuance of the MTN Series 5 of S\$55 million in FY2020.

Capital Management

The Group's objectives when managing capital are to safeguard its ability to operate profitably and to maintain an optimal capital structure to maximise shareholder value.

With active debt and capital management policies in place, the Group maintained a well-spread out debt maturity profile to manage refinancing risks. This is done through the management's prudent financing strategy for the Group's long-term investment properties by securing a long-term bank debt for each property.

As at 31 December 2021, the Group had an average long-term bank debt maturity profile averaging six years while its net gearing ratio stands at 47%, one percentage point lower compared to 48% as at 31 December 2020. The Group's interest cover continues to be adequate and is within its interest cover threshold, standing at 3.8 times.

To ensure sustainable growth in the long run, the Group will balance between acquiring operating assets which will contribute to the current income, and investing in development projects for future growth. Such acquisition or investment, if proceeded, will be funded by internal resources and/or external financing.

DIVIDENDS

The Group remains focused on enhancing long-term shareholder value by managing and growing its business to deliver sustainable earnings growth. Although the Group does not have a fixed dividend policy, it has a track record of distributing cash dividends to shareholders in line with financial performance.

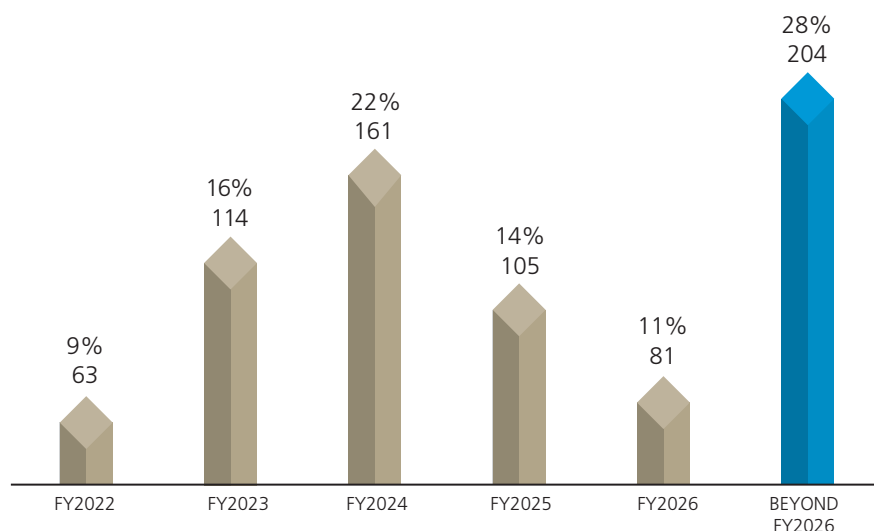
The Group delivered better results in FY2021 with the gradual recovery in several markets even though challenges remain as the markets transition to living with an endemic COVID-19. To reward shareholders, the Board has recommended a final dividend of 0.5 Singapore cent per ordinary share in respect of FY2021 for Singapore shareholders (equivalent to 2.88¹ Hong Kong cents per ordinary share for Hong Kong shareholders).

In the long term, we remain confident in the fundamentals of our business and the resilience of our strategic asset classes. The Board intends to continue proposing the distribution of dividends to reward shareholders, after taking into consideration the Group's growth strategy, future operations and earnings, capital requirements and surpluses, general financial conditions and other factors which the Board deems relevant.



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DEBT MATURITY PROFILE AS AT 31 DECEMBER 2021 (S\$'MILLION)



Out of the Group's total borrowings, S\$114 million or 16% will come due in FY2023. These amounts are mainly bank loans relating to investment properties in Australia and the UK. The Group has commenced discussions to refinance these loans ahead of their maturity dates.

NOTES TO RECONCILIATION OF IFRS FINANCIAL MEASURES WITH NON-IFRS FINANCIAL MEASURES (TABLE ON PAGE 34)

The adjusting items for IFRS financial measures to non-IFRS financial measures include the following:-

In relation to fair value changes:

- i) Fair value (gains)/losses on investment properties including those of associated companies and joint venture. The Group has adopted fair value model for accounting of the investment properties which reflects the market conditions at the end of the reporting year. The Group engaged external and independent valuers to determine the fair value of the Group's investment properties at the end of every financial year. The Group had recognised the fair value changes as fair value gains/(losses) in the Consolidated Income Statement. The fair value (gains)/losses also included the adjustment of the fair value of right-of-use assets classified as investment properties in relation to the Group's leased properties in accordance with IFRS 16 Leases.
- ii) Deferred tax expenses/(credit) arising from fair value changes. The deferred tax expenses/(credit) were recorded due to changes in fair value of the Group's investment properties which resulted in higher income tax expense recognised from the fair value gains or vice versa.
- iii) Fair value loss on rent guarantee was arose from the market value determined by external independent valuer at end of the financial year for one of the Group's investment properties as the seller had provided the rent guarantee up to certain period after we acquired the property.

In relation to one-off capital gains/loss:

- iv) (Gain)/loss on disposal of assets held for sale was a one-off transaction recognised through the disposal of the assets held for sale to third parties during the current and previous financial year.
- v) Gain on disposal of a subsidiary was derived from disposal of its 100% indirectly owned subsidiary to a third party in FY2020.

The above-mentioned adjusting items do not arise from the normal Company's operations and were reported on the Consolidated Income Statement for the financial year ended 31 December 2021 together with the comparative financial year ended 31 December 2020. These fair value movements and one-off transactions result in significant fluctuation in the IFRS financial measures of the Group's performance. Correspondingly, shareholders may not be able to appreciate the Group's financial performance generated from its core business operations which is the managing and operating of workers and student accommodation. Hence, the Group has excluded these adjusting items with the intention to provide a clearer picture of the Group's performance.

1. Residents of Westlite Jalan Tukang enjoying festive celebrations (Singapore)
2. Westlite-PKNS Petaling Jaya (Selangor, Malaysia)
3. Westlite Tuas Avenue 2, Centurion's second QBD (Singapore)

¹ Based on exchange rate of S\$1.00: HK\$5.7571 as at 24 February 2022

GROUP STRUCTURE



Centurion Corporation Limited



CORPORATE INFORMATION

BOARD OF DIRECTORS

Non-Executive

Han Seng Juan (Joint Chairman)

Executive

Loh Kim Kang David (Joint Chairman)

Wong Kok Hoe (Deputy Chairman)

Teo Peng Kwang

Independent Non-Executive

Gn Hiang Meng (Lead Independent Director)

Chandra Mohan s/o Rethnam

Owi Kek Hean

Tan Poh Hong

Lee Wei Loon

CHIEF EXECUTIVE OFFICER

Kong Chee Min

AUDIT COMMITTEE

Gn Hiang Meng (Chairman)

Chandra Mohan s/o Rethnam

Owi Kek Hean

NOMINATING COMMITTEE

Owi Kek Hean (Chairman)

Tan Poh Hong

Gn Hiang Meng

REMUNERATION COMMITTEE

Chandra Mohan s/o Rethnam (Chairman)

Tan Poh Hong

Lee Wei Loon

EXECUTIVE COMMITTEE*

Loh Kim Kang David (Chairman)

Han Seng Juan

Wong Kok Hoe

Teo Peng Kwang

Kong Chee Min

* established on 1 January 2022

COMPANY SECRETARIES

Hazel Chia Luang Chew

Juliana Tan Beng Hwee

Cheung Yuet Fan (Hong Kong Company Secretary)

REGISTERED OFFICE

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Fax : (65) 6743 3288

Email : enquiry@centurioncorp.com.sg

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Hong Kong: 6090

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Singapore 408696

PRINCIPAL BANKERS

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Malayan Banking Berhad

DBS Bank Ltd

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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99 Queen's Road Central

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SINGAPORE PRINCIPAL SHARE REGISTRAR

B.A.C.S. Private Limited

77 Robinson Road

#06-03 Robinson 77

Singapore 068896

Tel: (65) 6593 4848

HONG KONG BRANCH SHARE REGISTRAR

Tricor Investor Services Limited

Level 54, Hopewell Centre

183 Queen's Road East

Hong Kong

Tel: (852) 2980 1333

Fax: (852) 2810 8185

AUDITORS

PricewaterhouseCoopers LLP

Recognised Public Interest Entity Auditor

7 Straits View, Marina One East Tower

Level 12

Singapore 018936

AUDIT PARTNER-IN-CHARGE

Chua Chin San

(Date of appointment:

Since financial year beginning

1 January 2018)

AUTHORISED REPRESENTATIVES

Wong Kok Hoe

Cheung Yuet Fan

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RESILIENCE UNDER CHALLENGES, RECOVERY UNDERWAY

Occupancy levels in Centurion’s specialised accommodations during the first half of 2021 were challenged by a reduction in the number of migrant workers living in Singapore and Malaysia, as well as a decline in the number of students who were able to arrive in their university cities across the United Kingdom, South Korea and Australia.

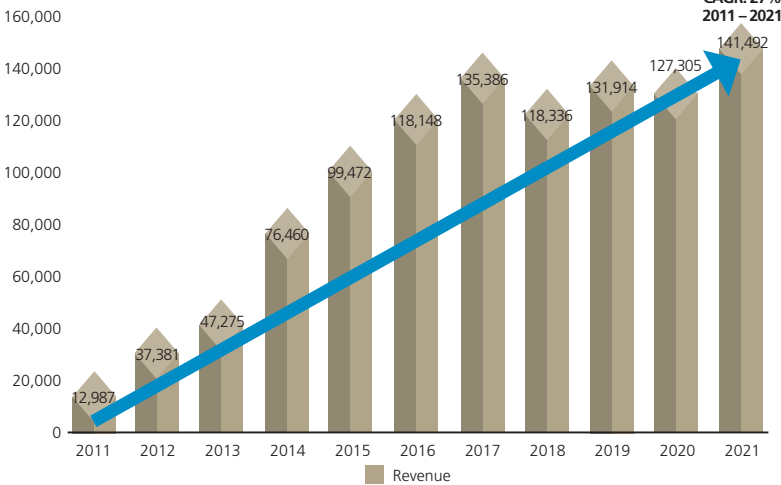
In navigating the challenging period, the Group exercised management prudence in cost control, while implementing operational efforts both on-ground at our accommodation properties and online through technology platforms and digital channels to minimise disruption to our business and to care for our residents’ wellbeing. With established management capabilities and business agility, Centurion also managed to expand its portfolio and business streams by asset-light means, which cushioned the impact of COVID-compressed occupancies and enabled revenue growth.

In the second half of 2021, signs of recovery became evident as all markets except for Australia, and to a lesser extent Singapore’s Purpose-Built Dormitories, showed improved occupancy. As worker and student populations continue to recover across the Group’s markets, demand for quality Purpose-Built Worker and Student Accommodation is expected to be robust in the year ahead.

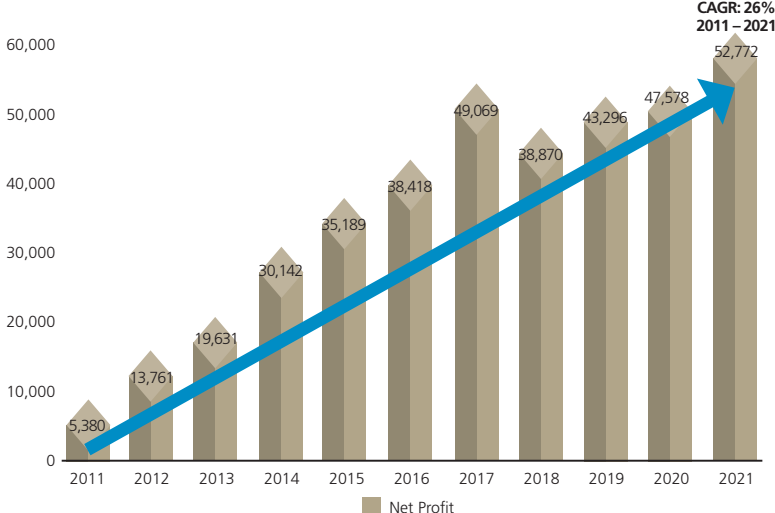


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ACCOMMODATION – REVENUE¹ (S\$’000)



ACCOMMODATION – NET PROFIT¹ (S\$’000)



Note:

1. From core business operations

1. Westlite Woodlands team regular disinfecting and cleaning of communal areas (Singapore)
2. Providing free disinfectants for residents (Singapore)
3. Westlite Tuas Avenue 2 residents on Gardens by the Bay tour (Singapore)
4. Engaging with our residents via contactless games in dwell Dongdaemun (Seoul, South Korea)
5. Keeping our residents healthy during COVID-19 pandemic in dwell Logan Square (Alabama, USA)



OPERATIONS REVIEW

Apart from enhancing operational efficiencies, the Group also worked closely with relevant authorities and NGOs to provide for residents' physical, emotional and social wellbeing, with virtual and on-ground engagement activities as well as support programmes throughout the year.

Centurion faced continued challenges during the course of 2021 as the emergence of new COVID-19 variants derailed the re-opening of borders, stunting the recovery of migrant worker and student populations for the larger part of the year.

Despite the challenges, the Group was able to deliver improved revenue and profits for the financial year, mainly by successfully enlarging its portfolio capacity in Singapore and Malaysia, and by expanding revenue streams from accommodation-related services in Singapore, which cushioned the impact of compressed occupancy in its Singapore Purpose-Built Dormitories.

At the same time, the Group's UK student accommodation portfolio achieved significantly improved occupancy in 4Q2021, as the UK's COVID-19 restrictions were lifted and pent-up demand began to return.

As at 31 December 2021, the Group's diversified portfolio comprised 36 operational workers and student dormitories across 17 cities in six countries: Singapore, Malaysia, Australia, South Korea, the UK and the US.

During the pandemic, Centurion has invested in additional equipment, solutions and technology to enhance safe living management for the safety and wellbeing of its residents. In particular, Centurion has further upgraded its mobile app MyMA, which its migrant worker residents in Singapore can use for communication, remittance and entertainment.

Apart from enhancing operational efficiencies, the Group also worked closely with relevant authorities and NGOs, to provide for residents' physical, emotional and social wellbeing, with virtual and on-ground engagement activities as well as support programmes throughout the year.

SINGAPORE

The Group operates five Purpose-Built Dormitories ("PBDs") and four Quick Build Dormitories ("QBDs") as at 31 December 2021.

The five quality PBDs are strategically located in industrial estates and fully comply with prevailing local government regulatory requirements under the Foreign Employee Dormitories Act. Westlite Toh Guan, conveniently located in Jurong, caters to workers from all industries. Westlite Mandai is one of Singapore's largest freehold PBD, and caters mainly to the construction, manufacturing, and service industries. Westlite Woodlands is strategically located near the Woodlands industrial hub, and accommodates workers in the northern part of

Singapore, from the marine, process and manufacturing industries. Westlite Juniper is situated near the Sungai Kadut, Mandai and Woodlands industrial districts and caters mainly to construction and service industry workers. ASPRI-Westlite Papan is located close to Jurong Island, a pillar of Singapore's petrochemicals industry, and caters to the Oil & Gas, Chemical, Process and Construction industries.

The average financial occupancy of the Group's five Singapore PBDs declined nine percentage points year on year to 85% in FY2021. This is due to a reduction in the migrant worker population as migrant worker inflow continued to be disrupted by COVID-19. At the same time, there are an estimated 60,000 new beds added in response to the pandemic, including QBDs, additional construction temporary quarters, and temporary fit-outs of currently unused state properties.

The Group had secured a bid in September 2020 to be among the first to manage QBDs, which pilot new specifications for migrant workers care and pandemic management in Purpose-Built Dormitories. Centurion will manage four QBDs – Westlite Jalan Tukang, Westlite Kranji Way, Westlite Tuas Ave 2, and Westlite Tuas South Boulevard – for an initial three years, with the option to extend for one additional year. All of these four QBDs became operational progressively since 4Q2020 and financial occupancies ramped up well in FY2021.

In addition, the Group secured contracts to manage two Migrant Worker Onboarding Centres ("MWOC"), which commenced operations in 1H2021.

Cushioning the reduced occupancy of the Group's PBDs in Singapore, the added QBDs capacity and operations of the two MWOCs enabled the Singapore PBWA portfolio to deliver improved financial performance for the year.

MALAYSIA

The Group's Malaysian PBWA portfolio comprises eight properties spanning Johor in the South, Penang in the North and Selangor in the Central region of Peninsular Malaysia. The States of Johor, Penang, and Selangor are the top three states in Malaysia with the highest number of foreign workers in the manufacturing sector, which dominates the number of foreign workers, with about 35% of the country's estimated two million foreign workforce¹.

Six of the Malaysian PBWA assets are located in Johor, namely Westlite Tebrau, Westlite Johor Tech Park, Westlite Pasir Gudang, Westlite Senai, Westlite Tampoi, and Westlite Senai II; and the seventh is Westlite Bukit Minyak in Penang. Westlite-PKNS Petaling Jaya, the newest addition to the portfolio secured on a Master Lease with the Selangor State Development Authority ("PKNS") in 4Q2020, marks the Group's entry to Selangor, in the central belt of Peninsular Malaysia.

All these assets are strategically located in proximity to industrial estates, and primarily support the manufacturing industries within these estates. Built to high specifications, each property is compliant with prevailing JTKSM regulatory requirements and meets international ethical standards set by organisations such as the International Labour Organisation and Responsible Business Alliance.

¹ 'The Changing Landscape Of Workers' Accommodations', Knight Frank, November 2021.

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1. Chief, ACE Group, Ministry of Manpower visiting residents at Westlite Jalan Tukang (Singapore)
2. Minister of Manpower, Tan See Leng and Senior Minister of State, Koh Poh Koon celebrating New Year with Westlite Kranji Way's residents (Singapore)
3. dwell Village Melbourne City hosting prospective students during Open House with free movie screening (Melbourne, Australia)

During the year, many businesses scaled down operations, due to knock-on effects of COVID-19 management measures on their businesses. The migrant workforce had also been reduced as existing workers left Malaysia and measures to curb the virus transmission impacted the employers' ability to bring new workers into the country². The Federation of Malaysian Manufacturers estimates that the number of foreign workers in the manufacturing sector have dropped 44% to 391,831 in 2021 as compared to 2019.

On the other hand, with mounting pressure from the government and NGOs for employers to meet the requirements of the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 ("Act 446"), demand for quality purpose-built and professionally managed workers accommodation has increased.

Anticipating the growing demand for quality PBWA due to Act 446, Centurion has added new capacity in Malaysia since 4Q2020 and through FY2021, with the master lease for Westlite-PKNS Petaling Jaya ("PKNS") in Selangor, an Asset Enhancement Initiative completed adding three additional blocks at Westlite Tampoi and 2 additional blocks acquired and retro-fitted at Westlite Pasir Gudang.

These additional capacity have contributed to revenue growth for the Group's Malaysian PBWA in FY2021.

AUSTRALIA

In Australia, the Group owns and operates two PBSA assets, namely dwell East End Adelaide and dwell Village Melbourne City. dwell East End Adelaide is sited in a prime location in Adelaide, near both the city centre and university campuses while dwell Village Melbourne City is located attractively close to the Melbourne City precinct and near both RMIT and the University of Melbourne.

Due to COVID-19, strict border controls were enforced and the average financial occupancy of the Group's two assets declined to 26% in FY2021, with the impact greater in Melbourne than in Adelaide. However, demand for PBSA is beginning to recover, after border re-openings were announced in November 2021. The Australian share of demand from international students has increased from 16.2% in October 2021 to 19.7% in January 2022³.

SOUTH KOREA

The Group owns and operates dwell Dongdaemun, a student accommodation strategically located close to four prominent universities and a home for a community of international residents. With the easing of travel restrictions mid-year, financial occupancy recovered strongly from 55% in 1H2021 to 78% in 2H2021. For the full year, financial occupancy improved significantly from 29% in FY2020 to 66% in FY2021.

UNITED STATES

Centurion's US portfolio comprises six freehold PBSAs, which are held under the Centurion US Student Housing Fund, the Group's inaugural private fund. Centurion holds approximately 28.7% of the total number of units in issue in the Centurion US Student Housing Fund and is the manager of the fund and its assets.

Five of the six assets – dwell Logan Square, dwell Stadium View, dwell Tenn Street, dwell The Statesider, and dwell College & Crown – are located in Auburn, College Station, Tallahassee, Madison and New Haven respectively and cater mainly to domestic students. dwell The Towers on State in Madison, Wisconsin also caters to international students.

² FMM: *M'sia needs to replenish over 600,000 foreign workers by 2022 to overcome current manpower shortage*, The Edge Markets, December 2021

³ *'Border opening spurs rebound in demand from international students'*, The Conversation, 19 January 2022

OPERATIONS REVIEW

With active management, the average financial occupancy for FY2021 had improved as compared to FY2020.

UNITED KINGDOM

In the UK, the Group owns and operates 10 freehold or long leasehold PBSA assets as at 31 December 2021, which are strategically located near top universities across five cities.

The freehold assets are dwell Manchester Student Village, dwell Manchester Student Village South, dwell Princess Street and dwell The Grafton in Manchester, as well as dwell Castle Gate Haus and dwell Archer House in Nottingham.

The long leasehold properties are dwell Cathedral Campus in Liverpool and dwell Weston Court in Manchester; dwell Garth Heads in Newcastle, and dwell Hotwells House in Bristol.

Nine of the assets are fully owned and managed by Centurion, while dwell Castle Gate Haus is held by the Group's second private fund, in which the Group holds a stake of 14.3%. All are managed under Centurion's dwell Student Living brand, which is a recognised and preferred brand amongst both domestic and international students.

During 2H2021, financial occupancy for UK recovered substantially as students gradually returned to their university campuses for in-person learning in Academic Year 2021. The UK had expanded recognition of vaccination certificates from a growing number of countries and reduced COVID-19 testing upon arrivals. With the easing of COVID-19 travel restrictions, international students have been able to travel more easily. While occupancy rates have not fully returned to pre-COVID-19 levels, the UK portfolio achieved a healthy, high occupancy rate of 82% for 2H2021 as compared to 63% in the corresponding period last year.

SUSTAINABILITY

It is core to Centurion's corporate DNA to operate a business with a heart. Caring for residents, the community as well as the environment, are amongst the material topics identified in Centurion's Sustainability Report.

Due to the COVID-19 pandemic, in-person engagement activities had declined, and Centurion had pivoted to keeping the spirits of residents high through virtual games and engagements. As movement restrictions for migrant workers living in dormitories progressively eased in FY2021, Centurion initiated and expanded efforts to resume leisure and social activities to pre-COVID-19 levels within and outside its workers accommodation, to uplift active living and the social wellbeing of its migrant worker residents.

One highlight of the year was the return of the popular Westlite Charity Cricket Tournament, in its fifth edition, in December 2021. The event brought together migrant workers from six Westlite Accommodation to compete within safe distancing measures in their favourite sport for cash prizes and coveted trophies. The tournament in 2021 also incorporated a charity element, where the migrant workers' play helped raise funds for HealthServe Ltd, an NGO serving the disadvantaged among the migrant worker community in Singapore.



In caring for the environment, Centurion also implemented energy-saving lights and educated residents about the importance of reducing energy consumption and water conservation. In the course of the year, GHG Emissions per person has reduced by 5%, and water consumption per resident and staff improved by 4%.

Further details can be found in the Sustainability Report section.

4. Bringing newly arrived residents on city tour in dwell UK (Manchester, UK)

5. dwell East End Adelaide outreach to potential residents once restrictions were lifted (Adelaide, Australia)

MARKET OUTLOOK

The economic recovery from COVID-19 is underway, international travel restrictions are easing, and the populations of migrant workers and students continue to expand across the geographies where Centurion operates.

The economic recovery from COVID-19 is underway, international travel restrictions are easing, and the populations of migrant workers and students continue to expand across the geographies where Centurion operates. Demand for quality workers and student accommodation is expected to recover progressively, as the workers and students return.

As the world progresses towards endemicity, operators of niche accommodation such as PBWAs and PBSAs will have to calibrate assets, spaces and operations with present and future pandemic management measures, while caring for the wellbeing of its residents, and also the environment.

WORKERS ACCOMMODATION – SINGAPORE

According to the Ministry of Manpower (“MOM”), the number of work permit holders in Singapore stood at 834,300 in June 2021, 16% lower compared to December 2019. In the same period, the number of work permit holders in the Construction, Marine and Process (“CMP”) industry sectors was 18% lower, at 304,200¹.

The numbers of migrant workforce in CMP industry sectors is gradually recovering, with the resumption of arrivals for dormitory-bound work pass holders through travel lanes. MOM is also prioritising the granting of entry approvals for migrant workers to return to Singapore after their home leave, as the CMP industries remain challenged by workforce shortages.

The reduced migrant worker numbers in Singapore is anticipated to remain a challenge, affecting demand for available PBWA beds in Singapore until the migrant worker numbers recover to pre-COVID-19 levels.

At the same time, there remains approximately 60,000 new and temporary supply of beds² which has increased the bed supply due to the pandemic. These supply, including Quick Build Dormitories (“QBD”), temporary re-purposed facilities and Construction Temporary Quarters, are expected to expire over the next few years.

New specifications for existing PBDs, which are expected to be announced in 2022, will require dormitory owners and operators to do retrofitting works and calibrate accordingly, with time and support extended by the authorities for the industry to achieve the desired state³. The Group continues to be actively engaged in dialogue with relevant Government authorities regarding these new specifications for existing PBDs as well as support needed for industry and businesses to achieve a stable transition.

Occupancy of Centurion’s five PBDs is expected to improve progressively as the migrant worker population recovers. Demand and occupancy of the four QBDs remains robust, and the two Migrant Worker Onboarding Centres which the Group began to manage from June 2021 are expected to continue contributing to the Group’s management fee and accommodation-related income in 2022.

WORKERS ACCOMMODATION – MALAYSIA

In Malaysia, headwinds remain as the migrant workforce had reduced during the pandemic, and the inflow of new workers continues to be affected by pandemic management measures⁴.

At the same time, the grace period extended by the government for employers to comply with the Workers Minimum Housing and Amenities Act (Amendment) 2019 (“Act 446”) has ended on 31 December 2021, and authorities may now conduct enforcement actions on employers who fail to provide required standards of housing for their migrant workers. Demand for well-managed Purpose-Built Workers Accommodation, which are certified compliant to Act 446, is expected to increase.

Centurion has completed the reconfiguration of the Group’s PBWA in Malaysia and all assets are in compliance with the requirements of Act 446. While portfolio bed capacity has reduced as a result of the reconfiguration, financial occupancy and rental revenue of the portfolio have remained stable, as the majority of tenancy leases are for entire apartments or housing units (“Unit”), and average rental rates per Unit have held firm.

With the added asset Westlite-PKNS Petaling Jaya in Selangor, three additional blocks completed at Westlite Tampoi, and two additional blocks in operation at Westlite Pasir Gudang, as well as certification by the local manpower authority, Jabatan Tenaga Kerja Semenanjung Malaysia, in hand, the Group’s Malaysia portfolio is well-poised to benefit from both the recovering migrant workforce and increased demand arising from Act 446.

STUDENT ACCOMMODATION – UNITED KINGDOM

The UK government is committed to develop UK as a global education hub. In its International Education Strategy launched in June 2020, the strategy aimed to sustainably increase international student numbers to at least 600,000 and drive up the value of education exports to £35 billion per year, both by 2030⁵. As at January 2022, the Higher Education Statistics Agency revealed that UK higher education providers have hit their 600,000 target a decade earlier, with 605,130 international students hosted in Academic Year 2020/2021⁶.

¹ ‘Foreign workforce numbers’, Ministry of Manpower

² Comprises Quick Build Dormitories, temporary fitting out of currently unused state properties, and construction temporary quarters

³ ‘MOM to embark on multi-year road map to build more resilient migrant workforce: Tan See Leng’, The Straits Times, 18 December 2021

⁴ ‘FMM: M’sia needs to replenish over 600,000 foreign workers by 2022 to overcome current manpower shortage’, The Edge Markets, December 2021

⁵ ‘How the International Education Strategy is championing the UK education sector overseas’, Gov.UK, October 2021

⁶ ‘UK Meets Target of 600,000 International Students Ten Years Earlier Than Planned’, Erudera College News, 25 January 2022

MARKET OUTLOOK

EXPECTED GROWTH IN BED CAPACITY IN 2022 MARKETS

	Operating Capacity (approximate no. of beds)	
	FY2021	Expected (2022)
Workers Accommodation		
Singapore	33,898	33,898
Malaysia	39,758	24,411 [^]
Student Accommodation		
UK [#]	2,808	2,807
US [*]	2,145	2,145
Australia	896	920
South Korea	208	208
Total	79,713	64,389

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

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

^{*} Centurion Overseas Investments Pte. Ltd. holds approximately 28.7% of the total number of units in the Centurion US Student Housing Fund, which acquired all six US properties

The UK has also eased COVID-19 travel restrictions, expanded recognition of vaccination certificates from a growing number of countries and reduced COVID-19 testing upon arrivals. For Centurion's UK PBSA assets, Academic Year 2021/2022 bookings have reached close to 90%, reflecting strong returning demand from both domestic students as well as international students.

For Academic Year 2022/2023 ("AY22/23"), the Russia-Ukraine crisis unfolding at the start of 2022 may deter international students from travelling to UK or Europe. As bookings for AY22/23 are expected to step up in 2Q and 3Q2022, and the situation is evolving, it is premature at time of writing to determine the magnitude of impact.

STUDENT ACCOMMODATION – AUSTRALIA

In Australia, it is estimated that up to 150,000 international students with visas are waiting to return⁷. Thousands of international students have now been allowed back into the country since the border re-opening was announced in November 2021 and the Australian share of demand from international students has recovered from 16.2% in October 2021 to 19.7% in January 2022.

To boost the recovery of the International Education industry in Australia, the Australian government has conducted extensive public consultation and announced additional investment of \$10 million for international education innovation. Barring changes to travel reopening and in-person university campus programmes, the financial occupancy of the Group's PBSA assets in Melbourne and Adelaide is expected to improve progressively over 2H2022 or Semester two of Academic Year 2022.



dwell Tenn Street Housing Fair (Florida, US)

STUDENT ACCOMMODATION – UNITED STATES

The US portfolio remains strong. Centurion's US portfolio comprises six freehold PBSAs, which are held under the Centurion US Student Housing Fund, the Group's inaugural private fund. Centurion holds approximately 28.7% of the total number of units in issue in the Centurion US Student Housing Fund and is the manager of the fund and its assets. The average financial occupancy had improved further in FY2021 and with increased and active management, the US PBSA portfolio is expected to continue to see better performance.

⁷ 'Australian Student Accommodation 2021', Savills, December 2021

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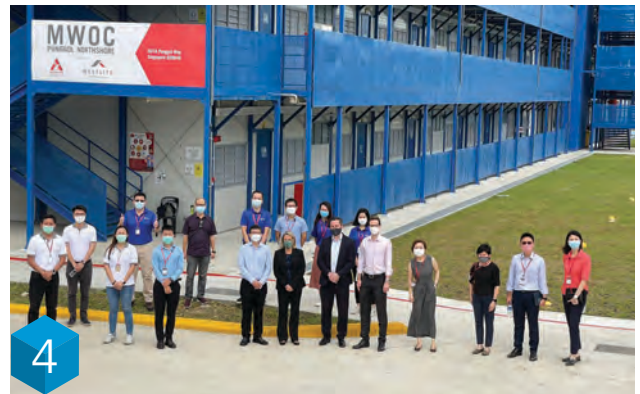
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3



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4

STUDENT ACCOMMODATION – SOUTH KOREA

In South Korea, dwell Dongdaemum has received close to full bookings for the first semester of Academic Year 2022, and demand from international students for exchange and language programmes remain robust.

The outlook for the Group’s globally diversified specialised accommodation portfolio remains positive, given the recovery in worker and student populations, and resilient demand in its asset classes. The Group will continue to closely monitor and manage the disruptions due to COVID-19 and the evolving Russia-Ukraine crisis, which may affect operating costs should energy prices increase further with the crisis.

Centurion will also continue to prudently enlarge its portfolio and expand its revenue streams, strategically and where sensible. In addition, as part of continuing efforts to rationalise its portfolio of assets, the Group will carry out a strategic review of its specialised accommodation portfolio to explore opportunities for enhancing shareholder value.

1. Residents of dwell Dongdaemum on a day trip to hilltop cafe (Seoul, South Korea)
2. Westlite Malaysia staff packing food and essentials for residents during lockdown (Johor, Malaysia)
3. Senior Minister of State, Dr Koh Poh Koon, with team and residents of Westlite Mandai (Singapore)
4. US Embassy representatives visiting MWOC Punggol Northshore (Singapore)

INVESTOR RELATIONS

PROACTIVE & TRANSPARENT COMMUNICATION

In addition to creating long-term value for stakeholders, Centurion remains committed to fostering strong relationships with all shareholders and the financial and investment communities by engaging them in regular and transparent communications. Beyond just compliance to fulfil its disclosure duties, Centurion seeks to communicate proactively and allow existing and potential investors to make informed decisions.

As a listed company, Centurion believes that its commitment to high standards of corporate governance, together with a demonstrated track record of strong performance, are instrumental to creating long-term value for shareholders. This includes practising active and timely voluntary disclosure about the Group's operations and developments. Centurion goes above and beyond to ensure that all necessary information is provided in a clear, concise and accurate manner, to shareholders and the investment community.

The Company continues to adopt high standards of transparency and regularly reaches out to existing and potential investors, analysts, media and shareholders through various communications channels and programmes such as its corporate website, corporate announcements, general meetings and outreach activities, throughout the year. The accolades awarded to the Company across the years are testament to its commitment to strong corporate governance and investor relations.

MULTIPLE COMMUNICATIONS CHANNELS

Website, Corporate Announcements and Alert Services

Centurion fully understands the need to share timely and accurate information about the Group with its shareholders and the wider investment community, to enable a transparent assessment of the company's value.

Centurion has effective systems of stakeholder communications in place, such as open dialogue channels to ensure transparency and accountability. All Centurion's corporate announcements, financial statements, press releases, publications and presentation slides are accessible from the Singapore Exchange website ("SGX") (SGX Stock Code: OJ8), Stock Exchange of Hong Kong Limited ("SEHK") (SEHK Stock Code: 6090) and its corporate website (www.centurioncorp.com.sg).

All new announcements, such as corporate developments, financial statements, news releases and presentation slides are posted on the corporate website following its release to the SGX and SEHK to ensure prompt dissemination of information to shareholders in Singapore and Hong Kong.

The website also offers an email alert service, where the public, analysts, shareholders and potential investors can sign up for notifications on the latest corporate announcements and Singapore Exchange filings.

Centurion also strives to inform and communicate its strategies and plans to investors and the wider community through various media platforms. Centurion's published news releases on its corporate developments and financial results are regularly picked up by the regional and local press, allowing the Company to effectively reach out to the wider community. Centurion will continue to improve its communication efforts to improve the stakeholders' understanding of the Company and its strategy.

ANNUAL OR EXTRAORDINARY GENERAL MEETING

Centurion holds its Annual General Meeting ("AGM") every April in Singapore, with access provided to shareholders in Hong Kong via virtual channels. Extraordinary General Meetings ("EGM") will be held, when relevant, to discuss specific issues.

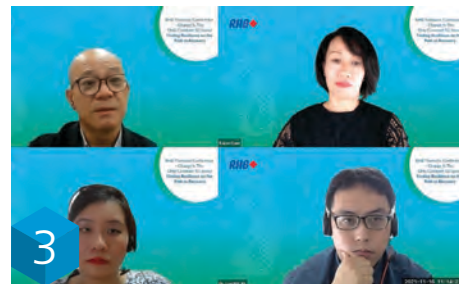
AGMs and EGMs serve as a platform for shareholders to interact with the Board of Directors and management, as well as to decide on proposed resolutions. The AGM also allows the management to share with shareholders the strategic direction of the Group and for the Board of Directors and management to address shareholders' questions or concerns.

In 2021, due to the COVID-19 pandemic, Centurion held its AGM via webcast in Singapore, with a live stream of the proceedings broadcast to shareholders in Hong Kong. Shareholders were able to submit their questions beforehand.

OUTREACH ACTIVITIES

Despite the COVID-19 pandemic, the Company understands the importance of engaging in investor relations as a regular, ongoing initiative. Under its investor relations programme, Centurion reaches out to its stakeholders through multiple platforms including half-yearly face-to-face results briefings, post-results conference calls, one-on-one and small group investor meetings, non-deal road shows and investor luncheons – to reinforce long-term relationships. Centurion utilises multiple platforms to engage investors and provide them with an in-depth understanding of the Group's business, prospects and challenges. Centurion has also expanded the outreach scope to engage with independent stock commentators and financial bloggers.

Centurion's management is committed to being accessible, and engaging both institutional and retail investors as well as analysts on a regular basis to keep them up-to-date on the Group's developments. The Group also utilises multiple platforms to do so and will continually adapt to the changing engagement landscape.



1. Centurion Management team hosting FY2021 results briefing to media and analysts (Singapore)
2. Group CEO Mr. Kong receiving token of appreciation from Ministry of Manpower for concerted efforts with various stakeholder to bring more value to residents (Singapore)
3. Centurion participating in RHB's investor conference (Singapore)

INVESTOR RELATIONS

2021/2022 INVESTOR RELATIONS CALENDAR

Over the past year, despite the challenges brought about by COVID-19, the management was able to effectively reach out to both its existing and prospective investors to raise awareness and interest in Centurion.

Date	Event
February 2021	FY2020 Results Announcement Analysts & Media Briefing via video call
March 2021	Presentation to Smartkarma institutional clients via webinar
	Presentation to Tiger Brokers retail clients via webinar
April 2021	FY2020 Annual General Meeting Held via webcast in Singapore, with access by shareholders in both Singapore and Hong Kong, and a live stream of the proceedings broadcast to shareholders in Hong Kong
May 2021	1Q2021 Business Updates Announcement
	Presentation to Hong Kong stock commentators via webinar
	Presentation at SIA-SGX Corporate Connect Webinar
June 2021	Presentation to CLSA Malaysia analysts and institutional sales team via webinar
July 2021	Presentation to CLSA institutional clients via webinar
August 2021	1H2021 Results Announcement Analysts & Media Briefing via video call
	Presentation to Phillip Securities retail clients via webinar
September 2021	Presentation to Lim & Tan Securities retail clients via webinar
November 2021	3Q2021 Business Updates Announcement
	Panellist in RHB's Thematic ESG Web Conference – Change Is The Only Constant: SG Series – Finding Resilience on the Path to Recovery
February 2022	FY2021 Results Announcement Analysts & Media Briefing via video call
April 2022	FY2021 Annual General Meeting (hybrid) Held in Singapore on a mix of physical and virtual venues, with access by shareholders in both Singapore and Hong Kong, and a live stream of the proceedings for shareholders in Hong Kong

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ANALYST COVERAGE

Coverage from analysts remains an important source of information for institutional and retail investors. We regularly engage equity research houses, allowing them to better understand the Group's business and strategic trajectory, so they can reflect accurate information in their coverage reports.

The following equity research houses provide research coverage on Centurion as at 31 December 2021:

Research House	Research Coverage	
	Rated	Non-rated
DBS Group Research	√	
RHB Research	√	
UOB Kay Hian Research	√	

COMPANY SHARE INFORMATION

	SGX	SEHK
Stock Code	OU8	6090
Bloomberg Ticker	CENT SP	6090:HK
Closing Price (As at 31 December 2021)	S\$0.33	HK\$1.88
Shares Outstanding (As at 31 December 2021)	728,810,785	111,967,839
Market Capitalisation (As at 31 December 2021)	S\$240.5 million	HK\$210.5 million
Closing Price Range (FY2021)	S\$0.325 – S\$0.37	HK\$1.84 – HK\$2.11

FEEDBACK CHANNELS

Centurion actively seeks investors' feedback by encouraging shareholders to share their views or submit their enquiries to the management.

For enquiries or feedback on Centurion, please contact:

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CARE AND CONCERN FOR COMMUNITY AND ENVIRONMENT

As a caring accommodation provider, Centurion's core mission is to provide for the physical, social and mental wellbeing of its residents. In carrying out this mission, some of the activities Centurion conducts include weekly engagement sessions in Australia to discuss wellbeing and these sessions would also be supplemented with recreational activities. In the UK, residents have access to a round-the-clock phone line for health and wellbeing support, which Centurion offers in partnership with a local governmental agency.

When movement restrictions in Singapore eased for migrant workers, Centurion took the lead in expanding efforts to resume leisure and social activities to pre-COVID levels within and outside its dormitories, to uplift active living and social wellbeing of its migrant worker residents. The activities organised include excursions to Gardens by the Bay, a Cricket Tournament which also raised funds for the community, as well as in-dormitory and virtual games to celebrate International Migrants Day.

On the path to recovery from COVID-19, Centurion will remain focused on delivering quality living environments, and uplifting the physical, social, and mental wellbeing of its resident communities.



1. dwell Tenn Street's team keeping spirits high (Florida, USA)
2. dwell The Towers on State celebrating Lunar New Year with residents (Wisconsin, USA)
3. dwell Hotwells House gifting residents a symbolic festive gift during Lunar New Year (Bristol, UK)
4. MWOC Punggol Northshore's residents welcoming US Embassy representatives (Singapore)
5. dwell Village Melbourne City bringing joy to residents with Pet a Puppy day (Melbourne, Australia)

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SUSTAINABILITY REPORT

ABOUT THIS SUSTAINABILITY REPORT

This is the Group's fifth annual sustainability report that aims to provide our stakeholders with an update on the Group's Environmental, Social and Governance ("ESG") performance. It covers the properties in our key markets namely Singapore, Malaysia, Australia, South Korea, the United Kingdom ("UK") and the United States ("USA"). Employment data for the US has been excluded from this report as headcount for properties in the US is managed by our 3rd party manager. The contents of this report are based on activities carried out from 1 January 2021 to 31 December 2021 ("FY2021"), unless otherwise stated.

This report has been prepared with reference to the "Global Reporting Initiative Standards: Core option" ("GRI Standards"). This includes adhering to the GRI principles for defining report content including sustainability context, materiality, stakeholder inclusiveness and completeness. It also complies with the Singapore Stock Exchange (the "SGX-ST") "Comply or Explain" requirements for sustainability reporting, as well as the Stock Exchange of Hong Kong Limited ("SEHK") Environment, Social and Governance ("ESG") Reporting Guide.

The Group has not sought external assurance for this report.

For further enquiries or questions relating to the report, please write to our Investor Relations contacts, as follows:

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GEORGE GOH

Investor Relations Manager
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Email: george.goh@centurioncorp.com.sg

1. *dwell Tenn Street prepared road trip care packs for residents before move out day (Florida, USA)*
2. *dwell UK celebrating Halloween with traditional Jack o Lantern carving (Manchester, UK)*
3. *Westlite Tuas Avenue 2 residents participating in pilot trip to Little India organised by Ministry of Manpower (Singapore)*
4. *Westlite Cricket Tournament (Singapore)*

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SUSTAINABILITY REPORT

BOARD STATEMENT

It is part of Centurion's corporate DNA to operate a business with a heart. Beyond providing a bedroom unit, we want to provide an estate for residents to enjoy and a community that is inclusive and engaging. Hence Centurion is constantly looking to create opportunities for residents to mix and mingle and integrate.

We believe that physical, social, and mental wellbeing ride on being able to have an active life beyond work. Hence in a non-pandemic year, we would regularly organise social activities to help residents feel welcomed and create opportunities for them to forge friendships with one another. The programmes would include excursions to places of interest, inter-dormitory sporting events and competitions like cricket tournaments. We would also provide mental wellness support and access to help through hotlines.

It is also important to help worker residents integrate with the communities in Singapore. Prior to COVID-19, we would provide language support classes and organise volunteerism activities. For example, at Westlite Toh Guan some residents would participate in the neighbourhood police patrol, and at ASPRI-Westlite Papan, residents would join university students to help paint hospitals with painting and cleaning of its communal areas and also participate in Marina Bay Run to raise funds for the Singapore Community Chest.

The COVID-19 pandemic has placed tremendous pressures on our migrant worker residents, not least in limiting their leisure activity with their friends and community. Hence when movement restrictions had eased towards the end of 2021, Centurion took the lead in organising a slate of festive activities for its residents, including bringing back the popular Cricket Tournament albeit at a smaller scale to comply with safe distancing requirements, excursions to Gardens by the Bay, and a weekend filled with events and celebrations to commemorate International Migrants Day.

Centurion is also a leading provider of quality worker and student accommodation. While we were not spared from effects of COVID-19, we were able to implement pandemic management measures quickly because of, amongst other reasons, the agile formats of our purpose-built accommodation.

As we redefine our developments to address new living specifications, we will continually mould our spaces to be more ready for 'dual or multiple use' during a pandemic, including the ability to convert spaces into temporary living quarters or for isolation purposes in the shortest possible time.

Future retrofitting of existing accommodations to meet new living specifications may open possibilities to also create greener buildings. For instance, there could be opportunities to install more renewable energy options for utilisation, explore further digitalisation of processes, and discover solutions in the monitoring of our utility consumption.

Regardless, it will take joint efforts from the entire ecosystem to raise forward momentum in sustainability issues. Centurion will continue to collaborate closely with the government and healthcare authorities, to build resilience against future pandemics, as well as industry partners to build a sustainable future.

Yours faithfully,
For and on behalf of the Board

HAN SENG JUAN
LOH KIM KANG, DAVID
Joint Chairmen



1. Westlite Singapore partnered with various industry stakeholders to hold Cricket Tournament for residents (Singapore)

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1. OUR APPROACH TO SUSTAINABILITY

i. SUSTAINABILITY GOVERNANCE STRUCTURE

Centurion’s Board considers ESG topics as part of strategy formulation. The Board has oversight of the management and implementation of sustainability strategies relating to the material ESG factors and stakeholder engagement. It also monitors and tracks the Group’s sustainability performance and progress through periodic reviews. The Board is supported by a sustainability taskforce, which is chaired by the CEO and comprises the Investor Relations team as well as the heads of different business units.

Board of Directors

- Identify, assess, and prioritise material ESG topics
- Oversee the management and implementation of sustainability strategies relating to material ESG factors and stakeholder engagement
- Monitor and track Group’s sustainability performance and progress periodically



Sustainability taskforce

- Chaired by CEO and comprising the Investor Relations team and heads of different business units

ii. OUR MATERIAL SUSTAINABILITY TOPICS

We adopt a proactive approach in identifying, mitigating, and managing our key business risks, taking into consideration our stakeholders’ views to determine the economic, environmental, and social topics which have the largest impact on our business. In addition, we leveraged our enterprise risk management framework to consider a wide range of potential risks.

In 2021, we reviewed the material topics that we first identified in our 2017 Sustainability Report. After considering the changing business landscape, emerging global and domestic trends, regulatory development, as well as stakeholders’ opinions, we believe that the topics remain relevant and therefore we have not made any significant changes in the topics covered in this year’s report. These topics have been signed off by the Board. Centurion also aligned our material topics with the United Nations Sustainable Development Goals (“SDG”s), which were launched in 2015 as a call to action to address global priorities by 2030.

An overview of our material topics is provided in the table below.



1. Westlite Malaysia residents celebrating Deepavali (Johor, Malaysia)
2. Volunteers, stakeholders and residents at Westlite Cricket Tournament (Singapore)

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iii. MATERIAL ESG FACTORS, BOUNDARIES, DISCLOSURES AND TARGETS

MATERIAL ESG FACTORS			
MATERIAL TOPICS	OUR INVOLVEMENT	TARGETS FOR 2021	CHAPTER COVERED
Economic			
ECONOMIC PERFORMANCE	Direct	<ul style="list-style-type: none"> Maintain consistent rate of return Grow recurring (sustainable) profits and cash flow 	Economic Contributions
INDIRECT ECONOMIC IMPACTS	Direct and Indirect	<ul style="list-style-type: none"> Continue to contribute positively to local economies Continue our existing Corporate Social Responsibility initiatives for residents and local communities 	Caring for our Residents and the Community
ANTI-CORRUPTION	Direct	<ul style="list-style-type: none"> Maintain zero confirmed incidents of corruption 	Ethics and Compliance
Environmental			
ENERGY	Direct	<ul style="list-style-type: none"> Reduce or maintain the current average electricity consumption per person (employee and resident) 	Environmental Performance
WATER	Direct	<ul style="list-style-type: none"> Reduce or maintain the current average water consumption per person (employee and resident) 	Environmental Performance
GREENHOUSE (GHG) EMISSIONS	Direct	<ul style="list-style-type: none"> Reduce GHG emissions intensity per person in 2022 	Environmental Performance
Social			
ATTRACT, DEVELOP AND RETAIN TALENT	Direct	<ul style="list-style-type: none"> Attract a diverse pool of talent Maintain employee turnover at par or below benchmark average Provide opportunities for ongoing training 	Talent Attraction, Development and Retention
OCCUPATIONAL HEALTH AND SAFETY	Direct and Indirect	<ul style="list-style-type: none"> Achieve zero accidents 	Health and Safety
CUSTOMER HEALTH AND SAFETY	Direct	<ul style="list-style-type: none"> Achieve zero accidents 	Health and Safety
LOCAL COMMUNITIES	Indirect	<ul style="list-style-type: none"> To increase engagement with residents by 10% 	Caring for our Residents and the Community
SOCIO-ECONOMIC COMPLIANCE	Direct	<ul style="list-style-type: none"> Maintain no incident of non-compliance with relevant regulatory standards 	Ethics and Compliance

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iv. STAKEHOLDER ENGAGEMENT

To ensure sustainable growth of our business, it is crucial for us to establish trusted relationships with both our internal and external stakeholders.

Our primary stakeholders are groups or individuals who are affected by our business decisions or possess the ability to affect our operations. By ensuring ongoing communication with relevant stakeholders, we can understand their needs, expectations, concerns, and respond effectively. Stakeholder feedback also helps us in identifying our material ESG factors and priorities.

Centurion adopts a proactive approach in engaging our stakeholders. We have summarised the information on our significant stakeholders, how we engage with them, the frequency of such engagements, their key concerns, and our responses in the table below.

OUR STAKEHOLDERS	HOW WE ENGAGE AND FREQUENCY	KEY CONCERNS & EXPECTATIONS	OUR RESPONSE
GOVERNMENT & REGULATORS	<ul style="list-style-type: none"> Senior management representation on board of various industry bodies Quarterly Announcements on SGX and SEHK Interim Reports Annual Reports Sustainability Reports Ongoing dialogue 	<ul style="list-style-type: none"> Workplace health and safety Regulatory compliance Sharing of industry best practices 	We keep ourselves abreast of the prevailing rules and legislations through regular trainings, public seminars, and consultation with external professionals.
CUSTOMERS (INCLUDING RESIDENTS)	<ul style="list-style-type: none"> Annual Customer and Resident Surveys Interim Reports Annual Reports Website and Social Media Resident Life Events Resident Ambassador Programme MyMA app dwell app Dormitory PA system WhatsApp hotline chat group 	<ul style="list-style-type: none"> Safe and clean living environment Customer service and experience Affordable quality accommodation Timely physical and emotional support during COVID-19 pandemic 	<p>We engage customers and residents via regular social settings or through activities such as the Westlite Charity Cricket Tournament at Turf City on 18 December and the Blossoms of Friendship monthly guided tours.</p> <p>Additionally, official channels to provide formal feedback are available in all our offices across different locations.</p> <p>Based on the feedback received via Feedback Forms, we have added several new facilities for our worker residents.</p> <p>In addition, we have also introduced various digital platforms to maintain constant communication with our residents as well as provide entertainment and support during the pandemic as residents were required to remain in their apartments at all time.</p> <p>This includes MyMA app, Facebook Live events as well as Zoom Resident activities.</p>

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OUR STAKEHOLDERS	HOW WE ENGAGE AND FREQUENCY	KEY CONCERNS & EXPECTATIONS	OUR RESPONSE
EMPLOYEES	<ul style="list-style-type: none"> Set up Centurion "Happy Committee" – an interdepartmental committee that organises company-wide activities to foster work-life balance and reinforce team spirit Well-structured and open annual performance appraisal system to link performance with remuneration Ongoing training and education opportunities Flexible work arrangements for Safe Work Management during the COVID-19 pandemic 	<ul style="list-style-type: none"> Competitive remuneration and benefits Career development and training opportunities Ethics and conduct Job security Work-life balance Corporate direction and growth plans To enable a safe and healthy work environment during the pandemic crisis. 	<p>We provide a conducive, open and transparent environment at our workplace. We gather feedback from employees during both formal appraisals and informal social gathering or communication sessions.</p> <p>We also promote cross-functional training to continuously improve skills and knowledge of our staff through trainings like Brand Workshop and Lunch and Learn sessions.</p> <p>In addition, we frequently conduct employee opinion surveys, which gave us a better understanding of our staff morale, satisfaction, and engagement. The survey results are used to:</p> <ul style="list-style-type: none"> Recognise skilled leaders who engage our staff in a positive way Improve our existing policies Address issues that demotivate staff, compromise customer satisfaction or weaken staff performance.
INVESTORS AND SHAREHOLDERS	<ul style="list-style-type: none"> Annual General Meeting and Extraordinary General Meeting Quarterly Financial Results and Presentations Interim Reports Annual Reports Regular analyst and media meetings Investor meetings and calls Corporate Website 	<ul style="list-style-type: none"> Business and Growth strategies Acquisitions and Divestments Risk Management Corporate governance Economic performance 	<p>We are committed to adhere to the guidelines under the Singapore Code of Corporate Governance 2018, SEHK Corporate Governance Code, and the current Listing Rules or legislations to ensure transparency and timely dissemination of all material information to our investors and shareholders.</p> <p>Due to COVID-19 travel and physical meeting restrictions, our AGM was held electronically in April 2021.</p>
SUPPLIERS	<ul style="list-style-type: none"> Tenders Evaluations Annual reviews 	<ul style="list-style-type: none"> Consistent business Clarity of specifications Timely payments 	<p>We have implemented comprehensive policies and processes for the good governance of our procurement system. Furthermore, we regularly engage with our key suppliers to understand and address their concerns in a timely manner.</p>

v. MEMBERSHIPS AND ASSOCIATIONS

Centurion is a member of several groups and associations, which allows it to keep abreast of industry and sustainability trends. They include:

- Association of Process Industry (ASPRI)
- Association of Singapore Marine Industries (ASMI)
- Dormitory Association of Singapore Limited (DASL)
- Federation of Malaysian Manufacturers (FMM)
- Student Accommodation Association Australia (SAAA)
- Singapore Business Federation (SBF)
- Singapore Institute of Directors (SID)
- Singapore Manufacturing Federation (SMF)
- Singapore National Employer Federation (SNEF)

vi. SUPPLY CHAIN

We engage suppliers to provide a range of services associated with the management and operation of our workers and student accommodation, including cleaning, security, pest control, utility services, provision of furniture and equipment, construction, renovation and other repair and maintenance services. We also engage third-party operators to provide management and administration services for the US portfolio for the entire year 2021.

Suppliers for our optical disc business are mainly providers of raw materials for our optical disc production such as polycarbonate resins, aluminium targets, UV lacquer and DVD bonder.

Our operations team is responsible for ensuring quality control over the selection and performance of our suppliers.

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New suppliers are required to be evaluated and approved by the dormitory manager and a finance officer before they are added to the approved vendor list. Our suppliers are scored based on their track record of similar scale or capacity projects, financial capabilities, pricing, and quality of performance.

We review and assess our suppliers on an annual basis. Our review and assessment parameters include quality of service provided by the suppliers during the past contract term; overall performance of the suppliers' services; random checks of the services provided; and reviewing the background and eligibility of the suppliers, including their latest business licence and other relevant operation permits. Our property management team monitors the performance of our suppliers.

vii. HUMAN RIGHTS

We are committed to protecting and upholding internationally-accepted human rights principles set by organisations such as the International Labour Organisation and Responsible Business Alliance, and applicable local laws in our business and supply chain such as the prevailing Department of Labour Peninsular Malaysia (JTKSM) regulatory requirements.

Our policies prohibit child labour, forced labour, slavery, discrimination and violation of freedom of association. There were no incidents of human rights violations in our business operations in the reported period.

2. ETHICS AND COMPLIANCE

Centurion upholds high standards of integrity, transparency, and accountability in our business, and we comply with regulations in the markets that we operate in. We seek to foster a culture of compliance, good corporate governance, and ethical behaviour with our stakeholders to build trust and credibility.

i. CODE OF BUSINESS CONDUCT

The Group has a comprehensive Code of Conduct on issues such as rules of engagement, client confidentiality, work conduct, discipline, grievance, sexual or workplace harassment, and the handling of corporate or individual gifts. The Code of Conduct aims to guide our employees when dealing with any of the aforesaid matters.

ii. WHISTLE BLOWING POLICY

Our Whistle Blowing policy overseen by our Audit Committee also encourages our officers, employees, suppliers/contractors, consultants, and customers to provide information that proves unsafe, unlawful, unethical, fraudulent, or wasteful practices. We also take measures to protect the whistle-blower from retaliation, harassment, adverse employment consequences or any other discriminatory acts.

iii. ANTI-CORRUPTION

The Group maintains a zero-tolerance policy against bribery or corruption, which covers employees, business associates, customers, third-party service providers or vendors. The Anti-Corruption Policy has been disseminated to all employees, and a copy is also published on the Group's website. There were no incidents of bribery and corruption within the reporting period.

As an additional disclosure, the Group confirms that it has not provided monetary incentives or its equivalent to any politically-exposed person or their political parties to secure any contracts or tenders. We have also not made any political contributions in all the countries where we operate.

iv. SOCIOECONOMIC COMPLIANCE

The Group remains committed to ensuring legal compliance in all aspects of our business and upholding high standards of ethical business conduct. We operate our business in a lawful manner and in accordance with applicable socioeconomic regulations in Singapore and overseas. Our management policies ensure compliance with relevant legislation and industry standards including corporate governance, taxation, environmental health and safety and human rights, advertising, labelling and protection of data and privacy.

There were no incidents of non-compliance with laws and regulations in the social and economic area in the reported period.

3. ECONOMIC CONTRIBUTIONS

Centurion seeks to achieve sustainable economic growth and provide strong returns to our stakeholders. Long-term profitability and shareholder value are ensured by considering the interests of stakeholders such as shareholders, employees, suppliers, and society.

We contribute to the economy through our various operations along the supply chain. One key contribution is the creation of jobs. We prefer to hire local talent in the markets where we operate our residential services. We also support local suppliers and contractors in our procurement of goods and services which in turn, support jobs in our local communities.

We actively support local community programmes through donations and financial assistance to several voluntary welfare organisations in Singapore. For more information on our contributions to the communities where we operate, see section on Caring for Our Residents and the Community on page 61.

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i. FINANCIAL PERFORMANCE

The Group's revenue increased 11% YOY to S\$143.0 million in FY2021. The growth in revenue for both periods was driven by an expansion of Purpose-Built Workers Accommodation ("PBWA") portfolio capacity in Singapore and Malaysia since the fourth quarter ended 31 December 2020, as well as a steady recovery of occupancies in the Group's Purpose-Built Student Accommodation ("PBSA") assets in the United Kingdom.

In Singapore, the financial occupancies at all four Quick Build Dormitories are ramping up well. Income derived from operating two Migrant Workers Onboarding Centres ("MWOCs") and accommodation-related or ancillary services also boosted revenue. In Malaysia, revenue growth was driven by new capacity added since 4Q2020 from Westlite-PKNS Petaling Jaya in Selangor and one block in Westlite Pasir Gudang in Johor.

In the PBSA segment, financial occupancy for the UK portfolio had recovered substantially as students gradually returned to their university campuses for face-to-face learning. The financial occupancy also improved in South Korea from 29% in FY2020 to 66% in FY2021. However, the financial occupancy in Australia remains curtailed by COVID-19 travel restrictions, with the impact greater in Melbourne than in Adelaide. Overall, in Australia, financial occupancy declined from 54% in FY2020 to 26% in FY2021.

Distribution, administrative and finance expenses reduced 3% YOY to \$44.5 million, as the Group continued to focus on mitigating the impact of disruptions due to COVID-19 by enhancing operational efficiencies and managing costs, aided by a lower interest rate environment in 2021.

Separately, compared to a net valuation loss of S\$27.6 million in FY2020, the Group recorded a lower net valuation loss of S\$3.1 million in FY2021, mainly due to improvements in the valuation of the Group's UK PBSA portfolio.

As a result, the Group's net profit attributable to equity holders of the Company, including the impact of valuation changes increased S\$35.5 million or 207% from S\$17.2 million to S\$52.7 million in FY2021. Excluding the impact of valuation changes, core business profit attributable to equity holders increased 13% from S\$41.3 million to S\$46.5 million in FY2021.

For more details, on the Group's financial performance and business risk, please refer to the Group's "Financial Review" found on pages 34 to 37. For challenges and opportunities, please refer to our "Letter to Shareholder" by Joint Chairmen and CEO's statement from pages 06 to 09 in the Annual Report 2021.

TOTAL ECONOMIC VALUE
GENERATED FOR FY2021¹

S\$156.2
MILLION

TOTAL ECONOMIC VALUE
GENERATED FOR FY2020¹

S\$140.6
MILLION

OPERATING COSTS
FOR FY2021

S\$36.4
MILLION

OPERATING COSTS
FOR FY2020

S\$29.5
MILLION

EMPLOYEE WAGES AND
BENEFITS FOR FY2021

S\$25.5
MILLION

EMPLOYEE WAGES AND
BENEFITS FOR FY2020

S\$23.5
MILLION

PAYMENTS TO PROVIDERS OF
CAPITAL FOR FY2021

S\$26.9
MILLION

PAYMENTS TO PROVIDERS OF
CAPITAL FOR FY2020

S\$23.3
MILLION

PAYMENTS TO GOVERNMENTS
INCLUDING ROYALTIES AND TAXES
FOR FY2021

S\$12.9
MILLION

PAYMENTS TO GOVERNMENTS
INCLUDING ROYALTIES AND TAXES
FOR FY2020

S\$12.5
MILLION

COMMUNITY INVESTMENT
FOR FY2021

S\$344
THOUSAND

COMMUNITY INVESTMENT
FOR FY2020

S\$583
THOUSAND

TOTAL ECONOMIC VALUE
DISTRIBUTED FOR FY2021²

S\$101.8
MILLION

TOTAL ECONOMIC VALUE
DISTRIBUTED FOR FY2020²

S\$88.8
MILLION

TOTAL ECONOMIC VALUE
RETAINED FOR FY2021³

S\$54.5
MILLION

TOTAL ECONOMIC VALUE
RETAINED FOR FY2020³

S\$51.8
MILLION

1. Total economic value generated include Revenue, share of associated companies and joint venture results (from potential dividend income), other income and other gains/(losses).
2. Total economic value distributed include Operating costs (excluding property tax), employee compensation (wages, salaries and benefits), taxes including property tax paid to government, finance expenses including interest on borrowings and dividend to shareholders.
3. Total economic value retained should be the difference between total economic value generated less total economic value distributed.

SUSTAINABILITY REPORT

4. CARING FOR RESIDENTS AND THE COMMUNITY

As a leading player in the workers' and student's accommodation business, our core business philosophy is to provide a safe and conducive housing environment and we strive to meet and go beyond the housing needs of workers and students. In addition to taking care of their accommodation needs, Centurion wants to provide a home away from home for these mobile populations who are living abroad and away from their family and friends.

i. ENGAGING OUR RESIDENTS

In FY2021, COVID-19 movement restrictions began to ease as vaccination rates rose. The Group thus seized the opportunity and expand efforts to resume leisure and social activities to pre-COVID levels within and outside its dormitories, to uplift active living and social wellbeing of its migrant worker residents. Hence the number of events organised have increased by 1% despite restrictions from COVID-19 management. Average attendees per event have increased by 70% due to proactive recruitment for event participation across assets.

This was carried out with a three-pronged approach:

- Supporting and enabling residents to go out of their dorms to Recreation Centres and community areas for leisure;
- Stepping up leisure activities and festive celebrations;
- And organising excursions and events for our residents, in public venues and attractions outside the dormitories, such as the upcoming annual Westlite Charity Cricket Tournament at Turf City on 18 December, and visits to iconic Singapore destinations like Gardens by the Bay.

ACTIVITIES FOR RESIDENTS IN 2021

No. of programmes/events organised for workers	175 (▲ 21%)
No. of worker residents benefitting from programmes/events (workers)	100,163 (▲ 85%)
No. of programmes/events organised for Students	912 (▼ 1%)
No. of student residents benefitting from programmes/events (students)	8,133 (▲ 9%)

ii. HIGHLIGHTS OF PROGRAMMES CONDUCTED FOR OUR WORKERS RESIDENTS

• EXCURSION TO GARDENS BY THE BAY

Kicking off its International Migrants' Day activities, over 200 migrant workers residing in Westlite Tuas Avenue 2 enjoyed a visit to Gardens by the Bay on 13 December. The excursion was jointly organised by The Salvation Army, TOUCH International, Gardens by The Bay and Westlite Accommodation, with the support of Ministry of Manpower and Corporate Alliance for Good.

The outing marked the launch of Blossoms of Friendship, an initiative by The Salvation Army, TOUCH International and Gardens by the Bay to strengthen the mental wellbeing of migrant workers living in dormitories as well as forge friendships among migrant workers and local volunteers. Blossoms of Friendship is a continuing effort by the partners, with monthly guided tours planned to continue into 2022.

• WESTLITE CHARITY CRICKET TOURNAMENT 2021

Westlite Accommodation brought back the popular Westlite Inter-Dormitory Cricket Tournament ("Tournament"), held at Turf City on 18 December. In its 5th edition, the Tournament brought together 24 migrant workers from six Westlite Accommodation dormitories (ASPRI-Westlite Papan, Westlite Jalan Tukang, Westlite Juniper, Westlite Mandai, Westlite Toh Guan and Westlite Woodlands) to compete in their favourite sport, for S\$2700 in cash prizes and coveted trophies.

Uniquely, the Tournament incorporated a charity element, where the migrant workers' play helped raise funds for HealthServe Ltd, an NGO serving the disadvantaged among the migrant worker community in Singapore. Centurion also started the fund-raising with a cash donation of S\$10,000 and invites its employer-customers, corporate partners and the public to join in supporting Healthserve Ltd. Through this charity drive, Westlite Accommodation raised a total of S\$44,348.

Through this charity drive, Westlite Accommodation hopes to extend care and concern beyond its own residents, to the wider community of migrant workers in Singapore.

• IN-DORMITORY & VIRTUAL GAMES FOR INTERNATIONAL MIGRANTS DAY

In FY2021, Westlite Accommodation re-opened its workers' accommodation communal facilities such as gyms and recreation rooms. It has also resumed organising weekend events and festive celebrations across all the five Purpose-Built Dormitories and four Quick Build Dormitories managed under the Westlite Accommodation brand, providing more leisure activity choices to over 28,000 workers residents of over 1,000 employers.

On 19 December, as part of International Migrants Day celebrations within its dormitories, Westlite Accommodation gave care packs to all residents, on top of organising games and promotions within our dormitories. Furthermore, virtual games and competitions were organised on the Group's MyMA mobile app, celebrating International Migrants Day and throughout the December festive period.

With these programmes, and continuing efforts in providing for the leisure needs of its resident community, Centurion is committed to delivering quality living environments, resident support services and active social calendars for the physical, social, and mental wellbeing of its resident communities.

SUSTAINABILITY REPORT

iii. HIGHLIGHTS OF PROGRAMMES CONDUCTED FOR OUR STUDENT RESIDENTS

• ACTIVITIES PROMOTING HEALTH AND WELLBEING

To promote the health and wellbeing of our student residents in consideration of social distancing requirements, our staff organised Wellness Wednesday in Australia, with weekly topics discussing physical, mental, financial and social wellbeing and was supplemented with virtual yoga, meditation and cooking classes to enhance the resident's overall wellbeing. Workshops to assist residents to prepare Resume & ace job interviews and cultural awareness programmes were also rostered to uplift the student's residents health and wellbeing.

• PARTNERING WITH ORGANISATIONS AND WELFARE GROUPS

In the UK, in partnership with Health Assured, a Mental Health support programme was also available for student residents to join and learn.

In South Korea, 2021 was the year to help children in need. To that end, dwell organised a charity event for children and would also give the residents a valuable experience before they leave South Korea. In total, South Korea raised 1,780,000 KRW.

5. ENVIRONMENTAL PERFORMANCE

Centurion is cognisant that climate change and resource scarcity are pressing global issues that will demand a coordinated response from governments, companies, and individuals. Centurion is a responsible company that is committed to mitigating these environmental issues over the long run.

The main sources of environmental impact from our operations comes from the use of energy and water, greenhouse gas emissions as well as the generation of waste. The Group has therefore put in place plans and targets to minimise our environmental footprint in the aforementioned areas.

The Group is complied with all applicable environmental laws and regulations in our business activities. In 2021, there were no significant incidents of non-compliance with environmental laws and regulations resulting in significant fines or non-monetary sanctions in the reported period.

We also believe that our employees as well as residents, both workers and students, can play an important role in reducing their impact on the environment by adopting more sustainable lifestyles. Our approach is to educate them by engaging with them to promote environmental awareness.

i. ENERGY & GHG EMISSIONS

The main source of energy we use in our properties is purchased electricity. Reducing non-renewable energy use not only helps mitigate climate change but lowers the cost of our operations. Centurion is therefore committed to reducing or maintaining its current average electricity consumption per person for both employees and residents. We track and monitor our electricity consumption to identify opportunities for improving energy

efficiency. Where possible, we install energy efficient lighting and equipment to minimise energy consumption. We strive to use energy-efficient mechanical and electrical equipment that helps us reduce operational cost. We create naturally ventilated circulation spaces within confined spaces, such as covered car parks, common corridors, and accommodation units, to reduce reliance on electricity use. We are also actively exploring the feasibility of using renewable energy at our properties to further reduce our carbon footprint.

Some of the energy-saving initiatives we have implemented include:

- Refurbishment of our properties in Australia, the US and UK to include more energy saving fixtures such as LED lighting, sensors and auto-switches which turn off lights and fans when not in use
- Lifts that operate on a variable voltage and frequency motor drive with sleep mode features
- Energy-efficient air-conditioning, LED lights and certified water fittings
- Use of sunshade and tinted glazing to minimise energy usage related to air-conditioning
- Minimise west-facing facades and the number of windows facing the afternoon sun, and channel wind to the inner spaces to minimise the use of energy
- Installation of timer-controlled LED light fittings with alternate circuits, which are designed to regulate electricity consumption at common areas during different times of the day in our PBWA and PBSA assets
- Worker dormitories that are parted by walls with an opening at the top to allow cross ventilation
- Use of paint with low volatile organic compounds for internal spaces and enamel paint for common walkways to minimise maintenance cleaning
- Solar panels at our ASPRI-Westlite Papan workers dormitory in Singapore harvested energy which accounted for 9% of total energy used in the dormitory. This initiative helped reduce our carbon footprint by a third and will lower the cost of operations by S\$200,000 over the next 20 years.
- Utilising power that would turn on or off automatically in common areas

In 2021, Centurion recorded an overall 1.7% increase in energy usage to 27,817 MWh, mainly due to the PBWA segment as there were ongoing asset enhancement initiative works and retrofitting works carried out in Malaysia. The increase was offset by lower energy consumption in the PBSA segment due to improved energy consumption efficiency in the South Korea, the UK and the US. In Australia, an ongoing campaign is being conducted to encourage residents to be conscious of electricity consumption for lights and air conditioning. With active implementation of energy conservation efforts, emissions intensity per person reduced by 0.03% to 334.1 kg per person from 334.2 kg in 2020.

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ii. ELECTRICITY CONSUMPTION AND SCOPE 2 EMISSIONS

	FY2021	FY2020	FY2019	FY2018
Electricity consumption (MWh)	27,817	27,344	28,389	26,632
Energy used from electricity consumption (GJ)	99,944	99,062	101,999	95,876
Average kWh electricity consumption per person (employees and residents)	642	673	695	607*
Indirect GHG Emission (Scope 2) – Tonnes CO ₂ e	14,465	13,689	12,694	13,240
Average kgCO ₂ emission per person (employees and residents)	334	334	289	301*
Water consumption (m ³) [^]	3,165,218	3,016,914	2,909,650	2,818,414
Water intensity (m ³ /person)	73	74	66	64*

Note: Emission factors used for the calculation of 2020 emissions is based on country specific emissions factors. This includes the IGES List of Grid Emission Factors updated on 21 October 2021 for South Korea, Malaysia and Singapore (Institute for Global Environmental Strategies, version 10.11. <https://pub.iges.or.jp/pub/iges-list-grid-emission-factors>), The National Greenhouse Accounts Factor published in October 2020 by the Australian Government, the UK Government GHG Conversion Factors for Company Reporting, version 2.0 by the UK Department for Business, Energy and Industry Strategy, and the Emission Factors for Greenhouse Gas Inventories (September 2021) by the U.S. Environmental Protection Agency for the United States.

* Figures for FY2020 have been adjusted using the calculation methodology for FY2021

[^] Exclude water consumption data for some PBWA assets where residents are responsible for their own utility bill; water consumption in the UK and the US are unmetered and hence the water consumption data is estimated

iii. WATER

Water is a valuable natural resource that must be conserved. Centurion aims to reduce or maintain its current average water consumption per person for both employees and residents. All of our water supply comes from public utilities and the Group faces no issues in sourcing water that is fit for purpose.

We closely monitor water use intensity (water used per person) and prevent water wastage by ensuring preventive maintenance of water fittings and pipes. We have also installed thimbles on taps to reduce water flow. Our PBWA properties are compliant with the Public Utilities Board's (PUB) Water Efficient Building (Basic) Certification and we have been recognised by PUB for having the lowest water consumption in the PBWA industry in Singapore.

To further reinforce the message of water conservation, the Group highlights this as part of the induction process for new residents, and has developed permanent signages in bathroom and kitchen areas. Overall water consumption per resident and staff improved by 4% to 73m³ despite an increase of 5% in overall water consumption to 3,165,218m³

In Singapore, we also implemented in Singapore is the use of spot cleaning using mop and hose instead of water jet to reduce consumption. Water jet cleaning for common areas was also reduced to twice a year instead of quarterly. However overall consumption of water grew by 13% due to the two additional Quick Build Dormitories becoming operational.

Water consumption reduced in Australia despite a reduction in occupancy largely due to Adelaide where water consumption decreased by 54% with an ongoing Green campaign which educates residents to take shorter showers. Water consumption

in Malaysia also decreased by 1.36% despite the addition of one new dormitory in Selangor. Water efficiency in South Korea improved by 40% despite a spike in occupancy, due to effective campaigns to educate residents to take shorter showers.

iv. WASTE

Centurion is committed to disposing of waste generated at our assets in accordance with local regulations. General waste is disposed of through licensed contractors. Our operations do not generate hazardous waste. We have implemented an internal recyclables programme to encourage residents to separate containers, paper and cardboard from general waste.

In FY2021, overall paper consumption has increased due to increase in occupancy. However, paper consumption for PBWA in Singapore improved due to the shift of communication to digital app from physical print outs. Our office in Singapore had also shifted to digital administration processes, thus reducing use of paper. However, Non-hazardous waste in Singapore dormitories are very high due to lock down and daily delivery of take-away meals.

In Australia, the number of days of waste bin collection has been reduced to encourage residents to be prudent of waste disposals, and thus reducing non-hazardous waste.

6. TALENT ATTRACTION, DEVELOPMENT AND RETENTION

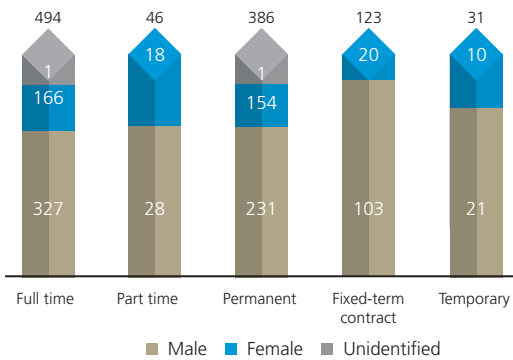
People are the core of our business at Centurion. Our employees play an important role in our goal to provide a home away from home for our student and workers residents. The Group is committed to promoting a cohesive, diverse, skilled and high performing workplace. We aim to attract a diverse pool of talent for our workforce and maintain employee turnover at par or below benchmark average.

SUSTAINABILITY REPORT

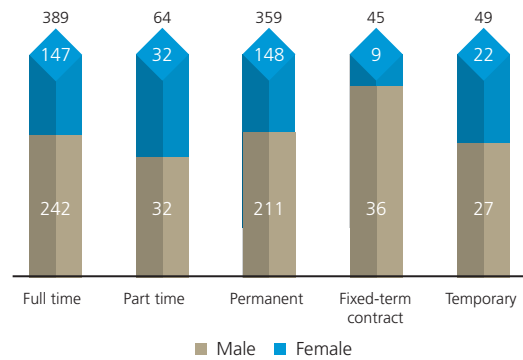
i. EMPLOYEE PROFILE

At the end of FY2021, the Group had a total headcount of 540. Approximately half of our workforce was based in Singapore.

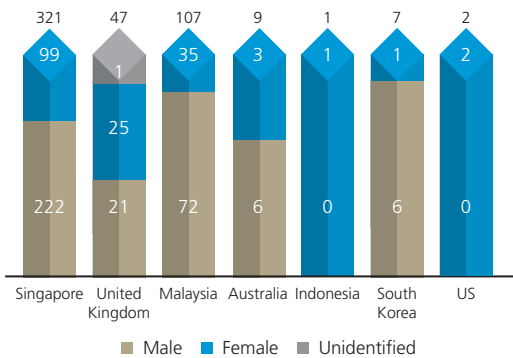
TOTAL NUMBER OF EMPLOYEES BY CONTRACT TYPE AND GENDER – 2021



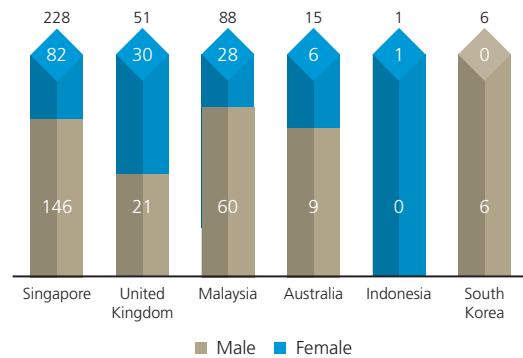
TOTAL NUMBER OF EMPLOYEES BY CONTRACT TYPE AND GENDER – 2020



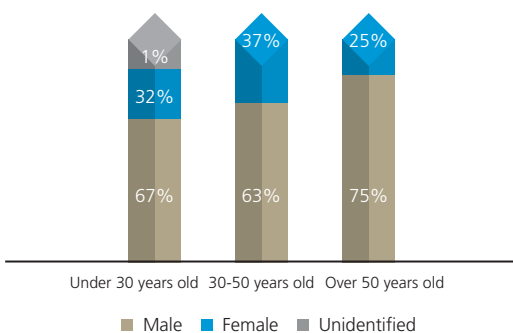
TOTAL NUMBER OF EMPLOYEES BY GEOGRAPHY AND GENDER – 2021



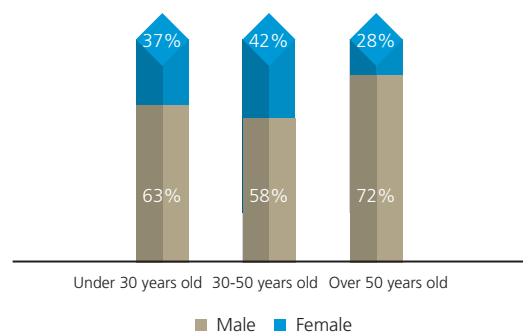
TOTAL NUMBER OF EMPLOYEES BY GEOGRAPHY AND GENDER – 2020



PERCENTAGE OF EMPLOYEES BY AGE GROUP AND GENDER – 2021

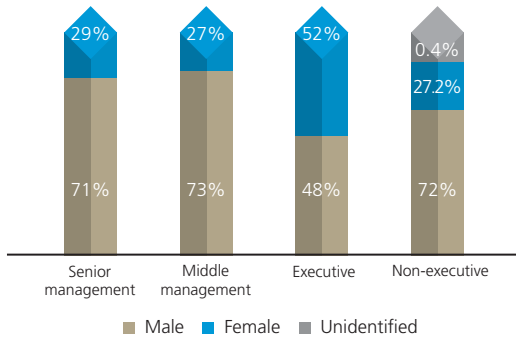


PERCENTAGE OF EMPLOYEES BY AGE GROUP AND GENDER – 2020

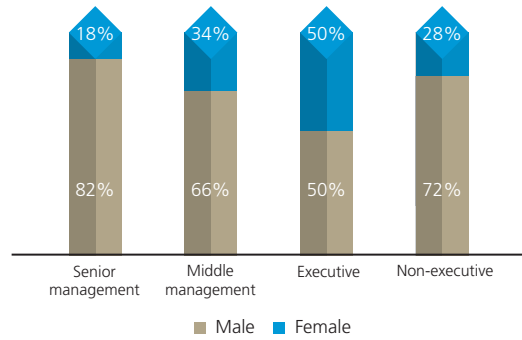


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**PERCENTAGE OF EMPLOYEES BY
EMPLOYEE CATEGORY AND GENDER – 2021**



**PERCENTAGE OF EMPLOYEES BY
EMPLOYEE CATEGORY AND GENDER – 2020**



NUMBER AND RATE OF NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

2021				
	Number of new hires	Rate of new hires	Number of turnovers	Rate of turnovers
Age Group				
Under 30 years old	120	22%	71	13%
30 – 50 years old	135	25%	97	18%
Over 50 years old	17	3%	19	4%
By Gender				
Female	76	14%	58	11%
Male	195	36%	129	24%
Unidentified	1	0.4%	0	0
By Geography				
Australia	10	45%	6	14%
Indonesia	0	0%	0	0%
Malaysia	35	33%	35	14%
Singapore	191	56%	114	8%
South Korea	4	57%	3	14%
United Kingdom	32	54%	29	22%

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ii. HUMAN RESOURCE POLICIES

We promote a workplace based on mutual respect and trust and we have adopted policies and practices to nurture well-rounded employees through training, career development and talent management.

Our policies comply with employment laws relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

Our HR policy is aligned with the recommended Principles of Fair Employment Practices set out in the Tripartite Guidelines on Fair Employment Practices in Singapore:

- Recruit and select employees on the basis of their merit regardless of age, race, gender, religion, marital status and family responsibilities, or disability
- Fairness and respect
- Adopting progressive human resource management systems
- Providing equal opportunity for training and development programmes based on skills and needs
- Reward based on each individual's performance, contribution and experience
- Compliance with labour laws and the Tripartite Guidelines on Fair Employment Practices

We periodically review our policies to ensure they remain relevant and effective. To do so, we conduct employee opinion surveys to gather feedback from staff.

iii. LOCAL HIRING

We prefer to hire local talent in the markets where we operate our residential services. In FY2021, the majority of our senior management were hired from the local community.

iv. DIVERSITY AND EQUALITY

We value diversity of culture, race, gender, opinions, and the competency of our employees. As Centurion has business operations in several geographies, having a diverse workforce allows us to better understand the cultural sensitivities of our residents from different backgrounds and markets.

In line with our diversity and inclusion approach, Centurion also supports the hiring of employees with disabilities.

v. TRAINING AND DEVELOPMENT

We provide ample opportunities for ongoing training of our employees, which is crucial for building and updating skills needed to support our business operations.

The Group has implemented a training & development programme to provide training and education opportunities to our employees to improve their awareness, capabilities, and productivity, upgrading their skills and knowledge. This is done through in-house training, external courses, seminars, workshops, and on-site programmes. Employees' feedback were also regularly gathered via employee opinion surveys.

In FY2021, average employee training hours increased 16% year on year. Training sessions were conducted to inculcate safe and efficient ways to produce quality products and provide excellent services, how to carry out first aid, and to build mental health awareness.

Some of the key topics which were highlighted in the training sessions include accounting and finance, e-commerce trends and insights, responding to terrorist threats, how to build red teams, handling difficult colleagues and customers, first aid, fire training and evacuation, and on the company's policies.

Our total training expenditure in FY2021 was about S\$91,568.



UDDIN MD MOHI
Westlite Mandai
Dormitory
(Kranji District)

Uddin is a vigilant and thoughtful volunteer who is often on the lookout for any issues in the dormitory, such as illegal tobacco sales. He also assisted FAST in planning engagements, such as Little India and Kranji RC events, and helped out in food distribution events.



**MINISTRY OF
MANPOWER**



**JOINING
HANDS
BUILDING
BONDS**



**HOSSAIN
MOHAMMAD SAJIB**
Westlite Kranji Way
(Kranji District)

Fluent in both English and Bengali, **Sajib** effectively disseminates messages from FAST to his peers. He played an instrumental role with FAST and the dormitory management to equip all residents with antigen rapid test skills. As a strong influencer, he has also rallied his peers to participate in festive celebrations to uplift their well-being.

1

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2021															
	Senior Management		Middle Management		Executive		Non-Executive								
	Male	Female	Male	Female	Male	Female	Male	Female	Unidentified						
Average training hours per employee by employee category	12 10%	6 5%	19 15.84%	14 11.67%	19 15.84%	17 14.17%	11 9.17%	18 15%	4 3.4%						

2021															
	Singapore		Malaysia		Australia		UK			Indonesia		Korea		US	
	Male	Female	Male	Female	Male	Female	Male	Female	Unidentified	Male	Female	Male	Female	Male	Female
Percentage of employees trained by gender	32.15%	17.46%	20.58%	9.05%	2.12%	0.24%	6.39%	11.46%	0.05%	0.00%	0.12%	0.32%	0.05%	0.0%	0.16%
	Singapore		Malaysia		Australia		UK			US		South Korea		Indonesia	
Total Training Expenditure by country	81% S\$74,357		9% S\$8,200		3% S\$2,861		7% S\$6,150			-		-		-	

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vi. PERFORMANCE MANAGEMENT

We reward our employees based on merit, capability, experience, qualification and performance.

All of our full-time employees participate in an annual performance appraisal exercise aimed at objectively reviewing their performance as well as identifying their development needs. We also organise meetings to provide feedback to employees on their performance and seek feedback from them on the organisation.

vii. SUCCESSION PLANNING

We have implemented succession planning for senior management to identify and develop new leaders. A succession pipeline of talented leaders reduces the risk of disruption in the case of exigencies.

viii. EMPLOYEE RETENTION

Our human resource's policies are geared toward attracting and retaining suitable talents to support our business growth. Some of the initiatives we have implemented in the last year include the launch of telemedicine services to provide accessible healthcare to employees, an added vision care benefit, flexible working arrangements, corporate social responsibility activities and social events.

7. HEALTH AND SAFETY

i. OCCUPATIONAL HEALTH AND SAFETY

The Group maintains a high level of health and safety standards across our properties and comply with all relevant regulations where we operate. We aim to maintain our zero-accident target for the year ahead.

The Group's health and safety committee, chaired by our Chief Operating Officer, periodically reviews our health and safety policies and implementation. Each site also nominates a health and safety representative who reports to the health and safety committee.

We monitor the health and safety performance of our sites using internationally accepted metrics that record injury rate, occupational disease rate, lost day rate, absentee rate and work-related fatalities.

In 2021, in order to safeguard our employees from potential risks of COVID-19, we have also set up systems and processes to allow and enable employees to work-from-home as well as digital meetings to reduce exposure and physical interactions.

1. Westlite Singapore's staff, winners of Ministry of Manpower's Inaugural Friends of ACE award (Singapore)

SUSTAINABILITY REPORT

	Singapore		UK		Malaysia		Australia		Korea		Indonesia	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Fatalities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Injury Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupational Disease Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Lost Day Rate ¹	0.20%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.2%	0.0%	0.0%	0.0%	0.0%
Absentee Rate ²	2.43%	2.4%	0.0%	0.0%	0.0%	0.0%	0.4%	0.6%	1.0%	0.1%	0.0%	0.0%

1. Lost day rate is the impact of occupational diseases and accidents as reflected in time off by affected workers.

2. Absentee rate measures actual absentee days lost, expressed as a percentage of total days scheduled to be worked by workers for the same period.

ii. CUSTOMER HEALTH AND SAFETY

Similarly, Centurion is committed to ensuring the health and safety of our residents.

We have measures in place to ensure that zero accidents occur to the best of our ability. These include a comprehensive induction process for all new residents to highlight house rules and protocols. We work closely with stakeholders such as local authorities, welfare organisations, universities and healthcare providers on initiatives to promote health and safety amongst our worker and student residents. There were no incidents of non-compliance concerning the health and safety of our accommodation and services in 2021.

In the UK, Centurion Student Services (UK) Ltd and dwell Student Living Health and Safety Committee operate within an agreed Terms of Reference and monitors its Health and Safety Policy, Asbestos Safety Policy, Domestic Gas Policy, Fire Safety Policy, Lift Safety Policy, Water Safety Policy to adhere to relevant safety management plans and guidance documents. The documents assist accommodation managers to implement health and safety measures consistently across all our UK properties to ensure the safety of residents, staff and visitors.

In Australia, risk registers to ensure health and safety in Centurion's properties are reviewed on a monthly basis. Business continuity plans and an Emergency Management Plan are in place while emergency response training exercises are conducted with staff twice a year. Fire drills are also conducted annually.

The Pandemic Management Plan which was implemented prior to the outbreak of COVID-19 continued to be in force across all our global properties, in our accommodation and dormitories. This include preventive control measures, travel restrictions, facilities preparation, pandemic response control and process, as well as personnel and residents monitoring processes.

A review of all its operational policies for internal and external compliance purposes will be conducted by the Group annually.

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GRI CONTENT INDEX

This report has been prepared with reference to the GRI Standards: Core option. The table below presents our GRI content index, which specifies each of the GRI Standards used in the report with a reference where the information can be found. Where we were not able to meet the GRI Standards reporting requirements, we have included our reasons for the omission in the table below.

GRI STANDARD DISCLOSURE	GRI DISCLOSURE	REFERENCES/ REASONS FOR OMISSION
GENERAL DISCLOSURE		
GRI 102: General Disclosures 2016	Organisational Profile	
	102-1 Name of the organization	Centurion Corporation Limited
	102-2 Activities, brands, products, and services	2 - 5, 21 - 31
	102-3 Location of headquarters	Singapore
	102-4 Location of operations	19, 21 - 31, 38
	102-5 Ownership and legal form	2, 38
	102-6 Markets served	21 - 31
	102-7 Scale of the organization	19, 21 - 31, 38, 40 - 45
	102-8 Information on employees and other workers	63 - 68
	102-9 Supply chain	58
	102-10 Significant changes to the organization and its supply chain	6 - 9, 42 - 45
	102-11 Precautionary Principle or approach	34 - 36, 53, 55 - 59
	102-12 External initiatives	48 - 49, 61 - 62
	102-13 Membership of associations	58
	Strategy	
	102-14 Statement from senior decision-maker	6 - 9, 54
	Ethics and Integrity	
	102-16 Values, principles, standards, and norms of behaviour	2, 59
	Governance	
	102-18 Governance structure	59, 74 - 100
	102-19 Delegating authority	Corporate Information
	102-20 Executive-level responsibility for economic, environmental, and social topics	55
	Stakeholder Engagement	
	102-40 List of stakeholder groups engaged	56 - 58
	102-41 Collective bargaining agreements	None
	102-42 Identifying and selecting stakeholders	56 - 58
	102-43 Approach to stakeholder engagement	48 - 49, 56 - 58
	102-44 Key topics and concerns raised	56 - 58
	Reporting Practice	
102-45 Entities included in the consolidated financial statements	120 - 204	
102-46 Defining report content and topic Boundaries	53	
102-47 List of material topics	56 - 58	
102-48 Restatements of information	None	
102-49 Changes in reporting	53	

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GRI STANDARD DISCLOSURE	GRI DISCLOSURE	REFERENCES/ REASONS FOR OMISSION
GENERAL DISCLOSURE		
	102-50 Reporting period	53
	102-51 Date of most recent report	March 2020
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	53
	102-54 Claims of reporting in accordance with the GRI Standards	53
	102-55 GRI content index	70 - 72
	102-56 External assurance	53
TOPIC SPECIFIC DISCLOSURES		
ECONOMIC		
Material Topic: Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56 - 58
	103-2 The management approach and its components	56 - 58
	103-3 Evaluation of the management approach	55
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	60
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	64 - 65
Material Topic: Indirect Economic Impacts		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56 - 58
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
GRI 203: Indirect economic impacts 2016	203-2 Significant indirect economic impacts	56 - 58
Material Topic: Anti-Corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56 - 58
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	59
	205-3 Confirmed incidents of corruption and actions taken	59
ENVIRONMENTAL		
Material Topic: Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56 - 59
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
GRI 302: Energy 2016	302-1 Energy consumption within the organization	62 - 63
	302-3 Energy intensity	62 - 63
Material Topic: Greenhouse Gas Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56 - 59
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55

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GRI STANDARD DISCLOSURE	GRI DISCLOSURE	REFERENCES/ REASONS FOR OMISSION
GENERAL DISCLOSURE		
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	62 - 63
	305-4 GHG emissions intensity	62 - 63
Material Topic: Water		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56 - 59
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	62 - 63
SOCIAL		
Material Topic: Attract, Develop and Retain Talent		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56 - 59
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
GRI 401: Employment 2016	401-1 New Employee hires and employee turnover	63 - 67
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	63 - 67
	404-3 Percentage of employees receiving regular performance and career development reviews	63 - 67
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	63 - 67
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	63 - 67
Material Topic: Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56 - 59
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
GRI 403: Occupational health and safety 2016	403-1 Workers representation in formal joint management-worker health and safety committees	67
	403-2 Types of injury and rate of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	67
Material Topic: Customer Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56 - 59
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
GRI 416: Customer health and safety 2016	GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	67
Material Topic: Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56 - 59
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	61 - 62

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GRI STANDARD DISCLOSURE	GRI DISCLOSURE	REFERENCES/ REASONS FOR OMISSION
GENERAL DISCLOSURE		
Material Topic: Socio-Economic Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56 - 59
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
GRI 419: Socio-economic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	59
Others		
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	59

HONG KONG STOCK EXCHANGE ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INDEX

Aspect	Disclosure	Page Number
Subject Area A. Environment		
A1. Emission		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	56 - 59
KPI A1.1	The types of emissions and respective emissions data	56 - 59, 62 - 63
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility)	62 - 63
KPI A1.3	Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility)	62 - 63
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	62 - 63
KPI A1.5	Description of measures to mitigate emissions and results achieved	62 - 63
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	62 - 63
A2. Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	62 - 63
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	62 - 63
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	62 - 63
KPI A2.3	Description of energy use efficiency initiatives and results achieved	62 - 63
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	62 - 63

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Aspect	Disclosure	Page Number
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not applicable
A3. The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	62 - 63
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	62 - 63
Employment and Labour Practices		
B1. Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	53 - 59, 63 - 68
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	63 - 68
B2. Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	53 - 59, 63 - 68
KPI B2.1	Number and rate of work-related fatalities	68
KPI B2.2	Lost days due to work injury	68
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	63 - 68
B3. Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	63 - 68
B4. Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	53 - 59, 63 - 68
KPI B4.1	Description of measures to review	63 - 68
KPI B4.2	Description of steps taken to eliminate such practices when discovered	63 - 68
Operating Practices		
B5. Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	58
KPI B5.1	Number of suppliers by geographical region	58
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	58

CORPORATE GOVERNANCE

Centurion Corporation Limited (the “**Company**” and together with its subsidiaries and associated companies, the “**Group**”) is committed to maintaining good standards of corporate governance and business conduct so as to enhance long-term shareholder value whilst taking into account the interests of other stakeholders. This report describes the Company’s corporate governance practices with specific reference to the principles and provisions of the Code of Corporate Governance 2018 of Singapore (the “**2018 Code**”), as required under the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

The Company’s ordinary shares are also listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**SEHK**”) (“**Dual Primary Listing**”), since 12 December 2017 (the “**Listing Date**”), and hence, the Company is required to also abide by, *inter alia*, the provisions of the Corporate Governance Code (the “**HK CG Code**”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on SEHK (the “**HK Listing Rules**”) which are applicable to the Company. The Board and Management have taken steps to align the governance framework with the HK CG Code. In the event of any conflicts between the 2018 Code and the HK CG Code, the Company will comply with the more stringent requirements. In December 2021, the SEHK announced amendments to the HK CG Code. The requirements under the new HK CG Code will apply to corporate governance reports of listed issuers for financial year commencing on or after 1 January 2022.

As at the date of this report, the Company has complied with the principles and provisions of the 2018 Code and HK CG Code applicable for FY2021. Where there are any deviations from the provisions of the 2018 Code and HK CG Code, appropriate disclosures and explanations have been provided in this report.

BOARD MATTERS

The Board’s Conduct of Affairs – Principle 1

The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company

Directors are expected to objectively discharge their duties and responsibilities at all times as fiduciaries in the best interests of the Company and hold Management accountable for performance. The Board, in addition to its statutory responsibilities, supervises the overall management and business affairs of the Group and monitors the performance of Management. It provides entrepreneurial leadership, sets strategic direction (which includes appropriate focus on value creation and sustainability) for the long-term success of the Company, sets the Group’s values, policies and standards (including ethical standards), reviews operational and financial performance of the Group to ensure the Group to meet its objectives and works with Management to make objective decisions in the interest of the Group. The Board sets an appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company (*Provision 1.1 of 2018 Code*).

The Board also has ultimate responsibility for the Company’s sustainability reporting. The Board considers sustainability issues including environmental and social factors and has overall responsibility for establishing and maintaining a framework of good corporate governance in the Group, including the internal controls and risk management systems, to safeguard shareholders’ interest and the Group’s assets. When facing a conflict of interest, a Director recuses/abstains himself or herself from discussions and decisions involving the matter/issue of conflict (*Provision 1.1 of 2018 Code*).

The COVID-19 pandemic has brought unprecedented challenges for people and society, as well as major impact on economic and business activities. Under such situations, it is crucial that the Group continues to have sufficient level of resources and liquidity to ensure business resilience and continuity. During the financial year ended 31 December 2021 (“**FY2021**”), the Board has continued to spend time monitoring the impact of the ongoing COVID-19 pandemic on the business operations and financial condition of the Group and work closely with Management in reviewing business opportunities and challenges posed by the COVID-19. Under the Board’s guidance and oversight and with support from Management, the Group responded quickly under the pandemic environment and has closely monitored and managed the disruptions due to COVID-19 by (i) activating its Pandemic Management Plan to manage and safeguard the health and wellbeing of staff of the Group as well as foreign workers and student residents, (ii) enhancing management and operational efficiencies and (iii) implementing measures to strengthen cash flow management and controls to conserve cash.

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The Board has adopted a formal document setting out specific matters which are reserved for the Board's approval. These include but are not limited to approvals of the Group's strategic business plans, annual budgets, announcements on interim and full year financial statements, announcements on interim business and/or operational updates, interim and annual reports (including corporate governance and sustainability reports), company circulars, setting up of or changes in company policies, internal controls and risk management policies/systems, major investments, acquisitions, disposals and financing decisions and appointment of Directors and key management personnel including review of their performance and remuneration packages. Management has been given clear directions on matters that require Board's approval, and these are communicated to Management in writing (*Provision 1.3 of 2018 Code*).

Board Committees

To assist in discharging its duties, the Board has delegated specific functions/responsibilities to four (4) Board Committees, namely, Audit Committee, Nominating Committee, Remuneration Committee and Executive Committee (established on 1 January 2022). Each Board Committee has its own written terms of reference (*Provision 1.4 of 2018 Code*). The Board accepts that while these Board Committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

Board Meetings

The Board conducts regular scheduled meetings at least five (5) times a year and meets as and when circumstances require between these scheduled meetings. The Company's Constitution allows Board and Board Committee meetings to be held via telephone conference, video conferencing or other similar means of communications. When a physical meeting is not possible, timely communication with the Directors can be achieved through electronic means and circulation of written resolutions for approval by the relevant members of the Board and/or Board Committees.

Directors' Attendance

Details of Directors' attendance at Board and Board Committee meetings and general meeting(s) held in FY2021 are summarized in the table below (*Provisions 1.5 and 11.3 of 2018 Code*):

Name	Board of Directors Meeting	Audit Committee Meeting	Nominating Committee Meeting	Remuneration Committee Meeting	Annual General Meeting
Number of meetings held in FY2021	5	4	1	1	1
Loh Kim Kang David ^(a)	5	*4	*1	*1	1
Han Seng Juan	5	*4	*1	*1	1
Wong Kok Hoe	5	*4	–	–	1
Teo Peng Kwang	5	*4	–	–	1
Chandra Mohan s/o Rethnam	5	4	*1	1	1
Gn Hiang Meng	5	4	1	*1	1
Owi Kek Hean	5	4	1	*1	1
Tan Poh Hong	5	*4	1	1	1
Lee Wei Loon	5	*4	*1	1	1

* Attendance of Director (who was a non-member) by invitation of the Board Committee.

Notes:

- Loh Kim Kang David ("Mr Loh") was re-designated from Non-Executive Director to Executive Director on 1 March 2021 and remains as Joint Chairman of the Board.
- The Chief Executive Officer ("CEO") (who is not a Director), Kong Chee Min ("Mr Kong"), was invited and attended all the Audit Committee and Board meetings as well as the Annual General Meeting ("AGM") held in FY2021.

Code provision C.2.7 of the HK CG Code requires that the Chairman of the Board should at least annually hold meetings with Independent Non-Executive Directors without the presence of other Directors. During FY2021, a meeting was held between the Joint Chairmen of the Board and the Independent Non-Executive Directors without the presence of other Directors.

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Director Orientation and Training

The Company has put in place orientation programmes for newly appointed Directors to ensure that they are familiar with the Group structure, and understand the Company's business and operations. Newly appointed Director, if any, will participate in an orientation programme which includes meeting with the Joint Chairmen of the Board and/or CEO and Chief Financial Officer ("CFO") to obtain an understanding of the affairs of the Group's business (*Provision 1.2 of 2018 Code*). All Directors have been provided a formal letter of appointment setting out the key terms of their appointments, duties and obligations (*Provision 4.5 of 2018 Code*).

There was no new Director appointed during the financial year under review. Each newly appointed Director, if any, will be issued a letter of appointment setting out the key terms of his/her appointment, duties and obligations.

As part of their continuing professional/skills development, Directors are encouraged to attend, at the Company's expense, relevant trainings, seminars and courses conducted by external organisations such as the Singapore Institute of Directors ("SID") and Accounting and Corporate Regulatory Authority of Singapore ("ACRA"). These are informed to the Directors by Management. The Company Secretaries and/or Management also keep the Directors informed of upcoming conferences and seminars such as those conducted by SID and/or the SGX-ST (*Provision 1.2 of 2018 Code*). For a new Director who has no prior experience as a director of an issuer listed on SGX-ST, he/she will be required to undergo training(s) in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST.

The Directors are also provided regularly with updates on changes in the relevant laws and regulations, where appropriate, by Management and the Company Secretaries, to enable them to keep pace with new laws and regulations and make well-informed decisions, and to discharge their duties responsibly (*Provision 1.2 of 2018 Code*). News releases/guidance issued by the SGX-ST, ACRA and SEHK, which are relevant to the Directors are circulated to the Board. The external auditors regularly update the Audit Committee and the Board on new or revised financial reporting standards which are relevant and applicable to the Group (*Provision 1.2 of 2018 Code*).

During the year under review and up to the date of this Annual Report, various Board members had attended relevant training programmes, seminars and courses organised by external professional organisations, as follows (*Provision 1.2 of 2018 Code*):

- Training course – "LED8: Remuneration Committee Essentials" conducted by SID, attended by Lee Wei Loon ("Mr Lee")
- Task Force on Climate-related Financial Disclosures (TCFD) 101 & 102 CPD Certified Climate Disclosure Training Programme, organised by SGX, SSE, CDSB and IFC, attended by Chandra Mohan s/o Rethnam ("Mr Mohan")
- INSEAD Directors Forum on the topic "Governance in the Rise of Activism" organised by INSEAD Corporate Governance Centre, attended by Mr Mohan
- Training Programme on "Driving Sustainability through Digital Governance", conducted by Tricor Hong Kong, attended by Mr Loh, Mr Mohan, Gn Hiang Meng ("Mr Gn"), Tan Poh Hong ("Ms Tan") and Wong Kok Hoe ("Mr Wong")
- ACRA-SGX-SID Audit Committee Seminar 2022 jointly organised by ACRA, SGX and SID, attended by Mr Gn, Mr Mohan, Ms Tan, Owi Kek Hean ("Mr Owi")

During the year under review, the Directors have also been briefed and/or provided with updates, *inter alia*, on key changes to regulatory requirements, developments in financial reporting standards and corporate governance requirements in Singapore and Hong Kong (*Provision 1.2 of 2018 Code*).

Subsequent to the year end, the Board as a whole was briefed by the Hong Kong Company Secretary on "Corporate Governance Guide for Boards and Directors" published by SEHK along with amendments to the HK CG Code and the related HK Listing Rules which have come into effect on 1 January 2022 and provided with updates on key changes to the SGX-ST Listing Rules effective on 1 January 2022 by the Company Secretary in Singapore.

Pursuant to Code Provision C.1.4 of the HK CG Code, the Company will arrange for all the Directors to participate in continuous professional development trainings/briefings to develop and refresh their knowledge and skills.

All Directors have separate, independent and unrestricted access to Management and the Company Secretaries at all times in carrying out their duties (*Provision 1.7 of 2018 Code*).

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To enable the Board to fulfil its responsibilities, Management provides the Directors with adequate, complete and timely information including information on financial performance of the Group prior to meetings and on an on-going basis. Board papers and related materials or explanatory information are provided prior to each Board and Board Committee meeting to allow Directors sufficient time to review and consider the agenda items and accompany papers and to facilitate productive discussions during the meetings. The CEO also updates the Board on a quarterly basis highlighting the activities, performance, business conditions and outlook of the Group. Management's proposals to the Board and/or Board Committees for decisions provide background and explanatory information which include but not limited to quarterly management accounts and analysis, information on budgets, forecasts and cash flow projections. Directors are entitled to request from the CEO or Management and be provided with such additional information as needed to make informed and timely decisions (*Provision 1.6 of 2018 Code*).

According to the Code Provision D.1.2 of the HK CG Code, Management shall provide all members of the Board with monthly updates. During the period under review, the CEO has provided and will continue to provide to all members of the Board with updates on any material changes to the positions and prospects of the Company, which is considered to be sufficient to provide general updates of the Company's performance, position and prospects to the Board and allow them to give a balanced and understandable assessment of the same to serve the purpose required by the Code Provision D.1.2 of the HK CG Code.

Under the direction of the Joint Chairmen of the Board (or any of them), Deputy Chairman of the Board and/or CEO, the Company Secretary(ies) ensure(s) good information flows within the Board and its committees and between Management, Non-Executive Directors and Independent Directors. An agenda for each meeting of the Board and Board Committees together with the board papers and relevant documents or materials which are prepared in consultation with the respective Chairmen are usually circulated prior to the holding of each Board and Board Committee meeting (*Provision 1.6 of 2018 Code*). This allows control over the quality, quantity and timeliness of the flow of information between Management and the Board.

The Company Secretary(ies) also attend(s) Board and Board Committee meetings, where appropriate, and provide(s) advice, secretarial support and assistance to the Board and ensure(s) adherence to the Board procedures and relevant rules and regulations applicable to the Company. Under the Constitution of the Company, the decision to appoint or remove the Company Secretary(ies) is subject to the approval of the Board (*Provision 1.7 of 2018 Code*).

The Board (whether individually or as a group) has, in the furtherance of its duties, access to independent professional advisers, if necessary, at the Company's expense (*Provision 1.7 of 2018 Code*).

Board Composition and Guidance – Principle 2

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company

As at the date of this Annual Report, the Board comprises three (3) Executive Directors, one (1) Non-Executive Director and five (5) Independent Non-Executive Directors, as follows (*Provisions 2.2 and 2.3 of 2018 Code*):

Han Seng Juan (Joint Chairman)	–	Non-Executive Director
Loh Kim Kang David (Joint Chairman)	–	Executive Director
Wong Kok Hoe (Deputy Chairman)	–	Executive Director
Teo Peng Kwang	–	Executive Director
Gn Hiang Meng	–	Lead Independent Director
Chandra Mohan s/o Rethnam	–	Independent Non-Executive Director
Owi Kek Hean	–	Independent Non-Executive Director
Tan Poh Hong	–	Independent Non-Executive Director
Lee Wei Loon	–	Independent Non-Executive Director

The Board currently comprises a majority of Independent Non-Executive Directors as the Joint Chairmen of the Board are not independent. The Nominating Committee has reviewed and is satisfied that the Board has an independent element that enables the Board to exercise objective judgement on corporate affairs independently from Management, and is of the view that no individual or small group of individual Directors dominate the Board's decision-making process (*Provision 2.2 of 2018 Code*).

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The Board, through its Nominating Committee, reviews, on an on-going basis, the structure, size and composition of the Board in order to evaluate the Board's effectiveness in carrying out its duties.

The Board, in concurrence with the Nominating Committee, is of the view that given the scope and nature of the Group's operations, the present Board and Board Committees are of an appropriate size for the Company and to provide for effective decision-making. Given the diverse qualifications, experience, background and profile of the Executive, Non-Executive and Independent Directors, the Board collectively possesses core competencies in areas such as accounting or finance, legal and regulatory matters, risk management, business or management experience, strategic planning experience and industry knowledge. As such, the Board is of the opinion that the current Board members, as a group, provide an appropriate balance and diversity of the relevant skills, gender, age, experience and expertise required for effective management of the Group (*Provision 2.4 of 2018 Code*).

Key information regarding the Directors, including their appointment dates, date of last re-appointment as a Director, relationships between the Directors (if any), current and past three (3) years' directorships or chairmanships held in public companies the securities of which are listed on any securities market in Singapore, Hong Kong or overseas and other principal commitments, if any, are set out in the section entitled "Board of Directors" on pages 10 to 14 in this Annual Report (*Provision 4.5 of 2018 Code*). In addition, information on shareholdings (if any) held by each Director in the Company can be found on page 104 of this Annual Report.

The Company has received written annual confirmation from each of the Independent Non-Executive Directors in respect of his/her independence pursuant to Rule 210(5)(d) of the Listing Manual of SGX-ST, 2018 Code and Rule 3.13 of the HK Listing Rules.

The Nominating Committee had reviewed the independence of Director for FY2021 in accordance with the definition of independence/circumstances set out in the 2018 Code and accompanying Practice Guidance (*Provision 4.4 of 2018 Code*), Rule 210(5)(d) of the Listing Manual of the SGX-ST and circumstances/factors set forth under Rule 3.13 of the HK Listing Rules, and is satisfied that a majority of the Board comprises Independent Non-Executive Directors with at least one of whom possessing appropriate professional qualifications on accounting or related financial management expertise.

Each member of the Nominating Committee or each Director had abstained from deliberation of the Nominating Committee/Board in respect of the assessment of his/her own independence.

The Independent Non-Executive Directors are independent in conduct, character and judgement and are not related to and do not have any relationship (whether familial, business, financial, employment, or otherwise) with the Company, its related corporations, its substantial shareholders, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement in the best interests of the Company (*Provision 2.1 of 2018 Code*).

The Board recognises that Independent Non-Executive Directors may over time develop significant insights into the Group's businesses and operations and can continue to provide significant and valuable contributions to the Board. Where there are such Directors, the Nominating Committee and the Board will review vigorously their continuing contributions and independence. The Nominating Committee and the Board are of the view that the number of years of tenure as a Board member should not be the only factor in determining whether a Board member is independent.

In respect of the Independent Non-Executive Directors, namely, Mr Gn and Mr Mohan, each of whom has served on the Board of the Company for an aggregate period of more than nine (9) years from the date of his first appointment on 17 May 2007, the continued appointment of each of Mr Gn and Mr Mohan as Independent Non-Executive Director was approved in separate resolutions by shareholders at the Company's AGM held on 27 April 2021 ("**2021 AGM**"), in the manner as required under Rule 210(5)(d)(iii) of the SGX-ST's Listing Manual, for a term of three (3) years, with effect from the passing of the relevant ordinary resolutions at the 2021 AGM, until the conclusion of the third AGM of the Company following the passing of the aforesaid resolutions, or the retirement or resignation of the Director, whichever is the earlier.

In addition, the Nominating Committee had reviewed and confirmed that each of Mr Gn and Mr Mohan continues to be independent after taking into consideration the following factors:

- (i) Each of Mr Gn and Mr Mohan has provided invaluable contributions to the Board through his integrity, objectivity and professionalism notwithstanding the years of service, and has challenged Management regularly on proposals submitted to the Board and provided overall guidance and constructive feedback to Management.
- (ii) Each of Mr Gn and Mr Mohan has expressed succinctly and objectively his views on issues and provided relevant and invaluable input during Board and/or Board Committee meetings.

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- (iii) Each of Mr Gn and Mr Mohan has continued to demonstrate strong independence in character and judgement in the best interest of the Company in the discharge of his duties as Director.
- (iv) Each of Mr Gn and Mr Mohan has also over the years demonstrated independent mindedness and conduct at Board and Board Committee meetings and a commitment in protecting the Company's assets and upholding the interests of all shareholders, in particular, non-controlling shareholders.

Accordingly, the Nominating Committee had recommended to the Board that both Mr Gn and Mr Mohan to continue to be considered Independent Non-Executive Directors. After due consideration, the Board has resolved that each of Mr Gn and Mr Mohan continues to be considered an Independent Non-Executive Director and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

Notwithstanding the foregoing, the Nominating Committee and the Board will continue to review the composition of the Board and consider the appropriateness of Board renewal should the opportunity arise.

Each of Mr Gn (being a Nominating Committee member and Board member) and Mr Mohan (being a Board member) had recused himself from deliberation and voting in respect of the assessment on his own independence.

The Non-Executive Directors constructively challenge Management and assist in the development of proposals on strategy. The Non-Executive Directors also: (i) review the performance of the CEO and Management; (ii) take the lead where potential conflicts of interest arise; and (iii) review the Group's performance in achieving agreed corporate goals and objectives, and monitoring performance reporting.

The Non-Executive Directors and Independent Directors meet regularly without the presence of Management (*Provision 2.5 of 2018 Code*).

Chairman and Chief Executive Officer – Principle 3

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making

The roles of the Chairman and CEO are kept separate to ensure that there is an appropriate balance of power and authority, and that accountability and independent decision making are not compromised. The Joint Chairmen of the Board and the CEO have no close family ties and are not immediate family members (*Provision 3.1 of 2018 Code*).

The Board has also adopted written internal guidelines on division of roles and responsibilities among the Joint Chairmen of the Board (*Provision 3.2 of 2018 Code*).

As Joint Chairmen of the Board, Han Seng Juan ("**Mr Han**"), a Non-Executive Director, and Mr Loh, an Executive Director, are jointly responsible for (a) the formulation of corporate and business strategies of the Company; and (b) the management of the Board and Board meetings and to ensure effective communication with shareholders and other stakeholders. They are jointly and equally responsible for carrying out the duties of a Board chairman as prescribed under the Constitution of the Company, the HK Listing Rules, the SGX-ST's Listing Manual, the 2018 Code and/or other applicable laws or regulations. Amongst their other duties, the Joint Chairmen of the Board set the agendas for and chair Board meetings and, in consultation with the Company Secretaries, Deputy Chairman and CEO, schedule Board meetings at appropriate intervals during the year. They are responsible for the exercise of control of the quality, quantity and timeliness flow of information between Management and the Board and the workings of the Board. The Joint Chairmen of the Board promote a culture of openness and debate at the Board. They also encourage constructive relations within the Board and between the Board and Management and ensure the integrity and effectiveness of the governance process of the Board. They take a lead role in promoting high standards of corporate governance with the full support of the Directors, Deputy Chairman, CEO, Management and the Company Secretaries (*Provision 3.2 of 2018 Code*).

The Deputy Chairman, Mr Wong, assisted by the CEO, is responsible for overseeing the Group's operations and implementation of the Company's business strategies and developing new business opportunities for the Group. He also participates in the formulation of corporate and business strategies of the Company, and when the need arises, chair Board meetings or general meetings (*Provision 3.2 of 2018 Code*). The Deputy Chairman and the CEO have no close family ties and are not immediate family members (*Provision 3.1 of 2018 Code*).

The CEO, Mr Kong, assisted by the various functional directors and senior management, manages and is responsible for the Group's day-to-day operations and business. The CEO also bears executive responsibility for the Group's business and implements the Board's decisions (*Provision 3.2 of 2018 Code*).

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Mr Gn is the Lead Independent Director (“LID”) and he is available to shareholders should they have concerns and for which contact through the Joint Chairmen of the Board, Deputy Chairman, CEO or CFO are inappropriate or inadequate (*Provision 3.3 of 2018 Code*). The Independent Directors have met without the presence of other Directors in FY2021, when necessary, and the LID has provided feedback to the Joint Chairmen of the Board after such meetings, as and when appropriate (*Provision 2.5 of 2018 Code*).

Board Membership – Principle 4

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board

The Company believes that Board renewal should be an on-going process in order to ensure good corporate governance. Each year, the Nominating Committee reviews the structure, size, composition and diversity of the Board and Board Committees, including the need for progressive refreshing of the Board, and makes recommendation to the Board, if any adjustment is necessary.

The Nominating Committee has put in place a Director Nomination Policy which sets out the selection criteria and process in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The Director Nomination Policy sets out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy that are relevant to the Company’s business and corporate strategy;
- Diversity aspects under the Board Diversity Policy, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience;
- Requirements of Independent Non-Executive Directors on the Board and independence of the proposed Independent Non-Executive Directors in accordance with the HK Listing Rules and the SGX-ST’s Listing Manual;
- Willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board Committee(s) of the Company; and
- Such other perspectives that are appropriate to the Company’s business and succession plan.

The Director Nomination Policy also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings.

The Nominating Committee reviews the Director Nomination Policy to ensure its effectiveness annually or as required.

The Nominating Committee takes the lead in identifying, evaluating and selecting suitable candidates for new directorships before recommendation to the Board for appointment. The search for new Directors, if any, will be made through internal and external sources (for example, personal contacts of current Board members, or by referral of the Company’s business associates or SID) and will, if considered necessary, be made through external search firms/consultants, at the Company’s expense. The Nominating Committee considers potential candidates for appointments based on, *inter alia*, the candidates’ qualification, knowledge, skills and experience, as well as his/her suitability to further enhance the diversity of skills, knowledge and experience of the Board in order to meet the business and governance needs of the Group. Shortlisted candidates will be evaluated by the Nominating Committee before recommending to the Board for consideration (*Provision 4.3 of 2018 Code*).

During the year, there was no appointment of new Director to the Board.

The Board does not have any alternate directors.

Based on the attendance of the Directors and their contributions and participation at meetings of the Board and Board Committees, and their overall contributions and time commitment to the business affairs of the Company, the Nominating Committee is of the view that there is no need to set a maximum limit on the number of listed company board representations and other principal commitments of each Director. However, the Nominating Committee monitors and determines annually

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their board representations and other principal commitments to ensure that the Directors continue to meet the demands of the Group and are able to discharge their duties adequately. The Nominating Committee is satisfied that, for FY2021, the Non-Executive Directors and Independent Non-Executive Directors have given sufficient time and attention to the affairs of the Company and were able to adequately carry out his/her duties as a Director of the Company (*Provisions 1.5 and 4.5 of 2018 Code*). The Board concurred with the Nominating Committee's views.

Under Code Provision B.2.2 of the HK CG Code, every Director including Non-Executive Directors and those appointed for a specific term, should be subject to retirement by rotation at least once every three (3) years. As at the date of this Annual Report, Mr Han, Non-Executive Director, and Mr Gn, Mr Mohan and Mr Owi, Independent Non-Executive Directors, are appointed for a fixed term of three (3) years commencing from the Listing Date and are renewed for another three (3) years commencing from 12 December 2020, which may be terminated in accordance with the terms of their respective letters of appointment with the Company. Subsequent to his re-designation from Non-Executive Director to Executive Director on 1 March 2021, Mr Loh has entered into a service contract with the Company for a fixed term of three (3) years commencing from 1 March 2021, which may be terminated in accordance with the terms of his service contract with the Company.

The other two (2) Independent Non-Executive Directors, namely, Ms Tan and Mr Lee, are also appointed for a fixed term of three (3) years commencing from 8 May 2021 and 13 November 2019, respectively, which may be terminated in accordance with the terms of their respective letters of appointment with the Company.

All the Directors of the Company are subject to retirement by rotation and are eligible for re-election at the AGM. In accordance with Regulation 89 of the Company's Constitution, at least one-third of the Directors for the time being (or, if their number is not a multiple of three (3), as nearly as possible to one-third) shall retire from office by rotation at each AGM. Provided that each Director shall be subject to retirement and rotation at least once in every three (3) years, in line with the requirements of SGX-ST's Listing Manual. In accordance with Regulation 88 of the Company's Constitution, all Directors appointed by the Directors as an additional Director or to fill a casual vacancy shall hold office only until the next AGM following their appointments. The Directors retiring from office are eligible for re-election at the AGM.

Pursuant to Regulation 89 of the Company's Constitution, the following Directors who will be subject to retirement by rotation at the forthcoming AGM have offered themselves for re-election at the AGM: –

- (i) Loh Kim Kang David
- (ii) Teo Peng Kwang
- (iii) Tan Poh Hong

Each member of the Nominating Committee shall abstain from voting on any resolutions in respect of his or her nomination for re-election as a Director.

The Nominating Committee has recommended the re-election of Loh Kim Kang David, Teo Peng Kwang ("**Mr Teo**") and Tan Poh Hong, who will be retiring at the forthcoming AGM, as Directors following a review of their qualifications, expertise, skills, experience, overall contribution to the Company and contributions at Board and/or Board Committee meetings (such as participation, attendance, preparedness and candour), as appropriate, and review of his/her independence, and having considered the Board present Composition provides an appropriate balance and diversity of the relevant skills, gender, age, experience and expertise required to meet the Group's operational and business needs (*Provision 4.1(d) of 2018 Code*). The Board has accepted the Nominating Committee's recommendation.

Accordingly, the above-named Directors will be offering themselves for re-election. The relevant information on each of the above-named Director can be found in the section entitled "Board of Directors" on pages 10 to 14 of this Annual Report and also in the Circular to Shareholders dated 25 March 2022 ("**Circular**") accompanying the Notice of the forthcoming AGM.

Each of Mr Loh (being a Board member), Mr Teo (being a Board member) and Ms Tan (being a Nominating Committee member and Board member) had recused himself/herself from deliberation and voting in respect of his/her own nomination for re-election at the forthcoming AGM.

Company Secretaries

As at the date of this Annual Report, the Company Secretaries are Hazel Chia Luang Chew ("**Ms Chia**"), Juliana Tan Beng Hwee ("**Ms Tan**") and Cheung Yuet Fan ("**Ms Cheung**"). Both Ms Chia and Ms Tan are practising chartered secretaries to engage in public practice in Singapore certified by the Chartered Secretaries Institute of Singapore (formerly known as the Singapore Association of the Institute of Chartered Secretaries and Administrators).

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In connection with the Company's Dual Primary Listing and to meet the requirements under Rule 3.28 of the HK Listing Rules, the Company has appointed Ms Cheung, a member of The Hong Kong Institute of Chartered Secretaries, as the Company's Hong Kong Company Secretary, to act jointly and to work closely with Ms Chia and Ms Tan in discharge of their duties as Company Secretaries for an initial period up to 11 December 2020. Prior to the expiry of the said period, a further evaluation of the qualifications and experience of Ms Chia and Ms Tan and the need for on-going assistance from Ms Cheung has been made and the Board has approved to continue to engage Ms Cheung as the Hong Kong Company Secretary. Mr Kong, CEO of the Company, is the primary contact person at the Company who would work and communicate with Ms Cheung on the Company's corporate governance and secretarial and administrative matters.

Key information regarding the Company Secretaries, including their date of appointment, academic and/or professional qualifications and relevant work experience, are set out in the section entitled "Company Secretary" on page 18 in this Annual Report.

During FY2021, each of Ms Chia, Ms Tan and Ms Cheung has undertaken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the HK Listing Rules.

Nominating Committee

The Nominating Committee ("**NC**"), regulated by a set of written terms of reference, comprises three (3) members, all of whom are Independent Non-Executive Directors, as follows (*Provisions 1.4, 4.1 and 4.2 of 2018 Code*):

Owi Kek Hean (Chairman)	–	Independent Non-Executive Director
Gn Hiang Meng	–	Independent Non-Executive Director
Tan Poh Hong	–	Independent Non-Executive Director

The Chairman of the NC is Mr Owi, an Independent Non-Executive Director who is not associated with any substantial shareholder. Mr Gn, the ILD, is a member of the NC (*Provision 4.2 of 2018 Code*).

The Company has adopted a Board Diversity Policy which sets out the approach to achieve diversity of the Board (*Provision 2.4 of 2018 Code*). The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining the Company's competitive advantage.

Pursuant to the Board Diversity Policy, the NC reviews annually the structure, size and composition of the Board and, where appropriate, makes recommendations on changes to the Board to complement the Company's corporate strategy and to ensure that there is an appropriate composition of members of the Board with suitably diverse backgrounds to meet the Group's operational and business requirements.

In assessing the Board composition, the NC would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board Diversity Policy, including but not limited to gender, age, cultural and educational background, ethnicity, professional qualifications and experience, skills, knowledge, industry and regional experience. All Board appointments will be based on meritocracy, and the NC would consider candidates against objective criteria, having due regard for the benefits of diversity on the Board (*Provision 2.4 of 2018 Code*).

The Company has maintained an appropriate balance of diversity perspectives that are relevant to the Company's business growth strategies and is also committed to ensuring that recruitment and selection practices at all levels (from the Board downwards) are appropriately structured so that a diverse range of candidates are considered (*Provision 2.4 of 2018 Code*).

The NC reviews the Board Diversity Policy, as and when appropriate and at least on an annual basis, to ensure its effectiveness and practicality including setting measurable objectives (if necessary) and will recommend appropriate revisions to the Board for consideration and approval.

The NC and Board consider that the current make-up of the Board reflects the Company's commitment to Board diversity in terms of gender, age, educational qualifications, ethnicity, skills, knowledge and industry experience as set out in the Board Diversity Policy (*Provision 2.4 of 2018 Code*). Such diversity helps to avoid groupthink and foster constructive debate and allows the Board members to take a broader view of the Group's business activities and management, contribute their valuable experiences and provide independent judgement and a wider range of perspectives during Board deliberations, which is beneficial to the Company and its management.

CORPORATE GOVERNANCE

Details of the Board composition as at the date of this report are as follows:

- Directors' area of expertise

Business (including Accommodation Business)	5
Accountancy, Finance or Taxation	4
Legal	2
Estate Management	1

- Directors' educational background

Science	2
Law	2
Business Administration	3
Science in Estate Management	1
Finance	1

- Board independence

Independent Directors	5
Non-Independent Directors	4

- Board gender diversity

Female	1
Male	8

- Directors' age group

40s	1
50s	4
60s	3
70s	1

- Directors' length of service

	Independent Director(s)	Non-Independent Director(s)
Served more than nine (9) years	2	1
Served more than six (6) years and up to nine (9) years	–	2
Served more than three (3) years and up to six (6) years	2	1
Served less than three (3) years	1	–

CORPORATE GOVERNANCE

The Company remains committed to implementing the Board Diversity Policy and any further progress made towards implementation of the policy will be disclosed in future Annual Reports.

The NC is responsible for making recommendations to the Board on all appointments and re-appointments of Directors (*Provision 4.1(d) of 2018 Code*).

The NC meets at least once annually and as and when deemed necessary. The NC has been provided with sufficient resources and has access to external independent professional advice if required, at the Company's expense.

The key duties and responsibilities of the NC are summarised below (*Provisions 1.4 and 4.1 of 2018 Code*):

- assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of the chairman and each individual Director to the effectiveness of the Board;
- reviews and nominates newly appointed Directors and Directors retiring by rotation, having regard to their contributions and performance, for re-election at each AGM;
- reviews and recommends all new appointments to the Board. The NC ensures that new Directors are aware of their duties and obligations (*Provision 4.5 of 2018 Code*);
- reviews and recommends all appointments of senior management staff (who are not for appointment to the Board);
- determines on an annual basis the independence of each Director;
- decides whether a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly when the Director has multiple Board representations;
- identifies gaps in the mix of skills, experience and other qualities required in an effective Board so as to better nominate or recommend suitable candidates to fill the gaps;
- reviews Board succession plans for Directors, in particular, the Chairman, CEO and key management personnel; and
- reviews training and professional development programme for the Board, its Directors and senior management.

During the year, the NC met once to review the structure, size, composition and diversity of the Board, the Board Diversity Policy, Director Nomination Policy and independence of the Independent Non-Executive Directors, and to consider and recommend to the Board retiring Directors standing for re-election at the AGM, amongst its other duties.

In February 2021, the Board, having considered Mr Loh's experience, capabilities and familiarity with the business of the Group as well as his business network, concurred with the recommendation of the NC and approved, the re-designation of Mr Loh from Non-Executive Director to Executive Director, with effect from 1 March 2021, in line with the strategic growth plans of the Group. As Executive Director and Joint Chairman of the Board, Mr Loh is responsible for the formulation of corporate and business strategies of the Company and to lead the execution of strategic growth plans of the Group.

The Company strives to retain talents and groom its employees to ensure that they will and are ready to meet future business needs of the Group. The Board oversees the long-term succession planning for senior management and ensures appropriate development and succession planning programmes are in place for key executive roles (*Provision 4.1(a) of 2018 Code*).

Board Performance – Principle 5 (including Provisions 5.1 and 5.2 of 2018 Code)

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors

The NC has adopted a formal process of evaluating the performance of the Board as a whole, and each of the Board Committees. The Board and Board Committees performance evaluation process involves completion of questionnaires by Board members. A summary of findings is prepared by the Company Secretary based on the completed questionnaires and is reviewed and deliberated by the NC, with comparisons from prior year's findings, before submitting to the Board for review. The Chairman of the NC confers with the Joint Chairmen of the Board on the findings and appropriate follow-up actions are taken as necessary.

CORPORATE GOVERNANCE

The Board performance evaluation is carried out annually and the performance criteria includes, amongst other things, the Board's composition, size and expertise, timeliness of Board information, accountability and processes, Board members communication and communications with senior management and shareholders.

Performance evaluations of Board Committees, namely, Audit Committee, NC and Remuneration Committee are also conducted annually and the performance criteria includes, amongst other things, the respective Board Committees' composition, size and expertise, accountability and processes and communication with shareholders.

A peer to peer evaluation in respect of FY2021 was carried out in addition to evaluating the performance of the Board and the Board Committees (namely, Audit Committee, NC and Remuneration Committee) as a whole. The performance of all Directors, including the Joint Chairmen of the Board, were individually reviewed by their fellow Directors by completing a questionnaire, taking into consideration, amongst others, the Director's business and industry knowledge, commitment, contributions and performance at Board and Board Committee meetings, including attendance, preparedness, participation and candour, communication skills and interaction with fellow Directors, senior management and auditors. A summary of findings is prepared by the Company Secretary based on the completed questionnaires and is reviewed and deliberated by the NC before submitting to the Board. The Chairman of the NC confers with the Joint Chairmen of the Board on the findings and appropriate follow-up actions are taken as necessary.

No external facilitator had been engaged by the Board for the purpose of the aforesaid performance evaluations.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies – Principle 6

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration

Remuneration Committee

The Remuneration Committee ("RC"), regulated by a set of written terms of reference, comprises three (3) members, all of whom are Independent Non-Executive Directors, as follows (*Provisions 1.4, 6.1 and 6.2 of 2018 Code*):

Chandra Mohan s/o Rethnam (Chairman)	–	Independent Non-Executive Director
Tan Poh Hong	–	Independent Non-Executive Director
Lee Wei Loon	–	Independent Non-Executive Director

The members of the RC have many years of corporate experience and are knowledgeable in the field of executive compensation. The RC has been provided with sufficient resources and also has access to external professional advice on remuneration and human resource related matters, if required.

The RC meets at least once annually, and as and when deemed necessary, to carry out its functions. The key duties and responsibilities of the RC are summarized below (*Provisions 1.4 and 6.1 of 2018 Code*):

- reviews and recommends to the Board a framework of remuneration as well as determines the remuneration package and terms of employment for each Director, the CEO, key management personnel and employees who are substantial shareholders of the Company, or who are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during a year; and
- reviews the remuneration policies and packages for key management personnel on an annual basis.

The RC's review covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, benefits-in-kind and termination terms (if any) to ensure they are fair (*Provision 6.3 of 2018 Code*).

The RC has access to the Company's internal human resource department to assist in its review. The RC may from time to time seek advice from external remuneration consultants, who are unrelated to the Directors and any organisation they are associated with, as well as confidentially from selected senior management, including the Head of Human Resources, at its discretion. The Company did not appoint any external remuneration consultants in FY2021 (*Provision 6.4 of 2018 Code*).

CORPORATE GOVERNANCE

The RC's recommendations are submitted for endorsement by the entire Board. Each year, the RC reviews the compensation of the Executive Directors, CEO and key management personnel (including senior management) to ensure that the remuneration of the Executive Directors, CEO and key management personnel (including senior management) commensurate with their performance and value-add to the Group, giving due regard to the financial and commercial health, business needs and strategic objectives of the Group and promote the long-term success of the Company (*Provision 7.1 of 2018 Code*).

Each member of the RC or each Director shall abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the RC/Board in respect his/her own remuneration.

During FY2021, the RC held one (1) meeting to review/consider and recommend to the Board, where appropriate, (i) remuneration packages of the Executive Directors, CEO and key management personnel (including senior management) of the Company, (ii) remuneration of employees who are substantial shareholders of the Company, or who are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during a year, (iii) Directors' fees for Executive and Non-Executive Directors, including Independent Non-Executive Directors and (iv) other remuneration related matters.

Level and Mix of Remuneration – Principle 7

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company

The remuneration for the Executive Directors, CEO and key management personnel is based on the terms of their respective service contracts entered into with the Company, and comprises a fixed component (in the form of basic salary and annual wage supplement) plus a variable component in the form of annual performance bonus tied to individual performance as well as the Company's performance, taking into account the strategic objectives of the Company and the need to align their remuneration with the interests of shareholders (*Provision 7.1 of 2018 Code*).

Directors' fees payable to the Executive Directors and all the Non-Executive Directors, including Independent Directors, are set in accordance within a remuneration framework comprising a basic fee and a fixed fee taking into account factors, such as, their respective roles and responsibilities for serving on the Board and/or Board Committee(s) as well as their contribution, effort and time spent (*Provision 7.2 of 2018 Code*). The RC ensures that the Non-Executive Directors should not be overly compensated to the extent that their independence may be compromised.

The Board is of the view that the current remuneration structure for the Executive Directors, the CEO and key management personnel are appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel (including the CEO) to successfully manage the Company for the long term (*Provision 7.3 of 2018 Code*).

The Company had in February 2021 announced that in view of the uncertainty amidst the COVID-19 pandemic and continued challenges ahead, (a) the Directors of the Company had agreed to continue to take a voluntary 15% reduction in Directors' fees and (b) senior management staff of the Group in Singapore had agreed to continue to take a pay cut ranging from 10% to 15% ("**Salary Reduction**") in respect of FY2021, as part of the Company's measures to strengthen cash flow management and controls to conserve cash, subject to review at the end of FY2021.

As announced by the Company on 24 February 2022, in light of the Group's improved performance for FY2021, the RC has recommended and the Board has approved the reinstatement of the salaries of the senior management staff of the Group in Singapore, which had been cut since 1 May 2020, with effect from 1 January 2022. Further, the voluntary 15% reduction in Directors' fees ("**Fee Reduction**") to cease with effect from 1 January 2022 in line with the cessation of the salary cut of the senior management staff of the Group in Singapore. Accordingly, the Directors' fees for the financial year ending 31 December 2022 ("**FY2022**") will be reinstated to the same level as Directors' fees before the Fee Reduction.

The Board will table the reinstated Directors' fees in respect of FY2022, to be paid quarterly in arrears, for shareholders' approval at the forthcoming AGM. If approved, this will enable the Company to pay the Directors for their services rendered during the course of the financial year and facilitate Directors' compensation for services rendered in a more timely manner.

CORPORATE GOVERNANCE

The existing service contracts for the Executive Directors, the CEO and key management personnel are for a period of three (3) years and thereafter will be automatically renewed annually. The service contract provides for termination by each party, upon giving not less than three (3) months' notice in writing. New service contracts or renewals, if any, will be subject to RC's review to ensure that the terms are fair and for a reasonable period. The contracts of the Executive Directors, the CEO and key management personnel include the "claw back" clauses to safeguard the Group's interests in the event of exceptional circumstances of misstatement of financial statements or misconduct resulting in financial loss or fraud by the Executive Directors, the CEO and key management personnel.

The Company does not have any long-term incentive schemes in place (*Provision 8.3 of 2018 Code*).

Disclosure on Remuneration – Principle 8

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation

Directors' and CEO's Remuneration

Directors' fee structure for a financial year is as follows:

Board Member Fee (Base)	SGD43,000 for Non-Executive Director/SGD10,000 for Executive Director
Board Chairman Fee*	SGD43,000
Audit Committee Chairman Fee	SGD36,000
Audit Committee Member Fee	SGD18,000
RC Chairman Fee	SGD20,000
RC Member Fee	SGD10,000
NC Chairman Fee	SGD17,000
NC Member Fee	SGD8,500
Lead Independent Director Fee	SGD15,000

* For the Joint Chairmen of the Board, each of them shall receive 50% of the Board Chairman Fee.

Note: Chairman of Executive Committee and Members of Executive Committee are not entitled to Directors' fees.

CORPORATE GOVERNANCE

Details of remuneration of the Directors and CEO (who is not Director) for FY2021 are set out below (*Provisions 8.1(a) and 8.3 of 2018 code*):

Name	Director's fees (\$'000)	Salary* (\$'000)	Bonus* (\$'000)	Other Benefits (\$'000)	Total (\$'000)
Executive Directors					
Loh Kim Kang David ⁽¹⁾	31	15	250	–	296
Wong Kok Hoe	9	426	437	44	916
Teo Peng Kwang Kelvin	9	354	417	41	821
Non-Executive Director					
Han Seng Juan	55	–	–	–	55
Independent Non-Executive Directors					
Chandra Mohan s/o Rethnam	69	–	–	–	69
Gn Hiang Meng	87	–	–	–	87
Owi Kek Hean	66	–	–	–	66
Tan Poh Hong	52	–	–	–	52
Lee Wei Loon	45	–	–	–	45
CEO (who is not Director)					
Kong Chee Min	–	396	430	44	870

* Include employer's Singapore Central Provident Fund ("CPF") contributions

Notes:

- (1) Mr Loh was re-designated from Non-Executive Director to Executive Director on 1 March 2021, and remains as Joint Chairman of the Board.
- (2) The above remuneration of the Directors and CEO (who is not Director) took into account the Fee Reduction and Salary Reduction.

Remuneration of Key Management Personnel

Given the confidentiality and commercial sensitivity attached to remuneration matters, the Board is of the view that the detailed and specific disclosure of remuneration of top key management personnel is not in the best interest of the Company and may adversely affect talent attraction and retention. The remuneration of top key management personnel is, however, disclosed in the bands of S\$250,000 with a breakdown showing the level and mix of remuneration in percentage terms. The Board is of the view that the information disclosed is sufficient for shareholders to have adequate understanding of the Company's remuneration policies and practice for key management personnel, as well as the link between performance and remuneration (*Provision 8.1(b) of 2018 Code*).

The Board is of the opinion that the practices the Company has adopted are consistent with the intent of Principle 8 of the 2018 Code as a balance is struck between the requirement for transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation, vis-à-vis the Group's need to maintain confidentiality of sensitive information.

CORPORATE GOVERNANCE

The aggregate remuneration paid to the 5 key management personnel (who are not Directors or the CEO) for FY2021 was S\$1,545,000. Breakdown (in percentage terms) of the remuneration paid to each of the 5 key management personnel (who are not Directors or the CEO) for FY2021 is set out below (*Provisions 8.1(b) and 8.3 of 2018 Code*):

Name	Salary* (%)	Bonus* (%)	Other Benefits (%)	Total (%)
S\$250,000 to below S\$500,000				
Foo Ai Huey	67	30	3	100
Ho Lip Chin	59	38	3	100
Leong Siew Fatt	57	35	8	100
Below S\$250,000				
Lee Geok Ing Janice	75	22	3	100
Lim Choon Kwang ⁽¹⁾	98	0	2	100

* Include employer's CPF contributions

Notes:

- (1) Lim Choon Kwang resigned as Director, Global Security on 31 August 2021.
- (2) The above remuneration of key management personnel took into account the Salary Reduction.

As at the date of this report, Mr Loh (Executive Director and Joint Chairman of the Board) is a controlling shareholder of the Company, and Mr Teo (Executive Director and Chief Operating Officer, Accommodation Business) is a substantial shareholder of the Company. Details of their remuneration for FY2021 are hereinbefore disclosed (*Provision 8.2 of 2018 Code*).

Anthony Craig Bolger (who was promoted from Associate Director, Investments to Director, Investments with effect from 1 January 2022) is brother-in-law of Mr Loh (Executive Director, Joint Chairman of the Board and a controlling shareholder). For FY2021, Anthony Craig Bolger received a remuneration (comprising basic salary and annual bonus) of exceeding S\$150,000 but below S\$250,000 (*Provision 8.2 of 2018 Code*).

Save as disclosed above, there was no employee of the Group who was a substantial shareholder of the Company, or who was an immediate family member of a Director, the CEO or a substantial shareholder of the Company, and whose annual remuneration exceeded S\$100,000 during the year under review.

There are no termination, retirement and post-employment benefits granted to the Directors, CEO and top key management personnel (who are not Directors or the CEO).

Save as disclosed above, there are no remuneration and other payments and benefits paid by the Company's subsidiaries to the Directors and key management personnel of the Company (*Provision 8.3 of 2018 code*).

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls – Principle 9

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders

The Board is responsible for the governance of risk and sets the tone and direction for the Group in the way risk is managed in the Group's businesses. The Board has ultimate responsibility to ensure that Management maintains a sound systems of risk management and internal controls to safeguard shareholders' interests and does not expose the Group to an unacceptable level of risk. The Board approves the key risk management policies and tolerance and has an oversight role in the design, implementation and monitoring of the risk management and internal controls systems (*Provision 9.1 of 2018 Code*). The Board acknowledges that it is responsible for the risk management and internal control systems of the Company and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

CORPORATE GOVERNANCE

The Board has approved a Group Enterprise Risk Management Framework for the identification of key risk within the Group's businesses, which has adopted and aligned with the Committee of Sponsoring Organisations of the Treadway Commission Internal Controls Integrated Framework. 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 Management, Audit Committee ("AC") and Board on a regular and timely basis.

The Board has delegated the AC to assist in its oversight of the risk management framework, policies and processes. The AC's principal functions and responsibilities on risk management, include the following (*Provision 9.1 of 2018 Code*):

- reviews and recommends risk management strategies and policies (including those related to the Group's environmental, social, and governance performance and reporting), and risk tolerance for the Board's approval;
- reviews and assesses the adequacy of risk management policies and framework in identifying, measuring, monitoring and managing risks, as well as the extent to which these policies and framework are operating effectively;
- 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 the Group's risk-taking activities, that they possess the appropriate qualifications and experience, and have undergone appropriate training programmes; and
- provides risk oversight and reviews risk profiles of the Group.

With a view to identifying, handling and disseminating inside information, procedures have been implemented by the Group to ensure that unauthorized access and use of inside information are strictly prohibited.

For FY2021, the AC had reviewed the adequacy and effectiveness of the Group's risk management framework and systems and conducted dialogue sessions with Management to understand the process to identify, assess, manage and monitor key identified risks within the Group.

The Board, as supported by the AC as well as the management team, reviewed the risk management and internal controls (including financial, operational, compliance and information technology controls) systems for FY2021. Based on the above and the review of risk which the Group is exposed to as well as the understanding of what countermeasures and internal controls are in place to manage them, the AC and the Board concluded that the Group's risk management framework and internal controls (including financial, operational, compliance and information technology controls) systems were adequate and effectively managed (*Provision 10.1(b) of 2018 Code*).

The Board and AC will be responsible for (a) monitoring the Company's risk of becoming subject to, or violating, any sanctions-related law or regulation and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities. As at the date of this report, the Company does not have existing business in a country which is subject to sanctions-related law or regulation and has no exposure to sanctions-related risks.

In respect of FY2021, the Board has obtained the following assurances (*Provision 9.2 of 2018 Code*):

- (a) a written confirmation from the CEO and CFO that the financial records have been properly maintained and the financial statements of the Company for FY2021 give a true and fair view of the Group's operations and finances; and
- (b) a written confirmation from the Executive Directors, CEO, CFO and relevant key management personnel that the Company's risk management and internal controls (including financial, operational, compliance and information technology controls) systems are adequate and effective.

The CEO and CFO have obtained similar assurance from the business and corporate executive heads in the Group.

The Group's external auditors have, in the course of their statutory audit, carried out a review of the Group's material internal control relevant to financial reporting in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Any material non-compliance and internal control weaknesses noted during their audit and the auditors' recommendations are reported to the AC to ensure appropriate follow-up actions are taken/to be taken by Management.

CORPORATE GOVERNANCE

The Group's internal auditor has conducted independent reviews of the effectiveness of the Group's material internal controls (including financial, operational, compliance and information technology controls) and risk management systems, at least once a year.

The AC reviews the external and internal auditors' reports and ensures that there are adequate and effective internal controls in the Group.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, reviews performed by Management and the above-mentioned assurances from senior management and relevant key management personnel, the Board, with the concurrence of the AC, is of the opinion that the Group's risk management and internal controls (including financial, operational, compliance and information technology controls) systems were adequate and effective for FY2021 (*Provision 10.1(b) of 2018 Code*). No material weaknesses of internal controls and risk management systems were identified in respect of FY2021.

Audit Committee – Principle 10

The Board has an Audit Committee which discharges its duties objectively

The AC, regulated by a set of written terms of reference, comprises three (3) members, all of whom are Independent Non-Executive Directors, as follows (*Provisions 1.4 and 10.2 of 2018 Code*):

Gn Hiang Meng (Chairman)	–	Independent Non-Executive Director
Chandra Mohan s/o Rethnam	–	Independent Non-Executive Director
Owi Kek Hean	–	Independent Non-Executive Director

None of the members nor the Chairman of the AC are former partners or Directors of the Group's existing auditing firm (*Provision 10.3 of 2018 Code*).

The Board is of the view that the AC members have recent and relevant accounting or related financial management expertise or experience to discharge the AC's functions (*Provision 10.2 of 2018 Code*).

During the year under review, the AC members have attended meetings and discussions, organised by Management, with the external auditors, the internal auditors and the Company Secretary(ies) on financial standards updates, changes in corporate governance and risk management requirements. Minutes of AC meetings were kept by the Company Secretaries and draft and final versions of minutes were sent to all AC members for their comment and records, within a reasonable time after each meeting. The AC members also individually attended external seminars on financial, corporate governance and regulatory related topics to keep themselves abreast of the latest changes or developments, where appropriate.

The AC meets at least four (4) times a year, and as and when deemed necessary, to carry out its functions.

The AC's primary function is to provide assistance to the Board in fulfilling its responsibility relating to corporate accounting and auditing, the Company's financial reporting practices, the quality and integrity of the Company's financial reports and the Company's internal control systems including financial, operational, compliance and information technology controls, and risk management policies established by Management and the Board (*Provisions 1.4 and 10.1 of 2018 Code*).

The AC also performs the following key functions (*Provisions 1.4 and 10.1 of 2018 Code*):

- review significant financial reporting issues and judgements so as to ensure integrity of the financial statements of the Company, and any announcements relating to the Company's financial performance;
- reviews the audit scope, approach and results of the internal and external auditors;
- evaluates the overall effectiveness of both the internal and external audits through regular meetings with the internal and external auditors;
- reviews the adequacy, effectiveness and independence of the external audit and internal audit function;
- determines that no restrictions are being placed by Management upon the work of the internal and external auditors;

CORPORATE GOVERNANCE

- evaluates the adequacy and effectiveness of the internal controls and risk management systems of the Company by reviewing written reports from the internal and external auditors, and Management's responses and actions to address any deficiencies noted;
- evaluates the adherence to the Group's administrative, operating and internal accounting controls;
- reviews the quarterly (if required), half-year and full-year financial statements of the Company and the Group before submission to the Board for approval;
- reviews the assurance from the CEO and CFO on the financial records and financial statements;
- reviews interested person transactions in accordance with the requirements of the Listing Rules of the SGX-ST and all potential conflicts of interests;
- reviews and approves all hedging policies and types of hedging instruments to be implemented by the Group, if any;
- reviews transactions by the Company, principally acquisitions and realizations, in accordance with the requirements of the Listing Rules of SGX-ST;
- ensures proper measures to mitigate any conflicts of interests have been put in place;
- reviews the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- reviews all non-audit services provided by the external auditors to determine if the provision of such services would affect the independence of the external auditors;
- reviews and recommends the appointment or re-appointment of the external auditors, including their remuneration; and
- considers other matters as requested by the Board.

The AC has full access to Management and full discretion to invite any Director or executive officer to attend its meetings, and has been given reasonable resources to enable it to discharge its functions properly. The AC also has the authority to investigate any matter within its terms of reference.

The external auditors provide regular updates and periodic briefings to the AC on changes or amendments to accounting standards to enable the members of the AC to keep abreast of such changes and their corresponding impact on the financial statements, if any.

Annually, the AC meets with the internal and external auditors without the presence of Management. This is to review the adequacy of audit arrangements, with particular emphasis on the scope and quality of their audits, the independence and objectivity of the external auditors and the observations of the internal and external auditors (*Provision 10.5 of 2018 Code*).

WHISTLEBLOWING POLICY AND PROGRAMME

The Company has adopted a whistleblowing policy and programme ("**WB Policy**") which provides an independent feedback channel for employees and external parties to make reports or raise concerns on misconduct or wrongdoing relating to the Company and its officers, or possible malpractices or improprieties in financial reporting, internal control or other matters directly to the AC Chairman and/or member of the AC (contact details of whom are set out in the WB Policy) in confidence and in good faith without fear of reprisals (*Provision 10.1(f) of 2018 Code*). The WB Policy sets out the procedures/processes by which whistleblowing complaints are handled and the confidentiality and identity of the whistleblower is maintained and protected.

All whistleblowing reports will be forwarded immediately to the Chairman of the AC who will decide the appropriate action to be taken, including constituting an independent investigation committee ("**Investigation Committee**"), if necessary. The Investigation Committee (if required) shall comprise the AC Chairman and members of AC and any other persons who are considered independent as considered necessary and appropriate by the AC. The AC is responsible for oversight and monitoring of whistleblowing and ensures that arrangements are in place for independent investigation of matters raised. The AC will review investigation reports on whistleblowing cases and decide/recommend follow-up or remedial actions to be taken, where appropriate, and report the same to the Board accordingly. The Company and/or AC may in its absolute discretion designate an independent function/party as it deems fit to investigate whistleblowing reports made in good faith.

CORPORATE GOVERNANCE

The Company will (a) treat all information/whistleblowing reports received as well as all information disclosed during the course of investigation confidentially; and (b) protect the identity of all whistle-blowers, except as necessary or appropriate to conduct the investigation and to take any remedial action and subject to legal or regulatory requirements. The Company will also protect a whistle-blower, who acts in good faith and who has not himself or herself engaged in serious misconduct or illegal conduct, from detrimental or unfair treatment and any forms of harassment, retaliation, adverse employment or career advancement consequence or discrimination, including but not limited to demotion, dismissal or reduction of compensation or privileges of employment.

The AC reviews the WB Policy, annually or as and when deemed appropriate, to ensure its effectiveness and will recommend appropriate revisions to the Board for consideration and approval. During FY2021, the Company's WB Policy had been updated to be in line with the relevant amendments to the SGX-ST's Listing Manual.

Details of the WB Policy have been disseminated and made available to all employees of the Group. To facilitate participation by the external parties, the WB Policy is also available on the Company's website at www.centurioncorp.com.sg.

During the year, the AC held four (4) meetings to review the following, amongst other things:

- half-year and annual financial results, business updates announcements and interim and annual reports;
- internal and external auditors' plans and reports;
- adequacy and effectiveness of the risk management and internal control systems and internal audit function;
- re-appointment of external auditors and engagement of non-audit services (including non-audit fees) and relevant scope of works; and
- interested person transactions and reports made pursuant to the WB Policy (including appropriate follow-up or remedial actions taken/to be taken) (*Provision 10.1 of 2018 Code*).

The AC also had one (1) meeting with the external and internal auditors, without the presence of Management.

The AC assesses the independence of the external auditors, PricewaterhouseCoopers LLP, annually (*Provision 10.1(e) of 2018 Code*). The AC has reviewed the non-audit services provided by the external auditors and is of the opinion that the provision of such services as well as the fees paid for FY2021 does not affect their independence.

The aggregate amount of fees paid/payable to the external auditors for FY2021 are as follows:

	S\$'000
Audit fees paid/payable by the Company and its subsidiaries ⁽²⁾	575
Non-audit fees ⁽¹⁾ paid/payable by the Company and its subsidiaries ⁽²⁾	51
Total fees	626

Notes:

- (1) Included in the non-audit fees are mainly tax advisory and compliance fees.
- (2) Includes the network of member firms of PricewaterhouseCoopers ("PwC") International Limited ("PwCIL").

The AC has reviewed and confirmed that the Company has complied with Rules 712, 715 and 716 of the Listing Manual of the SGX-ST in relation to the appointment of auditors of the Company, its subsidiaries and significant associated companies.

The AC has recommended the re-appointment of PricewaterhouseCoopers LLP as the Company's external auditors at the forthcoming AGM (*Provision 10.1(d) of 2018 Code*). Accordingly, the Company has complied with Rule 712 of the Listing Manual of the SGX-ST and Rule 13.88 of the HK Listing Rules.

CORPORATE GOVERNANCE

Internal Audit

The Company has out-sourced its internal audit function to BDO LLP (“**BDO**”) (*Provision 10.4 of 2018 Code*). The internal auditor reports directly to the Chairman of the AC and presents their reports and audit findings and recommendations to the AC.

The internal auditor is provided with unfettered access to the Company’s properties, documents, information, records and personnel (*Provision 10.4 of 2018 Code*) and performs their reviews in accordance with the BDO Global Internal Audit Methodology which is consistent with the International Standards for the Professional Practices of Internal Auditing established by the Institute of Internal Auditors. As the Group’s outsourced internal auditor, BDO ensures that the engagement staff possess the relevant qualification and experience to conduct the internal audits.

The AC reviews the internal auditor’s reports on the state of the Group’s internal controls as well as approves the annual internal audit plans.

The AC decides on the appointment, termination and remuneration of the internal auditor (*Provision 10.4 of 2018 Code*).

The AC is satisfied that the internal auditor is independent and effective, and has the necessary resources and appropriate standing within the Company to adequately perform its functions (*Provisions 10.1(e) and 10.4 of 2018 Code*).

Executive Committee

The Board has established an Executive Committee of the Board (the “**EXCO**”) on 1 January 2022. The EXCO is established to assist the Board with its oversight responsibilities in, amongst others, making business decisions and evaluating major strategic initiatives including acquisition or disposal transactions, based on authority delegated to the EXCO.

The EXCO, regulated by a set of written terms of reference, comprises five (5) members, as follows (*Provision 1.4 of 2018 Code*):

Loh Kim Kang David (Chairman)	–	Executive Director and Joint Chairman of the Board
Han Seng Juan	–	Non-Executive Director and Joint Chairman of the Board
Wong Kok Hoe	–	Executive Director and Deputy Chairman of the Board
Kong Chee Min	–	CEO (who is not a Director)
Teo Peng Kwang	–	Executive Director and Chief Operating Officer of Accommodation Business

The key duties and responsibilities of the EXCO are summarised below (*Provision 1.4 of 2018 Code*):

- reviews and approves all investments, acquisitions and disposal transactions and capital expenditure of (a) an amount up to S\$5.0 million per transaction and (b) an aggregate amount of not more than S\$10.0 million in each quarter of a financial year (“**Transactions**”), except those acquisitions and disposal transactions that are discloseable/notifiable transactions under the SGX-ST’s Listing Manual and/or the HK Listing Rules which should be reviewed and recommended by the EXCO to the Board for review and approval; and to report all Transactions carried out by the EXCO (if any) to the Board on a quarterly basis;
- reviews and recommends for adoption of the Board, annual budgets and long-term business plans to achieve the objectives of the Company;
- provides guidance to Management at all stages of the strategic planning process upon request;
- reviews the monthly and year-to-date financial results and forecast and determines whether corrective action is necessary to be taken by Management;
- reviews the performance of the portfolio of businesses of the Company; and
- reviews and recommends mergers and acquisitions, disposals of businesses, capital expenditures and investments to the Board.

No EXCO meeting was held since it has established on 1 January 2022.

CORPORATE GOVERNANCE

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings – Principle 11

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects

The Company treats all shareholders fairly and equitably, and recognizes, protects and facilitates the exercise of shareholders' rights. Shareholders are informed of changes in the Company's business that are likely to materially affect the value of the Company's shares.

At each AGM and/or General Meetings, shareholders are given the opportunity to participate effectively and raise their concerns with the Directors and Management on matters pertaining to the Group's business and its operations. According to the Company's Constitution, Notice of an AGM and any extraordinary general meeting ("EGM") at which it is proposed to pass a special resolution is despatched to shareholders at least 21 clear days or 20 clear business days (whichever is longer) before the scheduled date for such meeting; while Notice of all other EGMs is despatched to shareholders at least 14 clear days or 10 clear business days (whichever is longer) before the scheduled date for such meeting. In the case of any General Meeting at which a special business is to be transacted, the Notice of General Meeting will specify the general nature of such business, and if any resolution is to be proposed as a special resolution, the Notice of General Meeting will contain a statement to that effect (*Provisions 11.1 and 12.1 of 2018 Code*).

According to Regulation 48 of the Company's Constitution, the Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an EGM, or in default, the EGM may be convened by such requisitionists, including shareholders holding a minority stake in the Company which have shareholdings not less than ten 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.

According to Section 176 of the Companies Act 1967 of Singapore ("**Companies Act**"), directors of a company, notwithstanding anything in its constitution, must, on the requisition of shareholders holding at the date of the deposit of the requisition not less than ten per cent (10%) of the total number of paid-up shares as at the date of the deposit carries the right of voting at general meetings, immediately proceed duly to convene an EGM 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.

Besides, according to Section 177 of the Companies Act, two (2) or more shareholders holding not less than ten per cent (10%) of the total number of issued shares of the company (excluding treasury shares) may call a meeting of the company.

A meeting of a company or of a class of shareholders, other than a meeting for the passing of a special resolution, must be called by notice in writing of not less than 14 days or such longer period as is provided in the constitution.

So far as the constitution does not make other provision in that behalf, notice of every meeting must be served on every shareholder having a right to attend thereat in the manner in which notices are required to be served by the model constitution prescribed under Section 36(1) the Companies Act for the type of company to which the company belongs, if any.

Conduct of Shareholder Meetings

The Company encourages shareholder participation at General Meetings of shareholders (*Provision 11.1 of 2018 Code*).

Shareholders have the opportunities to communicate their views on matters relating to the Group and to participate effectively in the meeting and to vote thereat, either in person or by proxy. The Company's Constitution allows:

- (a) a shareholder who is not a relevant intermediary or a clearing house (or its nominee(s)) to appoint not more than two (2) proxies to attend, speak and vote at the AGM and other General Meetings; and
- (b) a shareholder who is a relevant intermediary or a clearing house (or its nominee(s)) to appoint more than two (2) proxies to attend, speak and vote at the AGM and other General Meetings.

CORPORATE GOVERNANCE

For the time being, the Board is of the view that this is adequate to enable shareholders to participate in General Meetings of the Company. Currently, the Company has not implemented measures to allow shareholders who are unable to vote in person at the Company's General Meetings the option to vote in absentia, such as, via mail, electronic mail or facsimile. However, under the provisions of the Company's Constitution, 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 shareholders who are unable to vote in person at any General Meeting the option to vote in absentia (*Provision 11.4 of 2018 Code*).

Issues seeking approval of shareholders are usually tabled as separate resolutions at AGM and General Meetings. Each item of special business included in the notice of the meeting will be accompanied by an explanation of the effects of a proposed resolution (*Provision 11.2 of 2018 Code*). Resolutions tabled at AGMs and other General Meetings are voted on by way of poll conducted in the presence of independent scrutineers. Poll voting procedures are explained by the Company Secretary or independent scrutineer at the AGMs and other General Meetings, where appropriate. The results of the poll voting are announced at the meeting and published via SGXNet and on the website of SEHK on the same day as the meeting.

Minutes of AGMs and other General Meetings are prepared and made available to shareholders upon their written request. The minutes of AGM, which include a summary of substantial and relevant comments or queries received from shareholders and responses from the Board and Management, are published via SGXNet, on the website of SEHK and on the Company's website (*Provision 11.5 of 2018 Code*).

All Directors and the CEO (who is not a Director) are expected to attend AGMs and other General Meetings held by the Company. For the 2021 AGM, held by electronic means (via live audio-visual webcast and live audio-only stream), the Directors' and the CEO's attendance can be found on page 75 of this Annual Report. Besides Directors, the CEO, senior management and external auditors are present at AGMs and other General Meetings, if any, to address queries from the shareholders (*Provision 11.3 of 2018 Code*).

The Company recognizes the importance of interaction and engagement with shareholders and constantly looks to enhance shareholder participation in AGM despite restrictions due to COVID-19. In relation to the forthcoming AGM to be held on 28 April 2022 ("**2022 AGM**"), shareholders should note that:

- (a) The 2022 AGM is being convened, and will be held (a) physically and by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 of Singapore (for shareholders in Singapore); and (b) only by way of electronic means (for shareholders in Hong Kong).
- (b) Voting will be conducted in real time via electronic means during the 2022 AGM for shareholders and proxyholders attending the physical meeting in Singapore and attending the 2022 AGM by way of electronic means (both in Singapore and Hong Kong).
- (c) The Company's arrangements relating to, among others, (i) physical attendance at the 2022 AGM (for shareholders in Singapore), (ii) attendance at the 2022 AGM via electronic means (including arrangements by which the 2022 AGM can be electronically accessed via live audio-visual webcast or live audio-only stream), (iii) submission of questions prior to, or "live" at, the 2022 AGM, (iv) addressing of substantial and relevant questions prior to and/or at the 2022 AGM and (v) voting (in real time via electronic means) by shareholders (either personally or via appointment of proxy(ies) or through the appointment of the Chairman of the Meeting as proxy) have been put in place and are set out in the Notice of 2022 AGM.

Please refer to the Notice of 2022 AGM for further details.

Dividend Policy

The Company does not currently have a formal policy on payment of dividends to shareholders. The Group, however, plans to declare dividends on a half-yearly basis to reward shareholders taking into consideration the Group's annual profitability, cashflow requirements for its business expansion and retained earnings, as well as any other factors deemed relevant by the Directors. From the second quarter of FY2015 to FY2019, the Company had paid dividend on a half-yearly basis (*Provision 11.6 of 2018 Code*).

CORPORATE GOVERNANCE

As the Company would like to conserve its cash resources in view of the unprecedented economic condition and uncertainty amidst the COVID-19 pandemic, (i) no dividend was declared/recommended by the Board in respect of FY2020 and (ii) no dividend was declared by the Board in respect of the half year ended 30 June 2021 (*Provision 11.6 of 2018 Code*).

In light of the Group's improved financial results for FY2021 and to reward shareholders, the Board has recommended a final dividend of 0.5 Singapore cent per ordinary share, subject to approval of shareholders at the forthcoming AGM (*Provision 11.6 of 2018 Code*).

Engagement with Shareholders – Principle 12

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company

The Company values dialogue with its shareholders and believes in regular, effective and fair communication with its shareholders and is committed to hearing shareholders' views and addressing their concerns where possible.

The Board provides shareholders with a balanced and understandable explanation and analysis of the Company's financial performance, position and prospects on a quarterly basis in the Company's announcements of business updates for first and third quarters in respect of a financial year, and half-year and full-year financial results.

The Company does not practice selective disclosure. In line with the continuous disclosure obligations of the Company, the Board ensures that shareholders are equally informed of all major developments within the Group on a timely basis. Financial results and other material information are communicated to shareholders on a timely basis through (*Provision 12.1 of 2018 Code*):

- Annual Report and Notice of the AGM prepared and issued to all shareholders within the mandatory period;
- Financial statements/results released through SGXNet and the website of SEHK in accordance with the requirements of the SGX-ST's Listing Rules and HK Listing Rules, respectively;
- Notices of and explanatory memoranda for AGMs and EGMs advertised in the newspapers and also published via SGXNet and the website of SEHK;
- Announcements relating to major developments of the Group made via SGXNet and the website of SEHK in accordance with the requirements of the SGX-ST's Listing Rules and HK Listing Rules, respectively; and
- Group's website at www.centurioncorp.com.sg at which shareholders can access information regarding the Group. The website provides all corporate announcements, press releases, annual reports, circulars, presentation slides and profiles of the Group. An email link has been established on the website to receive feedbacks, request for information and facilitate communications with shareholders.

In respect of proposing a person for election as a director of the Company at General Meetings, please refer to the procedures available on the Company's website through this link:

https://centurion.listedcompany.com/newsroom/Centurion_Corporation_Limited-Nomination_Procedures_for_Directors_English.pdf

Briefings for analysts, media and investors are held after the release of the Group's half-year and full-year financial results via SGXNet and on the website of SEHK. Presentations are also made, as appropriate, to explain the Group's strategy, performance and major developments. All analysts' and media briefing materials are made available via SGXNet and on the website of SEHK as well as on the Company's website for the information of shareholders (*Provision 12.1 of 2018 Code*).

The Company has engaged an external investor relations ("IR") firm which communicates with its shareholders and analysts on a regular basis and attends to their queries or concerns. The IR firm also manages the dissemination of corporate information to the media, public, institutional investors and public shareholders, and acts as a liaison point for such entities and parties. In addition, the Company participates in one-on-one meetings, conference calls, investor conferences and road shows. In these meetings, matters pertaining to business strategy, operational and financial performance and business prospects were shared by the senior management team (*Provision 12.2 of 2018 Code*).

CORPORATE GOVERNANCE

Shareholders may at any time send their enquiries and/or feedback about the Company to the Board in writing through our Investor Relations Contact, details are as follows (*Provision 12.3 of 2018 Code*):

DAVID PHEY

Head of Corporate Communications
Tel: +65 6745 3288
Email: david.phey@centurioncorp.com.sg

GEORGE GOH

Investor Relations Manager
Tel: +65 6745 3288
Email: george.goh@centurioncorp.com.sg

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders – Principle 13

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served

The Board recognises the interests of the Company's internal and external stakeholders are essential as part of value creation for the Group. The Company adopts a proactive approach in engaging its stakeholders. The Company discloses in its Sustainability Report, *inter alia*, its strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period. Please refer to the section on "Stakeholder Engagement" on pages 57 to 58 of this Annual Report for more information on how the Company engages and manages relationships with stakeholders (*Provisions 13.1 and 13.2 of 2018 Code*).

The Company maintains a corporate website at www.centurioncorp.com.sg to communicate and engage with its stakeholders (*Provision 13.3 of 2018 Code*).

INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy in respect of any transactions with interested person and has set out the procedures for review and approval of the Company's interested person transactions. All interested person transactions are subject to review by the AC to ensure compliance with Chapter 9 of the SGX-ST's Listing Manual and Chapter 14A of the HK Listing Rules.

The Company's disclosure in accordance with Rule 907 of the SGX-ST's Listing Manual in respect of interested person transactions for FY2021 is as follows:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000)
Various associates of Directors and Controlling Shareholders Please see Note (i) for further details	Associates of Directors and Controlling Shareholders of the Company	S\$2,324,948
Teo Peng Kwang Please see Note (ii) for further details	Executive Director of the Company	S\$172,500

CORPORATE GOVERNANCE

Notes:

- (i) During the financial year under review, the following transactions have been entered with associates of our Directors and controlling shareholders, Mr Loh Kim Kang David and Mr Han Seng Juan:
- | | | |
|---------------|--|--------------|
| • 02.01.2021: | Cost Sharing Reimbursement Agreement with Centurion Properties Pte. Ltd. | S\$87,867 |
| • 02.01.2021: | Staff Cost Sharing Reimbursement Agreement by Centurion Management & Consultancy Services Pte Ltd | S\$66,002 |
| • 12.10.2020: | Interest paid to Mr Loh Kim Kang David in respect of an aggregate principal amount of S\$500,000 of fixed rate notes due 2024 issued by the Company (Series 005) on 12 October 2020 held by Mr Loh Kim Kang David, at the interest rate of 5.75% per annum | S\$28,750 |
| • 20.07.2020: | CSL Student Living Benikea KP Ltd – Shareholder loan with interest rate of 5% per annum from Centurion Overseas Investments Pte. Ltd. to CSL Student Living Benikea KP Ltd (total waiver interest of S\$52,579) | S\$1,172,298 |
| • 01.01.2021: | CSL Student Living Benikea KP Ltd – Management fee charged by Dwell Student Living Korea Ltd to CSL Student Living Benikea KP Ltd | S\$360,221 |
| • 01.04.2019: | Centurion Student Investment Management Pte Ltd (“CSIM”) – Management fee charged by CSIM to Dwell US Student Living LLC | S\$609,810 |
- (ii) Interest paid to Mr Teo Peng Kwang in respect of an aggregate principal amount of S\$3,000,000 of fixed rate notes due 2024 issued by the Company (Series 005) on 12 October 2020 held by Mr Teo Peng Kwang, at the interest rate of 5.75% per annum. S\$172,500

The Company does not have a shareholders’ mandate for interested person transactions.

DEALINGS IN THE COMPANY’S SECURITIES

The Company has adopted an internal code governing dealings in securities by Directors, officers and employees who are likely to be in possession of unpublished price sensitive information of the Company and its subsidiaries. Following its Dual Primary Listing, the Company has updated the code to be in line with the requirements of the HK Listing Rules and HK CG Code on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the HK Listing Rules. During 2020, the Company has further updated the code to be in line with, amongst others, the amendments to the SGX-ST’s Listing Manual and the requirements of the HK Listing Rules. This revised code has been disseminated to all the Directors, officers and employees of the Group as defined in the code.

During the financial year under review, Directors, officers and employees have been informed not to deal in the Company’s securities at all times whilst in possession of unpublished price sensitive information and during the following periods commencing:

Publication of Financial Statements/Results

- (a) 30 days immediately preceding the publication date of the Company’s half-year financial statements/results or, if shorter, the period from the end of the relevant half-year period up to the publication date of the relevant half-year financial statements/results; and
- (b) 60 days immediately preceding the publication date of the Company’s annual financial statements/results or, if shorter, the period from the end of the relevant financial year up to the publication date of the annual financial statements/results.

Publication of Interim Business and/or Operational Updates for First and Third Quarters

- (a) 14 days immediately preceding the publication date of the Company’s interim business and/or operational updates for first quarter and third quarter or, if shorter, the period from the end of the relevant quarterly period up to the publication date of the relevant interim business and/or operational updates.

Directors, officers and employees have also been directed to refrain from dealing in the Company’s securities on short-term considerations.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Company’s internal code throughout FY2021. Besides, no incident of non-compliance of the Company’s internal code by the employees has been noted by the Company.

CORPORATE GOVERNANCE

MATERIAL CONTRACTS

No material contracts were entered between the Company or any of its subsidiaries involving the interest of the CEO, any Director or controlling shareholder during or at the end of FY2021.

CORPORATE GOVERNANCE FUNCTIONS

The Board performs the corporate governance duties set out in Code Provision A.2.1 of the HK CG Code, which, among other things, are as follows:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of Directors and senior management of the Company;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance; and
- (e) to review the Company's compliance with the relevant laws and regulations and disclosure in the Corporate Governance Report.

CHANGES IN THE COMPANY'S CONSTITUTIONAL DOCUMENTS

During FY2021, there was no change in the Constitution of the Company. The Constitution of the Company is available on the websites of the SGX-ST, the SEHK and the website of the Company.

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for FY2021.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditors' Report on pages 110 to 113.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

The directors present their statement to the members together with the audited consolidated financial statements of the Group for the financial year ended 31 December 2021 and the balance sheet of the Company as at 31 December 2021.

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 114 to 204 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2021 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

PRINCIPAL ACTIVITIES

The principal activities of the Company include investment holding and provision of management services.

The principal activities of its subsidiaries, associated companies and a joint venture are set out in Notes 21, 19 and 20 to the consolidated financial statements, respectively.

OPERATIONS AND FINANCIAL REVIEW

Details of the operations review, the financial review and the market outlook of the Group are set out in the annual report under section entitled "Operations Review" on pages 42 to 44 of the annual report, the section entitled "Financial Review" on pages 34 to 37 of the annual report and the section entitled "Market Outlook" on pages 45 to 47 of the annual report, respectively. A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 205 of the annual report.

RESULTS AND DIVIDENDS

The results of the Group for the year are set out in the consolidated financial statements on pages 114 to 115 of the annual report.

No interim dividend was declared during the current financial year (2020: S\$nil).

The Board has recommended a final dividend of 0.5 Singapore cent (2020: S\$nil) per ordinary share, on a one-tier tax exempt basis, amounting to a total of S\$4,204,000 (2020: S\$nil) for the financial year ended 31 December 2021, subject to approval by shareholders of the Company at the forthcoming Annual General Meeting.

PRINCIPAL PROPERTIES

Details of the principal properties held for sale and for investment purposes are set out in Notes 17 and 22 to the consolidated financial statements, respectively.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the year are set out in Note 23 to the consolidated financial statements.

DEBENTURES ISSUED

Details of the debentures issued by the Company are set out in Note 28(b) to the consolidated financial statements.

BORROWINGS

Particulars of bank loans and other borrowings of the Group as at 31 December 2021 are set out in Note 28 to the consolidated financial statements.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

SHARE CAPITAL AND TREASURY SHARES

Details of the movements in share capital and treasury shares of the Company during the year are set out in Note 32 to the consolidated financial statements. There were no movements in the Company's issued share capital during the year and the Company does not hold any treasury shares.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

There was no purchase, sale or redemption of listed securities of the Company during the financial year ended 31 December 2021 except for the redemption of the remaining fixed rate notes due 2022 (Series 004 Notes) of the aggregate outstanding principal amount of S\$12,250,000 at 100 per cent of the said principal amount together with the interest accrued thereof on 1 February 2021.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Constitution of the Company or the laws of the Republic of Singapore applicable to Singapore companies generally which would oblige the Company to offer new Shares on a *pro-rata* basis to existing shareholders.

DISTRIBUTABLE RESERVES

As at 31 December 2021, the retained profits of the Group are distributable except for the accumulated retained profits of associated companies and a joint venture amounting to S\$79,329,000 (2020: S\$73,927,000) which are included in the Group's retained profits.

Movement in the distributable reserves of the Company as at 31 December 2021 are set out in Note 34 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group purchased less than 30% of its goods and services from its 5 largest suppliers and sold less than 30% of its goods and services to its 5 largest customers.

None of the directors, their associates or any shareholder (which to the knowledge of the directors own more than 5% of the Company's share capital) had an interest in these major suppliers or customers.

DONATIONS

Charitable and other donations made by the Group during the year amounted to S\$111,000 (2020: S\$156,000).

TAX RELIEF

The Company is not aware of any relief from taxation available to shareholders of the Company by reason of their holdings of the Company's shares.

DIRECTORS' STATEMENT

DIRECTORS

The directors of the Company in office at the date of this statement are as follows:

Executive Directors

Loh Kim Kang David (Joint Chairman)
Wong Kok Hoe (Deputy Chairman)
Teo Peng Kwang

Non-Executive Director

Han Seng Juan (Joint Chairman)

Independent Non-Executive Directors

Gn Hiang Meng (Lead Independent Director)
Chandra Mohan s/o Rethnam
Lee Wei Loon
Owi Kek Hean
Tan Poh Hong

INDEPENDENCE CONFIRMATIONS OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors, an annual confirmation of his/her independence pursuant to Rule 210(5)(d) of the Listing Manual of SGX-ST, 2018 Code and Rule 3.13 of the HK Listing Rules. The Company considers all of the independent non-executive directors as independent.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of directors and senior management of the Company are set out in the annual report under the section entitled "Board of Directors" on pages 10 to 14 and section entitled "Senior Management" on pages 15 to 17, respectively.

DIRECTORS' SERVICE CONTRACTS

None of the directors who are proposed for re-election at the forthcoming Annual General Meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The Board, at the recommendation of the Remuneration Committee, has the general power of determining the Directors' fees, subject to approval by the shareholders of the Company at the Annual General Meeting each year.

The remuneration and other emoluments are determined by the Board, at the recommendation of the Remuneration Committee, with reference to the duties, responsibilities and performance of the Directors and the results of the Group, as appropriate. Details of the remuneration of the Directors are set out in Note 9(b) to the consolidated financial statements.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SHARE OPTIONS

The Company has no share option scheme as at the date of this statement.

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S ("CEO") INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

Under Section 164 of the Singapore Companies Act 1967

- (a) According to the register of directors' and CEO's shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967, none of the Directors and CEO holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of Director/CEO		Holdings in which Director/CEO is deemed to have an interest	
	At 31.12.2021	At 1.1.2021 or date of appointment, if later	At 31.12.2021	At 1.1.2021 or date of appointment, if later
Centurion Corporation Limited				
<u>(No. of ordinary shares)</u>				
Gn Hiang Meng	–	–	247,500	247,500
Loh Kim Kang David ⁽ⁱ⁾	37,986,350	37,986,350	425,956,126	425,956,126
Han Seng Juan	33,877,600	33,877,600	433,703,626	433,703,626
Wong Kok Hoe	10,000,000	10,000,000	–	–
Teo Peng Kwang ⁽ⁱⁱ⁾	63,723,330	63,723,330	–	–
Kong Chee Min (CEO) ⁽ⁱⁱⁱ⁾	172,905	172,905	–	–
Ultimate Holding Corporation – Centurion Global Ltd				
<u>(No. of ordinary shares)</u>				
Loh Kim Kang David	8,086	8,086	–	–
Han Seng Juan	8,086	8,086	–	–
Immediate Holding Corporation – Centurion Properties Pte. Ltd.				
<u>(No. of ordinary shares)</u>				
Loh Kim Kang David	–	–	10,000,000	10,000,000
Han Seng Juan	–	–	10,000,000	10,000,000

Notes:

- (i) As at 31 December 2021, Loh Kim Kang David also has a direct interest in the Fixed Rate Notes due 2024 issued by the Company on 12 October 2020 ("Fixed Rate Notes due 2024") for an aggregate principal amount of S\$500,000 (as at 1 January 2021: Direct interest in Fixed Rate Notes due 2024 for an aggregate principal amount of S\$500,000).
- (ii) As at 31 December 2021, Teo Peng Kwang also has a direct interest in the Fixed Rate Notes due 2024 for an aggregate principal amount of S\$3,000,000 (as at 1 January 2021: Direct interest in Fixed Rate Notes due 2024 for an aggregate principal amount of S\$3,000,000).
- (iii) As at 31 December 2021, Kong Chee Min also has a direct interest in the Fixed Rate Notes due 2024 for an aggregate principal amount of S\$1,500,000 (as at 1 January 2021: Direct interest in Fixed Rate Notes due 2024 for an aggregate principal amount of S\$1,500,000).
- (b) Loh Kim Kang David and Han Seng Juan, who by virtue of their individual interest of not less than 20% of the issued capital of the Company, are deemed to have an interest in the shares of the subsidiaries held by the Company.
- (c) The directors' and CEO's interests in the ordinary shares of the Company (the "Shares") as at 21 January 2022 were the same as those as at 31 December 2021.

DIRECTORS' STATEMENT

Under Section 352 of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) ("SFO")

As at 31 December 2021, the interests and short positions of the directors and CEO of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the SEHK pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or have been entered in the register maintained by the Company pursuant to Section 352 of the SFO, otherwise have been notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the SEHK (the "HK Listing Rules"), are as follows:

Long positions in the Shares and underlying shares of the Company

	Capacity/ Nature of interest	Direct Interest		Deemed Interest			Total Interest	
		No. of Shares	% ⁽²⁾	Capacity/ Nature of interest	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Loh Kim Kang David	Beneficial owner	37,986,350 ^{(L)(4)}	4.52	Interest of controlled corporation	425,756,126 ^{(L)(3)}	50.64	463,942,476 ^{(L)(10)}	55.18
				Interest of spouse	200,000 ^{(L)(5)}	0.02		
Han Seng Juan	Beneficial owner	33,877,600 ^{(L)(7)}	4.03	Interest of controlled corporation	425,756,126 ^{(L)(6)}	50.64	467,581,226 ^{(L)(11)}	55.61
				Interest of spouse	7,947,500 ^{(L)(8)}	0.94		
Gn Hiang Meng	–	–	–	Interest of spouse	247,500 ^{(L)(9)}	0.03	247,500 ^(L)	0.03
Teo Peng Kwang	Beneficial owner	63,723,330 ^{(L)(12)}	7.58	–	–	–	63,723,330 ^(L)	7.58
Wong Kok Hoe	Beneficial owner	10,000,000 ^{(L)(13)}	1.19	–	–	–	10,000,000 ^(L)	1.19
Kong Chee Min (CEO)	Beneficial owner	172,905 ^(L)	0.02	–	–	–	172,905 ^(L)	0.02

Notes:

- (1) The letter "L" denotes the person's long position in the relevant Shares.
- (2) Based on 840,778,624 issued Shares as at 31 December 2021.
- (3) Loh Kim Kang David ("Mr Loh") holds a 50% shareholding interest in Centurion Global Ltd ("Centurion Global"). Centurion Properties Pte. Ltd. ("Centurion Properties") is a wholly-owned subsidiary of Centurion Global. Mr Loh is, therefore, deemed to have an interest in 425,756,126 Shares held by Centurion Properties.
- (4) Of the 37,986,350 Shares held by Mr Loh, 15,837,450 Shares are registered in the name of UOB Kay Hian Private Limited, 1,700,000 Shares are registered in the name of Raffles Nominees (Pte.) Limited, 14,903,900 Shares are registered in the name of CGS-CIMB Securities (Singapore) Pte Ltd, 4,000,000 Shares are registered in the name of CGS-CIMB Securities (Hong Kong) Limited, 1,345,000 Shares are registered in the name of Standard Chartered Bank (Hong Kong) Ltd and 200,000 Shares are registered in his own name.
- (5) Mr Loh is also deemed to have an interest in 200,000 Shares held by his spouse, Wong Wan Pei.
- (6) Han Seng Juan ("Mr Han") holds a 50% shareholding interest in Centurion Global. Mr Han is, therefore, deemed to have an interest in 425,756,126 Shares held by Centurion Properties, a wholly-owned subsidiary of Centurion Global.
- (7) Of the 33,877,600 Shares held by Mr Han, 5,898,400 Shares are registered in the name of Citibank Nominees Singapore Pte Ltd, 2,370,700 Shares are registered in the name of UOB Kay Hian Private Limited, 3,239,000 Shares are registered in the name of Kim Eng Securities (Hong Kong) Limited, 9,026,000 Shares are registered in the name of UBS Securities (Hong Kong) Limited, 402,300 Shares are registered in the name of Oversea-Chinese Bank Nominees Pte Ltd, 3,388,500 Shares are registered in the name of Maybank Kim Eng Securities Pte Ltd, 5,193,700 Shares are registered in the name of CGS-CIMB Securities (Singapore) Pte Ltd, 2,785,000 Shares are registered in the name of CGS-CIMB Securities (Hong Kong) Limited, 49,000 Shares are registered in the name of UOB Kay Hian (Hong Kong) Limited and 1,525,000 Shares are registered in his own name.
- (8) Mr Han is also deemed to have an interest in 7,947,500 Shares held by his spouse, Kang Lee Cheng Susanna.
- (9) Gn Hiang Meng is deemed to have an interest in 247,500 Shares held by his spouse, Loo Bee Hoon.
- (10) Of these Shares, 34,741,350 Shares held by Mr Loh have been pledged to independent third party financial institution(s).
- (11) Of these Shares, 21,246,300 Shares held by Mr Han have been pledged to independent third party financial institution(s).
- (12) Of the 63,723,330 Shares held by Teo Peng Kwang, 40,270,164 Shares are registered in the name of DBS Bank Ltd, 7,356,916 Shares are registered in the name of Deutsche Bank, 96,250 Shares are registered in the name of United Overseas Bank Nominees Pte Ltd and 16,000,000 Shares are registered in the name of DB Nominees (Singapore) Pte Ltd.
- (13) The 10,000,000 Shares held by Wong Kok Hoe are registered in his own name.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Interest in debentures of the Company

S\$55,000,000 aggregate principal amount of the Fixed Rate Notes due 2024

	Nature of interest	Principal amount of the Fixed Rate Notes due 2024 held	Approximate percentage of the interest in the Fixed Rate Notes due 2024
Loh Kim Kang David	Beneficial owner	S\$500,000	0.91%
Teo Peng Kwang	Beneficial owner	S\$3,000,000	5.45%
Kong Chee Min	Beneficial owner	S\$1,500,000	2.73%

Note:

(1) The percentage of the interest in the Fixed Rate Notes due 2024 is calculated based on the aggregate principal amount of S\$55,000,000.

Save as disclosed above, as at 31 December 2021, none of the Directors or CEO of the Company or their respective associates had registered an interest or short position in the Shares or underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and the SEHK pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he had taken or deemed to have under such provisions of the SFO) or was required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or as otherwise notified to the Company and the SEHK pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' (OTHER THAN A DIRECTOR OR CEO OF THE COMPANY) INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2021, as far as the Directors are aware, the persons or entities (other than a Director or CEO of the Company) who have interests or short positions in the Shares and underlying shares of the Company which have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO are as follows:

Long position in the Shares

	Direct interest		Deemed interest		Total interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Centurion Properties Pte. Ltd. ⁽²⁾	425,756,126	50.64	–	–	425,756,126	50.64
Centurion Global Ltd ⁽³⁾	–	–	425,756,126	50.64	425,756,126	50.64

Notes:

- (1) Based on 840,778,624 issued Shares as at 31 December 2021.
- (2) Of the 425,756,126 Shares held by Centurion Properties, 20,000,000 Shares are registered in the name of Raffles Nominees (Pte.) Limited and 405,756,126 Shares are registered in its own name.
- (3) Centurion Properties is a wholly-owned subsidiary of Centurion Global. Centurion Global is, therefore, deemed to have an interest in 425,756,126 Shares held by Centurion Properties. Centurion Global is owned equally by Mr Loh (Executive Director, Joint Chairman of the Board and a controlling shareholder of the Company) and Mr Han (Non-Executive Director, Joint Chairman of the Board and a controlling shareholder of the Company).

Save as disclosed above, as at 31 December 2021, there is no person or entity (other than a Director or CEO of the Company) which has an interest or short position in the Shares and underlying shares of the Company which have been disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO.

DIRECTORS' STATEMENT

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Other than those disclosed above and under "Interested Person Transactions" on pages 98 to 99 of the annual report, no transaction, arrangement or contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a director of the Company had a material interest, either direct or indirect, subsisted at the end of the year or at any time during the year.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

Our Group continuously endeavours to promote environmental and social responsibility to employees and contribute to the community. Our Group is always in compliance with all the relevant laws and regulations and recognises that creating sustainable value for all of our stakeholders remains at the core of our business. We are committed to strike a balance between achieving our business goals, meeting the needs of our stakeholders and actively minimising our environmental footprint and any negative impact. We understand that by monitoring and evaluating our economic, environmental and social efforts moving on, the Group acts responsibly in the best interest of our shareholders and gains competitive advantage in the long term.

Details of the environment and social responsibility are set out in the section entitled "Sustainability Report" in this annual report.

CONNECTED TRANSACTIONS

Details of the connected transactions are set out on pages 98 to 99 under "Interested Person Transactions" in the section entitled "Corporate Governance" in this annual report. During the year ended 31 December 2021, the Group had not entered into any connected transaction or continuing connected transactions that are not exempted under Chapter 14A of the HK Listing Rules.

DEED OF NON-COMPETITION

The Company has received the written confirmations from Mr Loh and Mr Han in respect of the compliance with the provisions of the deed of non-competition ("Deed of Non-competition"), entered into between the Controlling Shareholders and the Company.

The independent non-executive directors had reviewed and confirmed that the Controlling Shareholders have complied with the Deed of Non-competition and the Deed of Non-competition has been enforced by the Company in accordance with its terms during the year and up to the date of this annual report.

EQUITY-LINKED AGREEMENT

No equity-linked agreement which may result in the Company issuing shares was entered into or existed during the year.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company as at the date of this annual report, the Company has maintained the prescribed minimum percentage of public float during the year ended 31 December 2021 and up to the date of this annual report as required by the Listing Manual of the SGX-ST and HK Listing Rules.

Details of the shareholdings in public hands are set out on page 207 under "Percentage of Shareholding in Public's Hands" in the section entitled "Statistics of Shareholdings" in this annual report.

PERMITTED INDEMNITY PROVISIONS

Under the Constitution of the Company, every director or other officers of the Company acting in relation to any of the affairs of the Company shall be entitled to be indemnified against all actions, costs, charges, losses, damages and expenses which he/she may incur or sustain in or about the execution of his/her duties in his/her office. The Company has arranged appropriate insurance cover in respect of legal action against its directors and officers.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

RELATED PARTY TRANSACTIONS

Our Group entered into certain related party transactions with its related parties during the financial year ended 31 December 2021.

Details of the related party transactions are set out in Note 38 to the consolidated financial statements. None of the related party transactions constitute a connected transaction or continuing connected transaction under the HK Listing Rules.

CORPORATE GOVERNANCE

Details of the corporate governance are set out in the section entitled "Corporate Governance" in this annual report.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the year ended 31 December 2021, none of the directors of the Company and directors of the Company's subsidiaries, or their respective associates, had interests in businesses, other than being a director of the Company and/or its subsidiaries and their respective associates, which compete or are likely to compete, either directly or indirectly with the business of the Company and its subsidiaries as required to be disclosed pursuant to the HK Listing Rules.

CHANGES OF INFORMATION OF DIRECTORS

Changes of information of Directors which is required to be disclosed pursuant to Rule 13.51B (1) of the HK Listing Rules since the date of the 2021 Interim Report are set out below:

- (a) Mr Gn Hiang Meng has resigned as an independent non-executive director of (i) Koh Brothers Group Limited (stock code: K75.SI), with effect from 31 December 2021; and (ii) SingHaiyi Group Limited (stock code: 5H0.SI), with effect from 31 January 2022.
- (b) Mr Chandra Mohan s/o Rethnam resigned as a member of the Singapore Indian Development Association (SINDA) Executive Committee, as Vice Chairman of Singapore Indian Chamber of Commerce and Industry (SICCI) Cares Ltd, and as Director of SME Centre @SICCI in 2021
- (c) Mr Teo Peng Kwang Kelvin has resigned as a director of Cuprina Pte Ltd, with effect from 21 October 2021; and had ceased as the Vice President of Dormitory Association of Singapore Limited, with effect from 31 July 2021.
- (d) Ms Tan Poh Hong has been appointed as Singapore's Non-Resident Ambassador to the Kingdom of Denmark on 21 January 2022.
- (e) Mr Loh Kim Kang David has been appointed as the chairman of the Executive Committee of the Company (established on 1 January 2022) and Mr Han Seng Juan, Mr Wong Kok Hoe, Mr Teo Peng Kwang Kelvin and Mr Kong Chee Min have been appointed as a member of the Executive Committee of the Company, all with effect from 1 January 2022.

AUDIT COMMITTEE

The members of the Audit Committee at the end of the financial year were as follows:

Gn Hiang Meng (Chairman)
Chandra Mohan s/o Rethnam
Owi Kek Hean

All members of the Audit Committee are independent non-executive directors.

DIRECTORS' STATEMENT

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967, the Listing Manual of the Singapore Exchange Securities Trading Limited and the Singapore Code of Corporate Governance 2018. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2021 before their submission to the Board of Directors.

The Audit Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Further details regarding the Audit Committee are provided in the section entitled "Corporate Governance" in this annual report.

INDEPENDENT AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment. There is no change in the Company's auditor in the preceding three years.

On behalf of the directors

Wong Kok Hoe
Director

17 March 2022

Loh Kim Kang David
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTURION CORPORATION LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the accompanying consolidated financial statements of Centurion Corporation Limited ("the Company") and its subsidiaries ("the Group") and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Separate opinion in relation to International Financial Reporting Standards

As explained in Note 2.1 to the financial statements, the Group and the Company, in addition to applying SFRS(I)s, have also applied International Financial Reporting Standards ("IFRSs"). In our opinion, the consolidated financial statements of the Group and the balance sheet of the Company give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows for the financial year then ended in accordance with IFRSs.

What we have audited

The financial statements of the Group and the Company comprise:

- the consolidated income statement of the Group for the financial year ended 31 December 2021;
- the consolidated statement of comprehensive income of the Group for the financial year then ended;
- the balance sheets of the Group and of the Company as at 31 December 2021;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTURION CORPORATION LIMITED

Our audit approach (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Valuation of investment properties As at 31 December 2021, the carrying value of the Group's investment properties of \$1,354,593,000 accounted for 86% of the Group's total assets (Note 22).</p> <p>In addition, the investment properties held by the Group's associated companies and joint venture affect the carrying value of the Group's investments in associated companies and joint venture (Note 19 and Note 20).</p> <p>The valuation of investment properties was a key audit matter due to the significant judgement in determining the key inputs used in the valuation. These key inputs include discount rate, rental rate, market value of comparable property, capitalisation rate, cost to complete and cost per square metre, and are dependent on the nature of each investment property and the prevailing market conditions.</p> <p>The key inputs are disclosed in Note 3 and Note 22 to the accompanying financial statements.</p> <p>Furthermore, the valuation reports obtained from independent property valuers for certain investment properties have highlighted that with the heightened uncertainty of the Coronavirus Disease 2019 ("COVID-19") outbreak, the reduced certainty would require a higher degree of caution to be exercised when relying on the valuations.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> assessed the competence, capabilities and objectivity of the external valuers engaged by the Group; obtained an understanding of the techniques used by the external valuers in determining the valuation of individual investment properties; discussed the key inputs used by the external valuers in the valuation; tested the reliability of information, including underlying lease and financial information provided to the external valuers; and assessed the reasonableness of the discount rate, rental rate, market value of comparable property, capitalisation rate, cost to complete and cost per square metre by benchmarking these against prior year inputs and those of comparable properties based on information available as at 31 December 2021. <p>We found the external valuers to be members of recognised bodies for professional valuers. We also found that the valuation techniques used were appropriate in the context of the Group's investment properties and the key inputs used were within the range of market data.</p> <p>We have also assessed the adequacy of the disclosures relating to the key inputs and the impact of COVID-19 on the valuation of investment properties, as we consider them as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations.</p>

Other Information

Management is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTURION CORPORATION LIMITED

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTURION CORPORATION LIMITED

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Chua Chin San.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 17 March 2022

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$'000	2020 \$'000
Revenue	4	143,017	128,355
Cost of sales	5	(48,701)	(38,756)
Gross profit		94,316	89,599
Other income	6	4,715	8,948
Other gains/(losses) – net			
– Loss on derecognition of financial assets	7	(666)	(3,589)
– Write back/(allowance) for impairment of trade and other receivables	7	112	(1,300)
– Others	7	1,937	697
Net fair value loss on investment properties	22	(3,076)	(27,641)
Expenses			
– Distribution expenses	5	(1,158)	(1,284)
– Administrative expenses	5	(20,629)	(21,186)
– Finance expenses	8	(22,734)	(23,319)
Share of profit of associated companies and joint venture	19,20	15,077	4,819
Profit before income tax		67,894	25,744
Income tax expense	10(a)	(12,097)	(7,033)
Total profit		55,797	18,711
Profit attributable to:			
Equity holders of the Company		52,679	17,171
Non-controlling interests		3,118	1,540
		55,797	18,711
Earnings per share for profit attributable to equity holders of the Company			
Basic earnings per share (cents)	11(a)	6.27	2.04
Diluted earnings per share (cents)	11(b)	6.27	2.04

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$'000	2020 \$'000
Total profit		55,797	18,711
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Financial assets, at FVOCI – debt instruments			
– Fair value gains/(losses)	33(b)(i)	618	(600)
– Reclassification	33(b)(i)	2	77
Cash flow hedges			
– Fair value gains/(losses)	33(b)(ii)	2,311	(6,779)
– Reclassification	33(b)(ii)	2,109	1,762
Share of other comprehensive gains/(losses) of associated companies and joint venture	19, 20	140	(217)
Currency translation (losses)/gains arising from consolidation		(3,672)	10,376
Other comprehensive income, net of tax		1,508	4,619
Total comprehensive income		57,305	23,330
Total comprehensive income attributable to:			
Equity holders of the Company		54,118	21,815
Non-controlling interests		3,187	1,515
		57,305	23,330

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BALANCE SHEETS

AS AT 31 DECEMBER 2021

	Note	Group		Company	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
ASSETS					
Current assets					
Cash and bank balances	12	67,493	83,868	20,310	28,247
Trade and other receivables	13	17,996	11,687	17,726	16,714
Inventories	14	164	65	–	–
Other assets	15	4,524	5,307	338	150
Financial assets, at fair value through other comprehensive income	16	6,453	6,779	6,453	6,779
		96,630	107,706	44,827	51,890
Assets held for sale	17	–	1,292	–	–
		96,630	108,998	44,827	51,890
Non-current assets					
Trade and other receivables	13	–	–	375,141	372,677
Other assets	15	896	1,022	–	130
Financial assets, at fair value through profit or loss	18	57	24	–	–
Investments in associated companies	19	117,071	111,462	1,298	1,298
Investment in a joint venture	20	4,732	4,758	–	–
Investments in subsidiaries	21	–	–	16,897	16,697
Investment properties	22	1,354,593	1,307,770	–	–
Property, plant and equipment	23	8,735	7,678	560	1,117
		1,486,084	1,432,714	393,896	391,919
Total assets		1,582,714	1,541,712	438,723	443,809
LIABILITIES					
Current liabilities					
Trade and other payables	26	46,182	37,154	11,789	11,549
Other liabilities	27	–	52	–	–
Current income tax liabilities	10	9,336	9,657	2,019	753
Derivative financial instruments	30	122	165	122	165
Borrowings	28	63,258	71,788	12,404	39,850
Lease liabilities	29	17,946	10,282	426	495
		136,844	129,098	26,760	52,812
Non-current liabilities					
Other liabilities	27	1,489	490	–	–
Deferred income tax liabilities	31	13,295	9,168	40	83
Derivative financial instruments	30	2,113	6,490	–	351
Borrowings	28	664,432	682,878	111,662	111,022
Lease liabilities	29	87,222	84,803	–	426
		768,551	783,829	111,702	111,882
Total liabilities		905,395	912,927	138,462	164,694
NET ASSETS		677,319	628,785	300,261	279,115
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	32	142,242	142,242	253,553	253,553
Other reserves	33	(25,049)	(26,488)	(176)	(1,188)
Retained profits	34	542,521	489,842	46,884	26,750
		659,714	605,596	300,261	279,115
Non-controlling interests		17,605	23,189	–	–
Total equity		677,319	628,785	300,261	279,115

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Note	← Attributable to equity holders of the Company →			Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Other reserves \$'000	Retained profits \$'000			
2021						
Beginning of financial year	142,242	(26,488)	489,842	605,596	23,189	628,785
Profit for the year	–	–	52,679	52,679	3,118	55,797
Other comprehensive income for the year	–	1,439	–	1,439	69	1,508
Total comprehensive income for the year	–	1,439	52,679	54,118	3,187	57,305
Dividends paid	–	–	–	–	(8,771)	(8,771)
Total transactions with owners, recognised directly in equity	–	–	–	–	(8,771)	(8,771)
End of financial year	142,242	(25,049)	542,521	659,714	17,605	677,319
2020						
Beginning of financial year	142,242	(31,132)	481,081	592,191	21,674	613,865
Profit for the year	–	–	17,171	17,171	1,540	18,711
Other comprehensive income/ (loss) for the year	–	4,644	–	4,644	(25)	4,619
Total comprehensive income for the year	–	4,644	17,171	21,815	1,515	23,330
Dividends paid	35	–	(8,410)	(8,410)	–	(8,410)
Total transactions with owners, recognised directly in equity	–	–	(8,410)	(8,410)	–	(8,410)
End of financial year	142,242	(26,488)	489,842	605,596	23,189	628,785

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CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$'000	2020 \$'000
Cash flows from operating activities			
Total profit		55,797	18,711
Adjustments for:			
– Income tax expense	10(a)	12,097	7,033
– Depreciation	5	3,581	3,313
– Impairment of plant and equipment	7	–	508
– (Write back)/allowance for impairment of trade and other receivables	7	(112)	1,300
– Net loss on disposal of plant and equipment	7	13	9
– (Gain)/loss on disposal of assets held for sale	7	(2,019)	97
– Gain on disposal of a subsidiary	7	–	(1,398)
– Net fair value loss on investment properties	22	3,076	27,641
– Interest income	6	(520)	(875)
– Finance expenses	8	22,734	23,319
– Share of profit of associated companies and joint venture	19, 20	(15,077)	(4,819)
– Loss on disposal of financial assets, at FVOCI	7	2	77
– Fair value (gains)/losses on financial assets at fair value through profit or loss	7	(33)	132
– Unrealised currency translation differences		(30)	144
Operating cash flow before working capital changes		79,509	75,192
Change in working capital, net of effects from disposal of subsidiary:			
– Inventories		(99)	(21)
– Trade and other receivables		(7,058)	(4,232)
– Other assets		653	(2,025)
– Trade and other payables		9,177	(3,402)
Cash generated from operations		82,182	65,512
Income tax paid	10(b)	(7,833)	(5,032)
Net cash provided by operating activities		74,349	60,480
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		71	79
Additions to investment properties		(31,006)	(11,377)
Purchases of property, plant and equipment		(4,093)	(1,334)
Interest received		475	866
Dividends received from associated companies	19	9,675	2,166
Short-term bank deposits released as security to bank		–	1,255
Deposits refunded for acquisition of investment property		–	3,575
Purchase of financial assets, at FVOCI	16	(2,750)	(2,250)
Proceeds from disposal of financial assets, at FVOCI	16	3,730	4,000
Proceeds from disposal of assets held for sale		3,905	3,284
Disposal of a subsidiary, net of cash disposed of	21	–	5,828
Net cash (used in)/provided by investing activities		(19,993)	6,092

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2021 \$'000	2020 \$'000
Cash flows from financing activities			
Proceeds from borrowings		48,327	52,360
Loan from non-controlling interests		115	103
Repayment of loan from associated company		(2,160)	–
Repayment of borrowings		(71,269)	(42,241)
Interest paid on borrowings		(19,410)	(21,029)
Interest paid on lease liabilities		(3,538)	(2,440)
Repayment of principal portion of lease liabilities		(13,948)	(7,457)
Restricted cash charged as security to bank		(1,184)	–
Dividends paid to equity holders of the company		–	(8,410)
Dividends paid to non-controlling interests		(8,771)	–
Net cash used in financing activities		(71,838)	(29,114)
Net (decrease)/increase in cash and cash equivalents held		(17,482)	37,458
Cash and cash equivalents			
Beginning of financial year		83,868	46,378
Effects of currency translation on cash and cash equivalents		(77)	32
End of financial year	12	66,309	83,868

Please refer to reconciliation of liabilities arising from financing activities in Note 12.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Centurion Corporation Limited (the “Company”) is incorporated and domiciled in Singapore and is dual listed on both the Main Board of the Singapore Exchange Securities Trading Limited and The Stock Exchange of Hong Kong Limited. 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 venture are set out in Notes 21, 19 and 20 respectively.

The financial statements are presented in thousands of Singapore Dollars (\$'000) unless otherwise stated.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and International Financial Reporting Standards (“IFRSs”). All references to SFRS(I)s and IFRSs are referred to collectively as “IFRSs” in these financial statements, unless specified otherwise. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

As at 31 December 2021, the Group is in a net current liability position of \$40,214,000. These financial statements are prepared on a going concern basis as the Group expects to generate sufficient operating cash flows to enable the Group to pay its debts as and when they fall due within the next twelve months from balance sheet date. In addition, the Group has unutilised committed credit facilities of \$100,242,000 expiring more than 12 months after balance sheet date, which are available for meeting any short-term liabilities and unanticipated fund requirements, if needed.

The preparation of the financial statements in conformity with IFRSs 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 financial statements are disclosed in Note 3.

Impact of COVID-19

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Group’s significant operations are in Singapore, Malaysia, Australia, the United Kingdom and the United States of America, all of which have been affected by the spread of COVID-19 since 2020.

Set out below is the impact of COVID-19 on the Group’s financial performance reflected in this set of financial statements for the financial year ended 31 December 2021:

- i. The Group has assessed that the going concern basis of preparation for this set of financial statements remains appropriate.
- ii. In 2021, the Group has received rental rebates for its leased properties and also provided rental concessions to certain tenants. The effects of such rental concessions received/provided are disclosed in Notes 6 and 7 respectively.
- iii. The Group has considered the market conditions (including the impact of COVID-19) as at the balance sheet date, in making estimates and judgements on the recoverability of assets as at 31 December 2021. The significant estimates and judgement applied on valuation of investment properties are disclosed in Notes 3 and 22.

As the COVID-19 pandemic continues to evolve, the Group continues to be impacted by the measures taken by governments to combat the spread of the pandemic. If the situation persists beyond management’s current expectations, the Group’s assets may be subject to further write-downs in the subsequent financial periods.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

Interpretations and amendments to published standards effective in 2021

On 1 January 2021, the Group adopted the new or amended IFRSs and Interpretations of IFRSs (“INT IFRSs”) 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 IFRSs and INT IFRSs.

The adoption of these new or amended IFRSs and INT IFRSs 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 as follows.

Interest rate benchmark reform – Phase 2

The Group has adopted the amendments to SFRS(I) 9, SFRS(I) 7 and SFRS(I) 16 Interest Rate Benchmark Reform – Phase 2 effective 1 January 2021. In accordance with the transition provisions, the amendments shall be applied retrospectively to financial instruments. Comparative amounts have not been restated, and there was no impact on the current period opening reserves amounts on adoption.

Financial instruments measured at amortised cost

Phase 2 of the amendments requires that, for financial instruments measured using amortised cost measurement, changes to the basis for determining the contractual cash flows required by IBOR reform are reflected by adjusting their effective interest rate. No immediate gain or loss is recognised.

These expedients are only applicable to changes that are required by IBOR reform, which is the case if, and only if, the change is necessary as a direct consequence of IBOR reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change.

For the financial year ended 31 December 2021, the Group has applied the practical expedients provided under Phase 2 to amendments to \$168,586,000 of its bank borrowings.

Effect of IBOR reform

Following the global financial crisis, the reform and replacement inter-bank offered rates (“IBOR”) has become a priority for global regulators. The Group’s risk exposure that is directly affected by the IBOR reform predominantly comprises its variable rate borrowings that are linked to the Singapore Interbank Offered Rate (“SIBOR”), Singapore Swap Offer Rate (“SOR”) and the British Pound Sterling London Inter-bank Offer Rate (“GBP LIBOR”). The floating rate borrowings which are linked to the Singapore SOR are hedged using interest rate swaps, which have been designated as cash flow hedges.

SOR and SIBOR will cease publication after 30 June 2023 and 31 December 2024 respectively, and these are expected to be replaced by the Singapore Overnight Rate Average (“SORA”). The Group has variable rate SGD borrowings which references to SOR and SIBOR and matures after the respective cessation dates. The Group’s communication with its swap and debt counterparties for the affected SIBOR and SOR linked borrowings is ongoing, but specific changes required by IBOR reform have not yet been agreed.

The Group hedges some of the variability in cash flows arising from SOR-linked borrowings using SOR-linked interest rate swaps. As IBOR uncertainty is still present, the Group continues to apply the Phase 1 temporary amendments for hedge accounting on cash flow hedges relating to SOR risk, and further information on the hedging relationship has been disclosed in Note 37(a)(iii). The expected transition from SOR to SORA had no effect on the amounts reported for the current and prior financial years.

The Group has completed the transition for some of its affected SOR linked borrowings to SORA, and the Group has applied the Phase 2 amendments for amortised cost measurement for these borrowings. The transition from SOR to SORA had no material effect on the amounts reported for the current and prior financial year.

GBP LIBOR will lose its representativeness after 31 December 2021. The Group has amended all its GBP LIBOR linked borrowings to reference to the Sterling Overnight Index Average (“SONIA”), and the Group has applied the Phase 2 amendments for amortised cost measurement. The transition from GBP LIBOR to SONIA had no material effect on the amounts reported for the current and prior financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

Effect of IBOR reform (continued)

The following table contains details of all the financial instruments held by the Group and Company as at 31 December 2021 which are referenced to SIBOR and SOR and have not yet transited to the new SORA:

	SIBOR		SOR	
	Carrying amount \$'000	Of which: Not yet transited to an alternative benchmark rate \$'000	Carrying amount \$'000	Of which: Not yet transited to an alternative benchmark rate \$'000
Group:				
31 December 2021				
Liabilities				
– Borrowings	83,032	61,782	350,876	322,735
– Derivative financial instruments	–	–	2,235	2,235
Total	83,032	61,782	353,111	324,970
Company:				
31 December 2021				
Liabilities				
– Borrowings	30,250	9,000	33,500	30,000
– Derivative financial instruments	–	–	122	122
Total	30,250	9,000	33,622	30,122

Included in the variable rate borrowings are floating-rate debt of \$126,976,000 (2020: \$140,979,000) whose interest rates are based on 1-month SOR. To hedge the variability in cash flows of this loan, the Group has entered into interest rate swaps with key terms (principal amount, payment dates, repricing dates, currency) that match those of the debt on which it pays a fixed rate and receives a variable rate.

In calculating the change in fair value attributable to the variability of SOR in hedged SGD borrowings, the Group assumes that:

- The borrowings will move to SORA at the same time as the interest rate swap (hedging instrument) with a similar adjustment spread computed on the same basis;
- No other changes to the terms of the borrowing and interest rate swap are anticipated; and
- The interest rate swap will not be derecognised.

Given that the critical terms are assumed to continue to match, the change in fair value of the hedged risk is the same as the change in fair value of the hedging instrument. Therefore, no hedge ineffectiveness is recognised as a result of the expected transition of the cash flow hedges from SOR to SORA.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Revenue recognition

(a) *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. Refer to Note 2.18(ii) for accounting policy on rental income.

(b) *Other revenue from accommodation business*

Other revenue incidental to provision of accommodation services are recognised when control of the products are transferred to the customer at a point in time, or when services are rendered. Transfer of control of the product occurs when the customers have accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied. No element of financing is deemed present as payments are due immediately, which is consistent with market practice and a receivable (financial asset) is recognised when 1) control of the product is transferred or 2) when service is rendered, as this is the point in time that the consideration is unconditional.

(c) *Sale of goods*

The Group manufactures and sells optical storage media and other trading goods. Sales are recognised when control of the products are delivered to its customers. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customers and either the customers have accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. No element of financing is deemed present as the sales are made with a credit terms of 30 to 60 days, which is consistent with market practice. A receivable (financial asset) is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

The Group does not operate any customer loyalty programme.

(d) *Rendering of management services*

Revenue from rendering of services is recognised over time upon the performance of the services or in accordance with the terms of the service contracts. Revenue represents management fees earned on property management and management of property real estate investments.

(e) *Interest income*

Interest income, including income arising from finance leases and other financial instruments is recognised using the effective interest method.

(f) *Dividend income*

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

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 which control ceases.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(a) *Subsidiaries (continued)*

(i) *Consolidation (continued)*

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. 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 statement, statement of comprehensive income, statement of changes in equity and balance sheet. 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.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(a) *Subsidiaries (continued)*(iii) *Disposals (continued)*

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.

Please refer to the paragraph "Investments in subsidiaries, associated companies and joint ventures" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(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.

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 consolidated financial statements 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 recognised 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 movements 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.

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 company 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. Interest in an associated company or joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(c) *Associated companies and joint ventures (continued)*

(ii) *Equity method of accounting (continued)*

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.

Please refer to the paragraph "Investments in subsidiaries, associated companies and joint ventures" for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

2.4 Government grants

Grants from the government are recognised as a 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. Government grants relating to expenses are shown separately as other income. Government grants relating to assets are deducted against the carrying amount of the assets.

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.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Property, plant and equipment (continued)

(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
Leased office space and leasehold improvements	3 – 10 years
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.

2.6 Investment properties

Investment properties include properties and right-of-use assets relating to leasehold land and properties that are held for long-term rental yields and/or for capital appreciation. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Intangible assets

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.

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.

2.10 Impairment of non-financial assets

Property, plant and equipment

Right-of-use assets

Investments in subsidiaries, associated companies and joint ventures

Property, plant and equipment, right-of-use assets 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 cash-generating unit ("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.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and bank balances, trade and other receivables, and listed debt securities.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- **FVOCI:** Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "Other gains/(losses) – net". Interest income from these financial assets is recognised using the effective interest rate method and presented in "Interest income".

(ii) Equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity instruments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "Other gains/(losses) – net", except where the Group has elected to classify the investments as FVOCI. Movements in fair values of investments classified as FVOCI are presented as "Fair value gains and losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "Dividend income".

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets (continued)

(b) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ("ECL") associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impairment on other receivables is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

(c) Recognition and derecognition

Regular way of 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 debt instrument, 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.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.12 Derivatives financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either: (a) fair value hedge; (b) cash flow hedge; or (c) net investment hedge.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis on whether the hedging relationship meets the hedge effectiveness requirements under IFRS 9.

The fair value of various derivative financial instruments used for hedging purposes are disclosed in Note 30. The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

The following hedges in place qualified as cash flow hedges under IFRS 9. The Group's management strategies and hedge documentation are aligned with the requirements of IFRS 9 and are thus treated as continuing hedges.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Derivatives financial instruments and hedging activities (continued)

Interest rate swaps

The Group has entered into interest rate swaps that are designated as cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss and presented separately in "Finance expense". The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

2.13 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet 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.

2.14 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. Intra-group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

- (a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of IFRS 15; and
- (b) the amount of expected loss computed using the impairment methodology under IFRS 9.

2.15 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.

2.16 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 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.

2.18 Leases

(i) *When the Group is the lessee:*

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- *Right-of-use assets*

The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

Right-of-use asset which meets the definition of an investment property is presented within "Investment properties" and accounted for in accordance with Note 2.6.

- *Lease liabilities*

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Leases (continued)

(i) When the Group is the lessee: (continued)

• Lease liabilities (continued)

For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

• Short term and low value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

• Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

(ii) When the Group is the lessor:

The Group subleases its leased premises under operating leases to non-related parties. The Group also leases its investment properties under operating leases to non-related parties.

• Lessor – Operating leases

Leases of investment properties where the Group retains substantially all risk 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.

Rental due but unpaid is presented under "Trade and other receivables". The Group has provided rent concessions to its tenants by waiving contractual past due rent which is accounted for as a forgiveness of rental receivables. Refer to Note 2.11(c) for the accounting policy for derecognition of financial assets.

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.

Contingent rents are recognised as income in profit or loss when earned.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Leases (continued)

(ii) When the Group is the lessor: (continued)

- *Lessor – Subleases*

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "Trade and other receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the balance sheet, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognises lease income from sublease in profit or loss within "Revenue". The right-of-use asset relating to the head lease is not derecognised.

For contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

2.19 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.

2.20 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. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements 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

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Income taxes (continued)

- (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.

2.21 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.

2.22 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) *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.

2.23 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements 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 consolidated financial statements, 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Currency translation (continued)

(b) Transactions and balances (continued)

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/(losses) – net".

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' financial statements

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 with loss of control of the foreign operation.

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.

2.24 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.

2.25 Cash and cash equivalents

For the purpose of presentation in the consolidated statement 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 sheet. 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.

2.26 Share capital, treasury shares and share issuance expenses

Proceeds from issuance of ordinary shares are classified as equity.

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.

Costs directly attributable to the issuance of new shares are deducted against the share capital.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.27 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payments.

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 at fair value. 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 classified as held-for-sale which are measured at fair value.

3. 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

As at 31 December 2021, the carrying value of the Group's investment properties of \$1,354,593,000 (2020: \$1,307,770,000) accounted for 86% (2020: 85%) of the Group's total assets. The Group, with reliance on independent professional valuers, applies estimates, assumptions and judgements in the determination of fair values for investment properties. The valuation forms the basis for the carrying amounts of the investment properties held directly by the Group in the consolidated financial statements. There is significant judgement in determining the key inputs used in the valuation. These key inputs include discount rate, rental rate, market value of comparable property, capitalisation rate, cost to complete and cost per square metre, and are dependent on the nature of each investment property and the prevailing market conditions. The key unobservable inputs used to determine the fair value of the investment properties are disclosed in Note 22.

In addition, the investment properties held by the Group's associated companies and joint venture affect the carrying value of the Group's investment in associated companies and joint venture. As at 31 December 2021, the carrying value of the Group's investment in associated companies and joint venture accounted for using the equity method of accounting amounted to \$117,071,000 (2020: \$111,462,000) (Note 19) and \$4,732,000 (2020: \$4,758,000) (Note 20) respectively, and are affected by the significant estimates and assumptions in the determination of the fair value of its investment properties held by the associated companies (Note 19) and joint venture (Note 20). The independent professional valuers have derived the fair value of these investment properties using income capitalisation method and the key unobservable inputs used in the valuation are the rental rate and capitalisation rate. The sensitivity of the changes in fair values of the investment properties to the carrying value of the associated companies and joint venture are disclosed in Note 19 and Note 20 respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

4. REVENUE

	Group	
	2021 \$'000	2020 \$'000
Rental income from investment properties (Note 22)	124,559	117,331
Revenue from contracts with customers (IFRS 15)		
Other revenue from accommodation business	10,569	5,135
Sale of optical storage media and other trading goods	1,525	958
Management services	6,364	4,931
	18,458	11,024
	143,017	128,355

5. COST OF SALES AND EXPENSES

	Group	
	2021 \$'000	2020 \$'000
Purchase of raw materials and consumables	799	431
Changes in inventories	(99)	(21)
Depreciation of property, plant and equipment (Note 23)	3,581	3,313
Property tax	4,946	4,919
Employee compensation (Note 9)	25,540	23,546
Rental expense ^(a)	748	742
Utilities	9,253	7,116
Repairs and maintenance	3,124	2,737
Cleaning expenses	2,439	1,749
Insurance	1,096	917
Security and card system expenses	4,299	3,107
Legal and professional fees	3,147	2,895
Transportation expenses	360	391
Advertising and promotion expenses	750	910
Fees on audit services paid/payable to:		
– auditor of the Company	361	338
– other member firms of PricewaterhouseCoopers International Limited	214	194
– other auditors	52	48
Fees on non-audit services paid/payable to:		
– auditor of the Company	18	95
– other member firms of PricewaterhouseCoopers International Limited	33	26
Others	9,827	7,773
Total cost of sales, distribution and administrative expenses	70,488	61,226

(a) In 2020, included within rental expense were COVID-19 related rent concessions received from lessors amounting to \$332,000.

NOTES TO THE FINANCIAL STATEMENTS

6. OTHER INCOME

	Group	
	2021 \$'000	2020 \$'000
Interest income		
– Financial assets measured at amortised cost	164	383
– Debt investments measured at FVOCI	356	492
	520	875
Government grant income ^(a)	4,001	8,941
Less: Government grant expense – rent concessions ^(b)	(46)	(1,119)
	3,955	7,822
Others	240	251
	4,715	8,948

(a) Included in government grant income are grants which the Group has recognised amounting to \$3,772,000 (2020: \$8,834,000) from the local governments where the Group operates, as part of the relief measures to help businesses deal with the impact from COVID-19. The government grant income mainly includes:

- (i) Property tax rebates, rental relief and cash grant amounting to \$2,235,000 (2020: \$5,813,000) to help businesses deal with the impact from COVID-19.
- (ii) Grant income of \$578,000 (2020: \$2,607,000) was recognised during the financial year under the various governments' Jobs Support, Job Keeper and Job Retention Schemes. These are temporary schemes to help enterprises retain jobs.

(b) Government grant expense relates to the property tax rebates received that were transferred to tenants in the form of rent rebates during the financial year and rental waivers provided to eligible tenants as part of the qualifying conditions of the cash grant.

The Group has passed on \$46,000 (2020: \$1,119,000) as part of its obligations to pass on the benefits of property tax rebates to its tenants and its obligations to waive up to two months of rental to eligible tenants.

In addition to the rent concessions, the Group has voluntarily waived an additional \$666,000 (2020: \$3,589,000) contractually past due rent to assist tenants whose operations were adversely impacted by COVID-19. This is presented as "loss on derecognition of financial assets" (Note 7(a)).

The total rent concessions and waivers amounted to \$712,000 (2020: \$4,708,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

7. OTHER GAINS/(LOSSES) – NET

	Group	
	2021 \$'000	2020 \$'000
Currency exchange (loss)/gain – net	(106)	122
Loss on derecognition of financial assets ^(a)	(666)	(3,589)
Net loss on disposal of plant and equipment	(13)	(9)
Net gain/(loss) on disposal of assets held for sale	2,019	(97)
Gain on disposal of a subsidiary (Note 21(c))	–	1,398
Financial assets at FVOCI		
– reclassification from other comprehensive income on disposal (Note 33(b)(i))	(2)	(77)
Fair value gain/(loss) on financial assets at fair value through profit or loss (Note 18)	33	(132)
Impairment loss of plant and equipment (Note 23)	–	(508)
Write back/(allowance) for impairment of trade and other receivables	112	(1,300)
Others	6	–
	1,383	(4,192)

- (a) During the financial year, the Group voluntarily waived \$666,000 (2020: \$3,589,000) of contractually past due rent, resulting in a derecognition of operating lease receivables to assist tenants whose operations were adversely impacted by the COVID-19 pandemic.

8. FINANCE EXPENSES

	Group	
	2021 \$'000	2020 \$'000
Interest expense:		
– bank borrowings and notes payables	16,561	18,173
– lease liabilities	3,538	2,440
– associated company	631	826
– non-controlling interests	97	124
Cash flow hedges, reclassified from hedging reserve (Note 33(b)(ii))	2,109	1,762
Less: Borrowing costs capitalised in investment properties	(202)	(6)
Finance expenses recognised in profit or loss	22,734	23,319

9. EMPLOYEE COMPENSATION – INCLUDING DIRECTORS' REMUNERATIONS

- (a) Employee benefit expenses during the years are as follows:

	Group	
	2021 \$'000	2020 \$'000
Wages, salaries and other benefits	23,099	21,653
Employer's contribution to defined contribution plans, including Central Provident Fund	2,441	1,893
Total employee compensation (Note 5)	25,540	23,546

The Group makes contributions to, among others, the Central Provident Fund ("CPF") in Singapore, Employees' Provident Fund ("EPF") in Malaysia, Superannuation in Australia and Smart Pension in United Kingdom, which are defined contribution plans required by the law of the relevant jurisdictions.

In Singapore, the Group is required to make mandatory contributions to CPF at the prevailing CPF contribution rates, subject to the applicable monthly income cap for the employees who are Singapore citizens and Singapore Permanent Residents.

NOTES TO THE FINANCIAL STATEMENTS

9. EMPLOYEE COMPENSATION – INCLUDING DIRECTORS' REMUNERATIONS (CONTINUED)

(a) Employee benefit expenses during the years are as follows: (continued)

In Malaysia, the Group pays mandatory contributions to EPF every month based on the rates stipulated in the Third Schedule of the EPF Act 1991 for all Malaysian citizens and permanent residents who are working in Malaysia.

In Australia, the Group pays compulsory superannuation payments in accordance with the Superannuation Guarantee (Administration) Act 1992. Employees may elect to have compulsory superannuation guarantee contributions paid into any complying superannuation fund. If the employee does not nominate such a fund, the employer will make contributions into the employer's default complying superannuation fund.

In United Kingdom, the Group contributes the minimum fixed percentage of the employee's basic salary to the Work Place Pension Scheme Provider - Smart Pension, if an employee is an active member of the scheme who contributes a certain percentage which equates to the balance of the minimum total contribution rate. Employees may opt-out of the scheme if they wish within a month of auto-enrolment. The employee can withdraw a certain percentage of their pension savings as a one-off tax-free lump sum at the earliest of age 55 and the rest is withdrawn as taxable income for life that is known as an annuity.

Contributions relating to the defined contribution plans are recognised as employee benefit expenses in profit or loss in the period which the related services are rendered by the employees or as they become payable in accordance with the rules of the plans.

These contributions vest immediately, and the Group had no forfeited contributions that may be used to reduce the existing levels of contributions or any contributions payable in the future years. The only obligation of the Group with respect to these plans is the required contributions under the plans.

(b) Directors' and chief executive officer's remunerations

The remuneration of every director and the chief executive officer for the year ended 31 December 2021 is set out below:

Name of director	Fees \$'000	Salaries, allowances and benefits in kind \$'000	Discretionary bonuses \$'000	Employer's contribution to defined contribution plan \$'000	Other benefits \$'000	Total \$'000
<i>Executive directors</i>						
Loh Kim Kang David*	31	–	250	15	–	296
Wong Kok Hoe	9	436	437	13	21	916
Teo Peng Kwang	9	368	417	9	18	821
	49	804	1,104	37	39	2,033
<i>Non-executive director</i>						
Han Seng Juan	55	–	–	–	–	55
	55	–	–	–	–	55
<i>Independent non-executive directors</i>						
Chandra Mohan s/o Rethnam	69	–	–	–	–	69
Gn Hiang Meng	87	–	–	–	–	87
Owi Kek Hean	66	–	–	–	–	66
Tan Poh Hong	52	–	–	–	–	52
Lee Wei Loon	45	–	–	–	–	45
	319	–	–	–	–	319
<i>Chief executive officer</i>						
Kong Chee Min	–	407	430	13	20	870
	–	407	430	13	20	870
	423	1,211	1,534	50	59	3,277

* Re-designated from Non-Executive Director to Executive Director on 1 March 2021.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

9. EMPLOYEE COMPENSATION – INCLUDING DIRECTORS' REMUNERATIONS (CONTINUED)

(b) Directors' and chief executive officer's remunerations (continued)

The remuneration of every director and the chief executive officer for the year ended 31 December 2020 is set out below:

Name of director	Fees \$'000	Salaries, allowances and benefits in kind \$'000	Discretionary bonuses \$'000	Employer's contribution to defined contribution plan \$'000	Other benefits \$'000	Total \$'000
<i>Executive directors</i>						
Wong Kok Hoe	9	429	315	13	16	782
Teo Peng Kwang	9	361	309	10	14	703
	18	790	624	23	30	1,485
<i>Non-executive directors</i>						
Han Seng Juan	58	–	–	–	–	58
Loh Kim Kang David	58	–	–	–	–	58
	116	–	–	–	–	116
<i>Independent non-executive directors</i>						
Chandra Mohan s/o Rethnam	73	–	–	–	–	73
Gn Hiang Meng	92	–	–	–	–	92
Owi Kek Hean	70	–	–	–	–	70
Tan Poh Hong	55	–	–	–	–	55
Lee Wei Loon	48	–	–	–	–	48
	338	–	–	–	–	338
<i>Chief executive officer</i>						
Kong Chee Min	–	398	312	16	15	741
	–	398	312	16	15	741
	472	1,188	936	39	45	2,680

(i) Directors' and chief executive officer's salaries, allowances, discretionary bonuses and other benefits

The executive directors' and chief executive officer's emoluments shown above were paid for their services in connection with the management of the affairs of the Company and the Group.

The non-executive director's and independent non-executive directors' emoluments shown above were paid for their services as directors of the Company.

The discretionary bonuses are annual performance bonus tied to individual performance as well as the Group's performance, taking into account the strategic objectives of the Company.

(ii) 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 current and prior financial years.

(iii) Directors' termination benefits

No payment was made to directors as compensation for the early termination of the appointment during the current and prior financial years.

NOTES TO THE FINANCIAL STATEMENTS

9. EMPLOYEE COMPENSATION – INCLUDING DIRECTORS' REMUNERATIONS (CONTINUED)

(b) Directors' and chief executive officer's remunerations (continued)

(iv) 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 current and prior financial years.

(v) 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 current and prior financial years.

(vi) 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 current and prior financial years.

(c) Five highest paid individuals

The five individuals (including two directors (2020: two)) whose remunerations were the highest in the Company are reflected in the analysis presented below.

	Group	
	2021 \$'000	2020 \$'000
Wages, salaries and allowances	3,480	2,948
Employer's contribution		
– defined contribution plan	68	87
	3,548	3,035

The remunerations of above individuals are within the following bands:

Remunerations band	Number of individuals	
	2021	2020
HK\$1,500,001 – HK\$2,000,000	–	–
HK\$2,000,001 – HK\$2,500,000	–	2
HK\$2,500,001 – HK\$3,000,000	2	–
HK\$3,500,001 – HK\$4,000,000	–	1
HK\$4,000,001 – HK\$4,500,000	–	2
HK\$4,500,001 – HK\$5,000,000	1	–
HK\$5,000,001 – HK\$5,500,000	2	–
HK\$5,500,001 – HK\$6,000,000	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

10. INCOME TAXES

(a) Income tax expense

	2021 \$'000	Group 2020 \$'000
Tax expense attributable to the profit is made up of:		
– Profit for the financial year		
Current income tax		
– Singapore	6,124	5,802
– Foreign	1,606	1,782
	7,730	7,584
Deferred income tax (Note 31)	4,344	(543)
	12,074	7,041
– Under/(over) provision in prior financial years		
Current income tax	23	(193)
Deferred income tax (Note 31)	–	185
	12,097	7,033

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:

	2021 \$'000	Group 2020 \$'000
Profit before tax	67,894	25,744
Share of profit of associated companies and joint venture, net of tax	(15,077)	(4,819)
Profit before tax and share of profit of associated companies and joint venture	52,817	20,925
Tax calculated at a tax rate of 17% (2020: 17%)	8,979	3,557
Effects of:		
– different tax rates in other countries	1,303	945
– different tax rates arising on capital gains from investment properties	(529)	(1,212)
– change in capital gains tax rate	863	–
– statutory stepped income exemption	(176)	(145)
– expenses not deductible for tax purposes	5,858	6,557
– income not subject to tax	(4,302)	(2,763)
– utilisation of previously unrecognised tax losses	(44)	(289)
– utilisation of previously unrecognised capital allowances	(205)	(13)
– unrecognised deferred tax assets	199	210
– Under/(over) provision of tax in prior years	23	(8)
– others	128	194
Tax charge	12,097	7,033

NOTES TO THE FINANCIAL STATEMENTS

10. INCOME TAXES (CONTINUED)

(b) Movements in current income tax liabilities

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Beginning of financial year	8,841	6,413	753	896
Currency translation differences	(24)	69	-	-
Income tax paid – net	(7,833)	(5,032)	-	-
Tax expense	7,730	7,584	648	120
Under/(over) provision in prior financial years	23	(193)	618	(263)
End of financial year	8,737	8,841	2,019	753

The current income tax account comprises the following:

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current income tax recoverable (Included in Other assets – Note 15)	(599)	(816)	-	-
Current income tax liabilities	9,336	9,657	2,019	753
	8,737	8,841	2,019	753

(c) There is no tax charge relating to each component of other comprehensive income.

11. 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 financial year.

	2021	2020
Net profit attributable to equity holders of the Company (\$'000)	52,679	17,171
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	840,779	840,779
Basic earnings per share (cents)	6.27	2.04

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding were adjusted for the effects of all dilutive potential ordinary shares.

As at 31 December 2021 and 2020, the basic and diluted earnings per share are the same, as the Company has no dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

12. CASH AND BANK BALANCES

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Cash at bank and on hand	27,333	39,460	1,195	3,173
Short-term bank deposits	40,160	44,408	19,115	25,074
	67,493	83,868	20,310	28,247

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2021 \$'000	2020 \$'000
Cash and bank balances (as above)	67,493	83,868
Less: Restricted cash charged as security to bank	(1,184)	–
Cash and cash equivalents per consolidated statement of cash flows	66,309	83,868

As at 31 December 2021, restricted cash of the Group amounting to \$1,184,000 (2020: \$nil) were charged as security to a bank as a guarantee for security deposit of a management service contract.

The reconciliation of liabilities arising from financing activities as at 31 December 2020 and 31 December 2021 are as follows:

	1 January 2021 \$'000	Cash flows \$'000	Non-cash items \$'000	Interest expense \$'000	Currency translation differences \$'000	31 December 2021 \$'000
Bank borrowings (Note 28)	637,512	(10,692)	–	16	(1,998)	624,838
Notes payables (Note 28)	66,722	(12,250)	–	152	–	54,624
Lease liabilities (Note 29)	95,085	(17,486)	24,478	3,538	(447)	105,168
Loan from non-controlling interests (Note 28)	7,254	115	–	–	(1)	7,368
Loan from associated company (Note 28)	42,328	(2,160)	–	–	–	40,168
Interest payable (Note 28)	850	(3,502)	–	3,344	–	692
Derivative financial instruments (Note 30)	6,655	(2,109)	(4,420)	2,109	–	2,235
Accrued interest expense within accruals for operating expenses (Note 26)	529	(13,799)	–	13,575	–	305
	856,935	(61,883)	20,058	22,734	(2,446)	835,398

NOTES TO THE FINANCIAL STATEMENTS

12. CASH AND BANK BALANCES (CONTINUED)

	1 January 2020 \$'000	Cash flows \$'000	Non-cash items \$'000	Interest expense \$'000	Currency translation differences \$'000	31 December 2020 \$'000
Bank borrowings (Note 28)	627,648	3,434	–	16	6,414	637,512
Notes payables (Note 28)	59,578	6,685	–	459	–	66,722
Lease liabilities (Note 29)	66,910	(9,897)	35,453	2,440	179	95,085
Loan from non-controlling interests (Note 28)	7,150	103	–	–	1	7,254
Loan from associated company (Note 28)	42,328	–	–	–	–	42,328
Interest payable (Note 28)	1,380	(3,828)	–	3,298	–	850
Derivative financial instruments (Note 30)	1,638	(1,762)	5,017	1,762	–	6,655
Accrued interest expense within accruals for operating expenses (Note 26)	624	(15,439)	–	15,344	–	529
	807,256	(20,704)	40,470	23,319	6,594	856,935

13. TRADE AND OTHER RECEIVABLES

(a) Current

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Trade receivables				
– non-related parties	12,130	6,867	23	1
Less: Allowance for impairment	(1,338)	(1,748)	–	–
	10,792	5,119	23	1
Receivables from subsidiaries				
– trade	–	–	4,546	7,483
– non-trade	–	–	12,815	8,812
Receivables from associated companies				
– trade	824	490	–	–
– non-trade	1,987	1,588	28	8
	2,811	2,078	17,389	16,303
Other receivables ^(a)	4,169	3,385	168	208
Government grant receivable	224	1,105	38	77
Finance lease receivables	–	–	108	125
	17,996	11,687	17,726	16,714

(a) Included within other receivables is the remaining proceeds to be received from the custodian account for the disposal of asset held for sale amounting to \$nil (2020: \$755,000).

The non-trade receivables from subsidiaries and associated companies are unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Current (continued)

The majority of the Group's sales are on cash terms. The remaining amounts are with credit terms of 30 to 60 days. At 31 December 2020 and 2021, the ageing analysis of the trade receivables based on invoice date is as follows:

	Group	
	2021 \$'000	2020 \$'000
Up to 3 months	9,469	5,164
3 to 6 months	2,124	1,104
Over 6 months	537	599
	12,130	6,867

(b) Non-current

	Company	
	2021 \$'000	2020 \$'000
Loans to subsidiaries	380,546	378,388
Less: Allowance for impairment	(5,405)	(5,819)
	375,141	372,569
Finance lease receivables	–	108
	375,141	372,677

The loans to subsidiaries are unsecured with no fixed terms of repayment and are not expected to be repaid within the next twelve months. Included in the loans to subsidiaries is an amount of \$90,573,000 (2020: \$79,040,000) which bears interest at 5.5% (2020: 5.5%) per annum and \$6,630,000 (2020: \$6,630,000) which bears floating interest rates.

14. INVENTORIES

	Group	
	2021 \$'000	2020 \$'000
Finished goods	83	11
Raw materials	81	54
	164	65

The cost of inventories recognised as expense and included in "cost of sales" amounted to \$700,000 (2020: \$410,000).

NOTES TO THE FINANCIAL STATEMENTS

15. OTHER ASSETS

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
Deposits	2,647	2,544	196	67
Prepayments	1,188	1,875	56	83
Tax recoverable (Note 10(b))	599	816	–	–
Others	90	72	86	–
	4,524	5,307	338	150
Non-current				
Deposits	855	985	–	130
Others	41	37	–	–
	896	1,022	–	130

At the balance sheet date, the carrying amounts of the non-current deposits approximate their fair values.

16. FINANCIAL ASSETS, AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Beginning of financial year	6,779	9,165	6,779	9,165
Currency translation differences	36	(36)	36	(36)
Addition	2,750	2,250	2,750	2,250
Disposal	(3,730)	(4,000)	(3,730)	(4,000)
Fair value gains/(losses) recognised in other comprehensive income (Note 33(b)(i))	618	(600)	618	(600)
End of financial year	6,453	6,779	6,453	6,779

Financial assets, at fair value through other comprehensive income are analysed as follows:

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Listed debt securities – Singapore	6,453	6,779	6,453	6,779

Financial assets, at fair value through other comprehensive income were classified as current assets as management intends to hold these assets for contractual cash flows and dispose these assets as and when they are needed for working capital.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

17. ASSETS HELD FOR SALE

	Group	
	2021 \$'000	2020 \$'000
Details of the assets classified as held for sale are as follows:		
Beginning of financial year	1,292	5,447
Currency translation differences	–	(32)
Disposal	(1,113)	(4,123)
Reclassified to property, plant and equipment (Note 23)	(179)	–
	–	1,292

Details of the asset held-for-sale disposed to third party in the current financial year are as follows:

Location	Description	Existing use	Tenure	Unexpired term of lease	Previous classification
Indonesia MM 2100 Industrial Town Jl. Bali Blok HI-1 Cibitung Bekasi 17520	Factory compound	Industrial factory building	Leasehold	3 years	Property, plant and equipment

Arising from the disposal during the current financial year, the Group recorded a gain on disposal of \$2,019,000 (Note 7).

The following asset held-for-sale was reclassified to property, plant and equipment as management decided during the current financial year not to sell this asset as originally planned:

Location	Description	Existing use	Tenure	Unexpired term of lease	Previous classification
Indonesia Royal Palace Shophouse Complex, Block C No. 15, Jl. Prof. Dr. Seopomo SH No. 178A, Tebet, South Jakarta	A 4-storey shophouse	Office	Leasehold	19.5 years	Property, plant and equipment

18. FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	2021 \$'000	2020 \$'000
Beginning of financial year	24	156
Fair value gain/(loss) recognised in profit or loss (Note 7)	33	(132)
End of financial year	57	24

NOTES TO THE FINANCIAL STATEMENTS

18. FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Financial assets, at fair value through profit or loss are analysed as follows:

	Group	
	2021 \$'000	2020 \$'000
<i>Designated at fair value on initial recognition</i>		
– Unquoted equity investment – Singapore	57	24

As at 31 December 2021 and 2020, the fair value of unquoted equity investment is estimated by making reference to the Group's share in the attributable net assets of the investee company as reflected in their latest available financial information. The attributable net assets of the investee company comprise mainly of real estate properties, and are adjusted where applicable, for independent valuations of the real estate properties held by the investee company as at balance sheet date.

19. INVESTMENTS IN ASSOCIATED COMPANIES

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<i>Equity investment, at cost</i>			1,668	1,668
Less: Accumulated impairment			(370)	(370)
			1,298	1,298
Beginning of financial year	111,462	108,918		
Currency translation differences	424	(293)		
Share of fair value gains/(losses) from cash flow hedges (Note 33(b)(ii))	53	(29)		
Share of profit	14,766	4,985		
Dividends received	(9,675)	(2,166)		
Share of loss in excess of investment in an associated company	41	47		
End of financial year	117,071	111,462		

- (a) As at 31 December 2021, the Group has outstanding capital commitments amounting to \$8,743,000 (2020: \$8,743,000) to provide funding to Centurion Student Accommodation Fund, if called.
- (b) There are no contingent liabilities relating to the Group's interest in the associated companies.
- (c) The following table summarises, in aggregate, the Group's share of profit and other comprehensive income of the Group's individually immaterial associates accounted for using the equity method:

	For the year ended 31 December	
	2021 \$'000	2020 \$'000
Profit after tax	122	95
Other comprehensive income	35	52
Total comprehensive income	157	147

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

19. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

- (d) Set out below are the associated companies of the Group as at 31 December 2021, 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	Effective ownership interest %	
			2021 %	2020 %
Held directly by the Company				
Sherford (M) Sdn Bhd ^(a)	Property investment	Malaysia	25.0	25.0
Held by subsidiaries				
Oriental Amber Sdn Bhd ^{(b),(e)}	Property investment and provision of dormitory accommodation, management and services	Malaysia	49.0	49.0
Centurion Student Accommodation Fund ^{(c),(f),(g),(h)}	Investment holding	Singapore	14.3	14.3
Held by Centurion Student Accommodation Fund				
Centurion Accommodation (I) Holdings Pte. Ltd. ^{(c),(g)}	Investment holding	Singapore	14.3	14.3
Held by Centurion Accommodation (I) Holdings Pte. Ltd.				
Centurion Investments (JS IX) Ltd ^{(d),(g)}	Property investment and provision of student accommodation	Jersey	14.3	14.3

(a) Audited by Grant Thornton MSW.

(b) Audited by PricewaterhouseCoopers PLT, Malaysia.

(c) Audited by PricewaterhouseCoopers LLP, Singapore.

(d) Audited by PricewaterhouseCoopers LLP, United Kingdom.

(e) Holdings through Centurion Dormitories Sdn Bhd.

(f) Holdings through Centurion Overseas Investments Pte. Ltd.

(g) Collectively known as Centurion Student Accommodation Fund Group.

(h) Classified as an associated company as the Group is able to exercise significant influence through representation on the investment committee.

NOTES TO THE FINANCIAL STATEMENTS

19. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

- (e) Set out below are the associated companies of the Group as at 31 December 2021, 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	Effective ownership interest %	
			2021 %	2020 %
Held by subsidiary Lian Beng-Centurion (Mandai) Pte. Ltd. ^{(a),(c)}	Owner of a workers' dormitory and investment holding	Singapore	45.0	45.0
Held by Lian Beng-Centurion (Mandai) Pte. Ltd. Lian Beng-Centurion (Dormitory) Pte. Ltd. ^(a)	Provision of dormitory accommodation services	Singapore	45.0	45.0
Held by subsidiary Centurion US Student Housing Fund ^{(b),(d),(e)}	Investment holding	Singapore	28.7	28.7
Held by Centurion US Student Housing Fund Centurion US Student Accommodation Holdings Pte. Ltd. ^{(b),(e)}	Investment holding	Singapore	28.7	28.7
Held by Centurion US Student Accommodation Holdings Pte. Ltd. Centurion US Student Accommodation Inc. ^{(b),(e)}	Investment holding	United States of America	28.7	28.7

(a) Audited by Ernst and Young LLP, Singapore.

(b) Audited by PricewaterhouseCoopers LLP, Singapore.

(c) Holdings through Centurion Dormitories Pte. Ltd.

(d) Holdings through Centurion Overseas Investments Pte. Ltd.

(e) Collectively known as Centurion US Student Housing Fund Group.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

19. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

Summarised financial information for associated companies

Set out below is the summarised financial information for the material associated companies held by the Group.

Summarised balance sheet

	Centurion US Student Housing Fund Group		Lian Beng-Centurion (Mandai) Pte. Ltd. ¹		Lian Beng-Centurion (Dormitory) Pte. Ltd. ¹	
	As at 31 December 2021 \$'000	2020 \$'000	As at 31 December 2021 \$'000	2020 \$'000	As at 31 December 2021 \$'000	2020 \$'000
ASSETS						
Current assets	10,637	6,233	3,569	6,223	8,519	17,736
Non-current assets	130,622	97,703	303,168	307,327	198	196
Includes:						
– Investment properties	–	–	263,000	265,000	–	–
– Financial assets, at fair value through profit or loss	73,994	41,818	–	–	–	–
LIABILITIES						
Current liabilities	(782)	(412)	(8,121)	(5,121)	(6,700)	(6,492)
Non-current liabilities	–	–	(136,232)	(143,888)	(20)	(24)
NET ASSETS	140,477	103,524	162,384	164,541	1,997	11,416

1 Lian Beng-Centurion (Dormitory) Pte. Ltd. is a wholly owned subsidiary of Lian Beng-Centurion (Mandai) Pte. Ltd.. As no consolidation is prepared for Lian Beng-Centurion (Mandai) Pte. Ltd. and its subsidiary, the Group has presented the standalone financial information for these two companies instead.

If the fair values of the investment properties held by the material associates increase/decrease by 3% (2020: 3%), the share of profit and net assets attributable to the Group, taking into account tax impact, will increase/decrease by \$3,551,000 (2020: \$3,578,000).

Summarised statement of comprehensive income

	Centurion US Student Housing Fund Group		Lian Beng-Centurion (Mandai) Pte. Ltd. ¹		Lian Beng-Centurion (Dormitory) Pte. Ltd.	
	For the year ended 31 December 2021 \$'000	2020 \$'000	For the year ended 31 December 2021 \$'000	2020 \$'000	For the year ended 31 December 2021 \$'000	2020 \$'000
Revenue	–	–	–	–	20,303	21,542
Profit before tax	35,414	2,741	19,560	4,973	11,931	12,621
– Income tax expense	–	–	(217)	(323)	(1,794)	(2,327)
Other comprehensive income/(loss)	1,539	(1,301)	–	–	–	–
Total comprehensive income	36,953	1,440	19,343	4,650	10,137	10,294

1 Lian Beng-Centurion (Mandai) Pte. Ltd.'s total comprehensive income of \$19,343,000 (2020: \$4,650,000) includes dividend income of \$19,556,000 (2020: \$5,828,000) received from its wholly owned subsidiary Lian Beng-Centurion (Dormitory) Pte. Ltd. during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

19. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

Summarised financial information for associated companies (continued)

Summarised statement of comprehensive income (continued)

The information above reflects the amounts included in the financial statements of the associated companies (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associated companies.

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in the associated companies is as follows:

	Centurion US Student Housing Fund Group		Lian Beng-Centurion (Mandai) Pte. Ltd.		Lian Beng-Centurion (Dormitory) Pte. Ltd.			
	As at 31 December 2021 \$'000	2020 \$'000	As at 31 December 2021 \$'000	2020 \$'000	As at 31 December 2021 \$'000	2020 \$'000	Total As at 31 December 2021 \$'000	2020 \$'000
Net assets								
At 1 January	103,524	102,084	164,541	164,705	11,416	6,950		
Profit for the year	35,414	2,741	19,343	4,650	10,137	10,294		
Other comprehensive income/(loss)	1,539	(1,301)	–	–	–	–		
Dividends paid	–	–	(21,500)	(4,814)	(19,556)	(5,828)		
Net assets at 31 December	140,477	103,524	162,384	164,541	1,997	11,416		
Interest in the associated companies (28.7%; 45%; 45%)	40,377	29,756	73,073	74,043	899	5,137	114,349	108,936
Add:								
Carrying value of individually immaterial associated companies, in aggregate							2,722	2,526
Carrying value of Group's interest in associated companies							117,071	111,462
Dividends received from associated companies	NA	NA	9,675	2,166	NA	NA	9,675	2,166

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20. INVESTMENT IN A JOINT VENTURE

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<i>Equity investment, at cost</i>			-	-
Beginning of financial year	4,758	4,819		
Currency translation differences	(337)	105		
Share of profit/(loss)	311	(166)		
End of financial year	4,732	4,758		

Set out below is the joint venture of the Group as at 31 December 2021:

Name of entity	Principal activity	Place of business/country of incorporation	Effective ownership interest %	
			2021 %	2020 %
Held by subsidiary IGIS Centurion No. 238 Professional Investors Private Real Estate Investment, LLC ^{(a),(b)}	Property investment	South Korea	55.0	55.0

(a) Holdings through Centurion Overseas Investments Pte. Ltd.

(b) Audited by Ejung-Gyul Accounting Corporation, Korea.

There are no contingent liabilities relating to the Group's interest in the joint venture.

Summarised financial information for joint venture

Set out below is the summarised financial information for IGIS Centurion No. 238 Professional Investors Private Real Estate Investment, LLC.

Summarised balance sheet

	IGIS Centurion No. 238 Professional Investors Private Real Estate Investment, LLC As at 31 December	
	2021 \$'000	2020 \$'000
ASSETS		
Current assets	327	395
Includes:		
– Cash and cash equivalents	293	386
Non-current asset	20,942	21,992
Includes:		
– Investment property	20,942	21,992
LIABILITIES		
Current liabilities	(150)	(303)
Includes:		
– Derivative financial instruments	-	(173)
Non-current liabilities	(12,516)	(13,433)
Includes:		
– Borrowings	(12,516)	(13,433)
NET ASSETS	8,603	8,651

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20. INVESTMENT IN A JOINT VENTURE (CONTINUED)

Summarised financial information for joint venture (continued)

Summarised balance sheet (continued)

If the fair value of the investment property held by the joint venture increase/decrease by 3% (2020: 3%), the share of profit and net assets attributable to the Group, taking into account tax impact, will increase/decrease by \$346,000 (2020: \$363,000).

Summarised statement of comprehensive income

	IGIS Centurion No. 238 Professional Investors Private Real Estate Investment, LLC For the year ended 31 December	
	2021 \$'000	2020 \$'000
Revenue	721	536
Expenses Includes:		
– Interest expense	(344)	(376)
Profit/(loss) before tax	565	(298)
– Income tax expense	–	(4)
Profit/(loss) after tax	565	(302)
Other comprehensive (loss)/income	(613)	191
Total loss after tax and total comprehensive loss	(48)	(111)

The information above reflects the amounts presented in the financial statements of the joint venture (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the joint venture.

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in joint venture, is as follows:

	IGIS Centurion No. 238 Professional Investors Private Real Estate Investment, LLC As at 31 December	
	2021 \$'000	2020 \$'000
Net assets		
As at 1 January	8,651	8,762
Profit/(loss) for the year	565	(302)
Other comprehensive (loss)/income	(613)	191
Net assets at 31 December	8,603	8,651
Interest in the joint venture (55%)	4,732	4,758

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

21. INVESTMENTS IN SUBSIDIARIES

	Company	
	2021 \$'000	2020 \$'000
Equity investment, at cost	22,394	26,194
Less: Accumulated impairment	(5,497)	(9,497)
	16,897	16,697

(a) The carrying amount of investments in subsidiaries and the movement in the related allowance for impairment are as follows:

	Company	
	2021 \$'000	2020 \$'000
Beginning of financial year	16,697	16,645
Incorporation of a new subsidiary	–	1
Addition	200	–
Write back of impairment of subsidiaries	–	51
End of financial year	16,897	16,697

(b) The Group had the following subsidiaries as at 31 December 2021 and 2020:

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	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	
				2021	2020	2021	2020	2021	2020
				%	%	%	%	%	%
Advance Technology Investment Ltd ^{(b),(f)}	Investment holding	Hong Kong	HKD1	–	–	100	100	–	–
Summit CD Manufacture (HK) Ltd ^(b)	Dormant	Hong Kong	HKD3,000,000	100	100	100	100	–	–
PT Westlite Accommodation Cibitung ^{(b),(i)}	Property investments	Indonesia	IDR5,000,000,000	–	–	100	100	–	–
PT Digital Media Technology ^{(b),(i)}	Dormant	Indonesia	IDR10,005,000,000	–	–	100	100	–	–
Summit Creations Pte. Ltd. (formerly known as Summit CD Manufacture Pte Ltd) ^(a)	Manufacture and sale of optical storage media and other trading goods	Singapore	SGD2,000,000	100	100	100	100	–	–
Summit Hi-Tech Pte Ltd ^(b)	Struck off	Singapore	–	–	100	–	100	–	–

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21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group had the following subsidiaries as at 31 December 2021 and 2020: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	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	
				2021 %	2020 %	2021 %	2020 %	2021 %	2020 %
SM Summit Holdings Pte. Ltd. ^(a)	Investment holding	Singapore	SGD500,000	100	100	100	100	-	-
Westlite Dormitory Management Pte. Ltd. ^{(a),(t)}	Provision of management services	Singapore	SGD4,000,000	-	-	100	100	-	-
Westlite Dormitory (Toh Guan) Pte. Ltd. ^{(a),(j)}	Property investments and provision of dormitory accommodation services	Singapore	SGD2,000,000	-	-	100	100	-	-
Westlite Dormitory (Woodlands) Pte. Ltd. ^{(a),(k)}	Property investments and provision of dormitory accommodation services	Singapore	SGD1,000,000	-	-	100	100	-	-
Centurion-Lian Beng (Papan) Pte. Ltd. ^{(a),(m)}	Property investments and provision of dormitory accommodation services	Singapore	SGD2,000,000	-	-	51	51	49	49
Westlite Juniper (Mandai) Pte. Ltd. ^{(a),(k)}	Provision of dormitory accommodation services	Singapore	SGD800,000	-	-	100	100	-	-
CSL Student Living (Selegie) Pte. Ltd. ^{(a),(k)}	Dormant	Singapore	SGD500,000	-	-	100	100	-	-
WLC Facilities Services Pte. Ltd. ^{(a),(t)}	Provision of utilities and transportation services	Singapore	SGD300,000	-	-	100	100	-	-
Westlite Dormitory (V Six) Pte. Ltd. ^{(a),(t)}	Provision of management services	Singapore	SGD1,000	-	-	100	100	-	-
Centurion Student Investment Management Pte. Ltd. ^{(a),(s)}	Fund management activities	Singapore	SGD1,000	-	-	100	100	-	-

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21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group had the following subsidiaries as at 31 December 2021 and 2020: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	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	
				2021 %	2020 %	2021 %	2020 %	2021 %	2020 %
Centurion Student Accommodation Trustee Pte. Ltd. ^{(a),(s)}	Provision of trustee services	Singapore	SGD1,000	–	–	100	100	–	–
Centurion Student ACM Trustee (I) Pte. Ltd. ^{(a),(s)}	Provision of trustee services	Singapore	SGD1,000	–	–	100	100	–	–
Centurion Accommodation Management Pte. Ltd. ^(a)	Business and management consultancy services and investment holding	Singapore	SGD200,000	100	100	100	100	–	–
Centurion Dormitories Pte. Ltd. ^(a)	Investment holding	Singapore	SGD2,000,000	100	100	100	100	–	–
Westlite Accommodation Management Pte. Ltd. ^{(a),(j)}	Investment holding	Singapore	SGD4,935,600	–	–	100	100	–	–
Centurion Dormitories Holdings Pte. Ltd. ^(a)	Investment holding	Singapore	SGD100,000	100	100	100	100	–	–
Westlite Dormitory (V Two) Pte. Ltd. ^{(a),(k)}	Investment holding	Singapore	SGD110,000	–	–	100	100	–	–
Centurion Dormitory Venture Pte. Ltd. ^(a)	Investment holding	Singapore	SGD100,000	100	100	100	100	–	–
Centurion Overseas Investments Pte. Ltd. ^(a)	Investment holding	Singapore	SGD11,000,000	100	100	100	100	–	–
Centurion Overseas Investments (II) Pte. Ltd. ^{(a),(o)}	Investment holding	Singapore	SGD100,000	–	–	100	100	–	–
Westlite Management Pte. Ltd. ^(a)	Investment holding	Singapore	SGD1,000	100	100	100	100	–	–
Westlite Dormitory (Tuas) Pte. Ltd. ^{(a),(t)}	Provision of management services	Singapore	SGD1,000,000	–	–	100	100	–	–
Westlite Dormitory (V Seven) Pte. Ltd. ^{(a),(j)}	Dormant	Singapore	SGD1,000	–	–	100	100	–	–
Westlite Dormitory Management Sdn Bhd ^{(d),(n)}	Provision of management services	Malaysia	MYR500,000	–	–	100	100	–	–

NOTES TO THE FINANCIAL STATEMENTS

21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group had the following subsidiaries as at 31 December 2021 and 2020: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	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	
				2021 %	2020 %	2021 %	2020 %	2021 %	2020 %
WLC Services Sdn. Bhd. ^{(d),(n)}	Cleaning and maintenance services	Malaysia	MYR100,000	-	-	100	100	-	-
Westlite Dormitory (Tebrau) Sdn Bhd ^{(d),(n)}	Property investments and provision of dormitory accommodation services	Malaysia	MYR100,000	-	-	100	100	-	-
Westlite Dormitory (JB Techpark) Sdn Bhd ^{(d),(n)}	Property investments and provision of dormitory accommodation services	Malaysia	MYR100,000	-	-	100	100	-	-
Westlite Dormitory (Tampoi) Sdn Bhd ^{(d),(n)}	Property investments and provision of dormitory accommodation services	Malaysia	MYR100,000	-	-	100	100	-	-
Westlite Dormitory (Pasir Gudang) Sdn Bhd ^{(d),(n)}	Property investments and provision of dormitory accommodation services	Malaysia	MYR100,000	-	-	100	100	-	-
Westlite Dormitory (Senai) Sdn Bhd ^{(d),(n)}	Property investments and provision of dormitory accommodation services	Malaysia	MYR100,000	-	-	100	100	-	-
Westlite Dormitory (SN II) Sdn Bhd ^{(d),(n)}	Property investments and provision of dormitory accommodation services	Malaysia	MYR100,000	-	-	100	100	-	-

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21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group had the following subsidiaries as at 31 December 2021 and 2020: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	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	
				2021 %	2020 %	2021 %	2020 %	2021 %	2020 %
Westlite Dormitory (Petaling Jaya) Sdn Bhd ^{(d),(n)}	Property investments and provision of dormitory accommodation services	Malaysia	MYR1,000,000	-	-	100	100	-	-
Westlite Dormitory (Bukit Minyak) Sdn Bhd ^{(d),(n)}	Property investments and provision of dormitory accommodation services	Malaysia	MYR100,000	-	-	100	100	-	-
Centurion Dormitories Sdn Bhd ^{(d),(j)}	Investment holding	Malaysia	MYR1,000,000	-	-	100	100	-	-
Centurion Overseas Ventures Ltd ^{(b),(o)}	Investment holding	Malaysia	AUD33,600,000	-	-	100	100	-	-
Westlite Dormitory (Cemerlang) Sdn Bhd ^{(d),(n)}	Dormant	Malaysia	MYR100,000	-	-	100	100	-	-
Westlite Dormitory (PG II) Sdn Bhd ^{(d),(n)}	Dormant	Malaysia	MYR10	-	-	100	100	-	-
First Megalink Sdn Bhd ^{(d),(n)}	Dormant	Malaysia	MYR2	-	-	100	100	-	-
Dwell Adelaide Student Living Pty Ltd ^{(c),(s)}	Provision of management services and student accommodation services	Australia	AUD1,000	-	-	100	100	-	-
Centurion Student Services Pty Ltd ^{(c),(o)}	Provide management services and student accommodation services	Australia	AUD100,000	-	-	100	100	-	-
Centurion Melbourne Student Village Trust ^{(c),(p)}	Trust	Australia	AUD52,700,000	-	-	100	100	-	-

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21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group had the following subsidiaries as at 31 December 2021 and 2020: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	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	
				2021 %	2020 %	2021 %	2020 %	2021 %	2020 %
Centurion Melbourne Apartment Trust ^{(c),(p)}	Trust	Australia	AUD7,700,000	-	-	100	100	-	-
Centurion Australia Investments Pty Ltd ^{(b),(o)}	Trustees for 2 trusts in Australia	Australia	AUD10,000	-	-	100	100	-	-
Centurion SA Investments Pty Ltd ^{(b),(a)}	Provision of trustee services	Australia	AUD2	-	-	100	100	-	-
Centurion Adelaide Student Village Trust ^{(c),(r)}	Trust	Australia	AUD23,350,000	-	-	100	100	-	-
Centurion Accommodation (Australia) Pty Ltd ^{(c),(h)}	Property investments	Australia	AUD2,000,000	-	-	100	100	-	-
Summit Technology Australia Pty Ltd ^(c)	Dormant	Australia	AUD4,000,000	100	100	100	100	-	-
Centurion Investments (JS A) Ltd ^{(b),(a)}	Investment holding	Jersey	AUD19,500,000	-	-	100	100	-	-
Centurion Investments (JS) Ltd ^{(b),(a)}	Property investments and provision of student accommodation	Jersey	GBP700,000	-	-	100	100	-	-
Centurion Investments (JS I) Ltd ^{(b),(a)}	Property investments and provision of student accommodation	Jersey	GBP100,000	-	-	100	100	-	-
Centurion Investments (JS II) Ltd ^{(b),(a)}	Property investments and provision of student accommodation	Jersey	GBP200,000	-	-	100	100	-	-
Centurion Investments (JS III) Ltd ^{(b),(a)}	Property investments and provision of student accommodation	Jersey	GBP100,000	-	-	100	100	-	-

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21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group had the following subsidiaries as at 31 December 2021 and 2020: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	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	
				2021 %	2020 %	2021 %	2020 %	2021 %	2020 %
Centurion Investments (JS IV) Ltd ^{(b),(o)}	Deregistered	Jersey	–	–	–	–	100	–	–
Centurion Investments (JS V) Ltd ^{(b),(o)}	Property investments and provision of student accommodation	Jersey	GBP100,000	–	–	100	100	–	–
Centurion Investments (JS VI) Ltd ^{(b),(o)}	Property investments and provision of student accommodation	Jersey	GBP100,000	–	–	100	100	–	–
Centurion Investments (JS VII) Ltd ^{(b),(o)}	Property investments and provision of student accommodation	Jersey	GBP100,000	–	–	100	100	–	–
Centurion Investments JS VII (UK) Ltd ^(u)	Property investment	United Kingdom	GBP10,000	–	–	100	–	–	–
Centurion Student Services (UK) Ltd ^{(e),(o)}	Provide management services and student accommodation services	United Kingdom	GBP100,000	–	–	100	100	–	–
Dwell Student Living Korea Ltd ^{(b),(s)}	Provision of management and asset management services	South Korea	KRW10,000,000	–	–	100	100	–	–
CSL Student Living Benikea KP Ltd ^{(b),(o)}	Provision of tourist and student accommodation services	South Korea	KRW10,000,000	–	–	55	55	45	45
Dwell US Student Living LLC ^{(b),(s)}	Provision of management services and student accommodation services	United States of America	USD1,000	–	–	100	100	–	–

NOTES TO THE FINANCIAL STATEMENTS

21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group had the following subsidiaries as at 31 December 2021 and 2020: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	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	
				2021 %	2020 %	2021 %	2020 %	2021 %	2020 %
Centurion Investments (BV) Ltd ^{(b),(o)}	Property investment and provision of student accommodations	British Virgin Islands	GBP10,000	-	-	100	100	-	-
Gate Cosmos Investments Ltd ^(b)	Investment holding	British Virgin Islands	SGD2	100	100	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 Crowe Australasia, Australia

(d) Audited by PricewaterhouseCoopers PLT, Malaysia

(e) Audited by PricewaterhouseCoopers LLP, United Kingdom

(f) Holdings through SM Summit Holdings Pte Ltd

(g) Holdings through Advance Technology Investment Ltd

(h) Holdings through Summit Technology Australia Pty Ltd

(i) Holdings through Gate Cosmos Investments Ltd and SM Summit Holdings Pte. Ltd.

(j) Holdings through Centurion Dormitories Pte. Ltd.

(k) Holdings through Centurion Dormitories Holdings Pte. Ltd.

(l) Holdings through Westlite Dormitory (V Two) Pte. Ltd. and Gate Cosmos Investments Ltd

(m) Holdings through Centurion Dormitory Venture Pte. Ltd.

(n) Holdings through Centurion Dormitories Sdn Bhd

(o) Holdings through Centurion Overseas Investments Pte. Ltd.

(p) Holdings through Centurion Overseas Ventures Ltd

(q) Holdings through Centurion Overseas Investments (II) Pte. Ltd.

(r) Holdings through Centurion Overseas Investments (JS A) Ltd

(s) Holdings through Centurion Accommodation Management Pte. Ltd.

(t) Holdings through Westlite Management Pte. Ltd.

(u) Holdings through Centurion Investments (JS VII) Ltd

(v) 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 venture and associated companies would not compromise the standard and effectiveness of the audit of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(c) Changes in the Group's ownership interest in subsidiaries

Disposal of a subsidiary

In 2020, the Group disposed of its 100% indirectly owned subsidiary, Shanghai Huade Photoelectron Science & Technology Co. Ltd to a non-related party. The effects of the disposal on the cash flows of the Group were as follow:

	Group \$'000
<i>Carrying amounts of assets and liabilities as at date of disposal:</i>	
Trade and other receivables	16
Property, plant and equipment	9
Investment property (Note 22)	4,982
Total assets	5,007
Trade and other payables	11
Deferred income tax liabilities (Note 31)	633
Total liabilities	644
Net assets disposed of	4,363
<i>Cash inflows arising from disposal:</i>	
Net assets disposed of (as above)	4,363
Reclassification of currency translation reserve	67
Total assets	4,430
Gain on disposal (Note 7)	1,398
Purchase consideration, net of transaction costs	5,828
Less: Cash and cash equivalents in subsidiary disposed of	–
Net cash inflow on disposal	5,828

During the current financial year, the Company has subscribed for an additional 199,999 shares of its wholly owned subsidiary, Centurion Accommodation Management Pte. Ltd. for a cash consideration of SGD199,999. After the subscription, the issued and paid-up share capital of Centurion Accommodation Management Pte. Ltd. has increased to SGD200,000.

(d) Incorporation of a subsidiary

On 6 October 2021, the Group established a wholly owned subsidiary known as Centurion Investments JS VII (UK) Ltd in United Kingdom through its wholly owned subsidiary, Centurion Investments (JS VII) Ltd with an issued share capital of GBP10,000.

(e) Striking-off/dissolution of subsidiaries

An indirectly wholly owned subsidiary, Centurion Investments (JS IV) Ltd was dissolved by way of commencement of summary winding up in Jersey during the current financial year.

A wholly owned subsidiary, Summit Hi-Tech Pte Ltd was voluntarily struck off during the current financial year.

On 22 January 2021, the Company submitted an application to the Companies Commission of Malaysia for voluntary strike-off of an indirectly wholly owned subsidiary, Westlite Dormitory (PG II) Sdn Bhd. The subsidiary is still in the process of striking off at balance sheet date.

On 2 November 2021, the Company submitted an application to the Companies Registry of Hong Kong for voluntary strike-off of an indirectly wholly owned subsidiary, Advance Technology Investment Ltd. The subsidiary is still in the process of striking off at balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(f) Carrying value of non-controlling interests

	Group	
	2021 \$'000	2020 \$'000
Centurion-Lian Beng (Papan) Pte. Ltd.	18,672	24,028
CSL Student Living Benikea KP Ltd	(1,067)	(839)
	17,605	23,189

Summarised financial information of subsidiary with material non-controlling interest

Set out below is the summarised 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 sheet

	Centurion-Lian Beng (Papan) Pte. Ltd.	
	2021 \$'000	2020 \$'000
Current		
Assets	10,360	23,873
Liabilities	(23,484)	(17,846)
Total current net (liabilities)/assets	(13,124)	6,027
Non-current		
Assets	208,420	215,625
Liabilities	(157,189)	(172,615)
Total non-current net assets	51,231	43,010
Net assets	38,107	49,037

Summarised statement of comprehensive income

	Centurion-Lian Beng (Papan) Pte. Ltd.	
	2021 \$'000	2020 \$'000
Revenue	25,459	26,090
Profit before income tax	9,427	6,377
Income tax expense	(2,457)	(2,634)
Profit after tax and total comprehensive income	6,970	3,743
Total comprehensive income allocated to non-controlling interests	3,415	1,834
Dividends paid to non-controlling interests	8,771	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(f) Carrying value of non-controlling interests (continued)

Summarised financial information of subsidiary with material non-controlling interest (continued)

Summarised cash flows

	Centurion-Lian Beng (Papan) Pte. Ltd.	
	2021 \$'000	2020 \$'000
Net cash provided by operating activities	17,372	17,754
Net cash (used in)/provided by investing activities	(61)	20
Net cash used in financing activities	(30,713)	(4,472)

22. INVESTMENT PROPERTIES

	Group	
	2021 \$'000	2020 \$'000
Beginning of financial year	1,307,770	1,275,879
Currency translation differences	(6,215)	17,162
Additions	56,114	51,553
Disposal via sale of a subsidiary (Note 21(c))	-	(4,982)
Adjustment in relation to extension option (Note 24(h))	-	(4,201)
Net fair value gains/(losses) in relation to owned investment properties	4,890	(20,354)
Net fair value losses in relation to right-of-use assets classified as investment properties	(7,966)	(7,287)
Net fair value loss recognised in profit or loss	(3,076)	(27,641)
End of financial year	1,354,593	1,307,770

Investment properties are leased to non-related parties under operating leases.

Included in additions are acquisition of an investment property of \$9,812,000 (2020: \$nil), capitalised expenditure of \$21,134,000 (2020: \$11,377,000) and right-of-use assets of \$25,168,000 (2020: \$40,176,000) (Note 24(f)).

Certain investment properties are pledged as security for the bank facilities extended to subsidiaries (Note 28(a)). The carrying values of these investment properties amounted to approximately \$1,234,471,000 (2020: \$1,205,894,000).

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENT PROPERTIES (CONTINUED)

Reconciliation of fair value of investment properties

	Group	
	2021 \$'000	2020 \$'000
Fair value of investment properties	1,249,851	1,213,177
Add: Carrying amount of lease liabilities	104,742	94,593
Carrying amount of investment properties	1,354,593	1,307,770

The following amounts are recognised in profit or loss:

	Group	
	2021 \$'000	2020 \$'000
Rental income (Note 4)	124,559	117,331
Direct operating expenses arising from:		
– Investment properties that generated rental income	(46,238)	(39,001)

At the balance sheet date, the details of the Group's investment properties are as follows:

Location	Description	Existing use	Tenure	Unexpired term of lease
14 to 28 Toh Guan Road East, Singapore	8 blocks of workers dormitory	Commercial dormitory	Leasehold	36 years
2 Woodlands Sector 2, Singapore	Two 13-storey blocks of workers dormitory	Commercial dormitory	Leasehold	22 years
5, 5C & 5D Jalan Papan, Singapore	2 blocks of workers dormitory	Commercial dormitory	Leasehold	16 years
23 Mandai Estate, Singapore	2 blocks of 6-storey block of workers dormitory under lease	Commercial dormitory	Leasehold	7.5 years
18A Kranji Way, Singapore	20 blocks of workers dormitory and 1 amenity block	Commercial dormitory	Leasehold	2 years
1A Tuas Avenue 2, Singapore	14 blocks of workers dormitory and 1 amenity block	Commercial dormitory	Leasehold	2 years
11A Jalan Tukang, Singapore	40 blocks of workers dormitory and 1 amenity block	Commercial dormitory	Leasehold	3 years
11A Tuas South Boulevard, Singapore	5 blocks of workers dormitory and 1 amenity block	Commercial dormitory	Leasehold	3 years
PLO 46, No 38, Jalan Teknologi 5, Taman Teknologi Johor, 81400 Senai, Johor, Malaysia	5 blocks of workers dormitory and 1 amenity block	Commercial dormitory	Leasehold	90 years

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

22. INVESTMENT PROPERTIES (CONTINUED)

At the balance sheet date, the details of the Group's investment properties are as follows: (continued)

Location	Description	Existing use	Tenure	Unexpired term of lease
PLO 250, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Malaysia	2 blocks of workers dormitory and 1 amenity block	Commercial dormitory	Leasehold	38 years
Block Nos. 72, 73, 74, 75, 76 & 79, Off Jalan Tembusu, Taman Air Biru, 81700 Pasir Gudang, Johor, Malaysia	6 blocks of workers dormitory	Commercial dormitory	Leasehold	64 years
Block No. 78, Off Jalan Tembusu, Taman Air Biru, 81700 Pasir Gudang, Johor, Malaysia	1 block of workers dormitory	Commercial dormitory	Leasehold	3 years
Lot 2051, No. 6, Jalan Bayu, Taman Perindustrian Tampoi Jaya, 81200 Johor Bahru, Malaysia	3 blocks of workers dormitory	Commercial dormitory	Freehold	–
Lot No. 6212, Jalan Perindustrian 2, Kawasan Perindustrian Senai II, 81400 Senai Johor, Malaysia	2 blocks of workers dormitory	Commercial dormitory	Freehold	–
Lot No. 6214, Jalan Perindustrian 2, Kawasan Perindustrian Senai II 81400 Senai, Johor, Malaysia	5 blocks of workers dormitory	Commercial dormitory	Freehold	–
No. 38 Jalan Perniagaan Seri Tambun, Taman Westlite Dormitory Bukit Tambun, 14100 Simpang Ampat, Penang, Malaysia	3 blocks of workers dormitory	Commercial dormitory	Freehold	–
No 12A, Jalan SS8/2, 47300 Petaling Jaya, Selangor Darul Ehsan Malaysia	Two 11-storey blocks of workers dormitory and 2 levels of basement car park	Commercial dormitory	Leasehold	20 years
Manchester Student Village, Lower Chatham Street, Manchester, M1 5SX, United Kingdom	Two 9-storey blocks and a 7-storey block	Student accommodation	Freehold	–
MSV South 357A Great Western Street, Manchester, M14 4AH, United Kingdom	7 blocks with 8 clusters in each block and 4 blocks with 6 or 8 clusters in each block	Student accommodation	Freehold	–

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENT PROPERTIES (CONTINUED)

At the balance sheet date, the details of the Group's investment properties are as follows: (continued)

Location	Description	Existing use	Tenure	Unexpired term of lease
The Grafton, 60 Grafton Street, Manchester, M13 9NU, United Kingdom	1 block consisting of 55 flats with 145 beds	Student accommodation	Freehold	–
Cathedral Campus, 1 Dean Patey Court Cathedral Gate, Off Upper Duke Street Liverpool, L1 7BT, United Kingdom	Eighty seven 3-storey houses arranged in 14 terraced blocks around 3 courtyard areas	Student accommodation	Leasehold	235 years
Garth Heads, Melbourne Street, Newcastle-Upon-Tyne, NE1 2JE, United Kingdom	4 blocks consisting of 34 flats with 181 beds	Student accommodation	Leasehold	99 years
Hotwells House, 192-216 Hotwell Road Bristol, BS8 4UR, United Kingdom	4 blocks consisting of 40 flats with 157 beds	Student accommodation	Leasehold	112 years
Weston Court, 45-47 Cromwell Range, Fallowfield, Manchester, M14 6HH, United Kingdom	4 blocks consisting of flats with 140 beds	Student accommodation	Leasehold	112 years
121 Princess Street, Manchester, M1 7AG United Kingdom	1 block consisting of 126 flats with 127 beds and basement	Student accommodation	Freehold	–
Archer House, 14-22 Castle Gate, Nottingham, NG1 7AW, United Kingdom	177 beds arranged within 14 cluster flats and 93 studios	Student accommodation	Freehold	–
Castle Gate Haus, 32-44(even), Castle Gate, Nottingham, NG1 7AT, United Kingdom	133 beds arranged across 4 interlinking blocks within 81 cluster flats and 69 studios under lease	Student accommodation	Leasehold	3 years
RMIT Village Student Accommodation Melbourne, 5-17 Flemington Road, North Melbourne VIC 3051 Australia	Accommodation with 616 beds	Student accommodation	Freehold	–
RMIT Village Car Park Site Melbourne, 5-17 Flemington Road, North Melbourne VIC 3051 Australia	Commercial car park	Commercial car park	Freehold	–

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

22. INVESTMENT PROPERTIES (CONTINUED)

At the balance sheet date, the details of the Group's investment properties are as follows: (continued)

Location	Description	Existing use	Tenure	Unexpired term of lease
12 – 18 Synagogue Place Adelaide, South Australia	260 bedrooms of accommodation with 280 beds	Student accommodation	Freehold	–
44-46 Anderson Street, Port Hedland WA 6721 Australia	Land	Industrial	Freehold	–
Jl. Wareng Kalijambe, Lambang Sari Village, Subdistrict of Tambun Selatan, Bekasi, West Java, Indonesia	Land	Residential	Leasehold	22 years

Fair value hierarchy – Recurring fair value measurements

Description	Fair value measurements using		
	Quoted prices in active markets for identical assets (Level 1) \$'000	Significant other observable inputs (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000
31 December 2021			
Investment properties:			
– Land	–	–	2,020
– Commercial dormitories	–	–	819,217
– Student accommodation	–	–	533,356
31 December 2020			
Investment properties:			
– Land	–	–	2,003
– Commercial dormitories	–	–	804,809
– Student accommodation	–	–	500,958

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENT PROPERTIES (CONTINUED)

Reconciliation of movements in Level 3 fair value measurement

	Land and commercial dormitories \$'000	Land and student accommodation \$'000	Assets held for sale (Note 17) \$'000
2021			
Beginning of financial year	805,921	501,849	–
Currency translation differences	(2,558)	(3,657)	–
Fair value (losses)/gains recognised in profit or loss	(12,932)	9,856	–
Additions	29,924	26,190	–
End of financial year	820,355	534,238	–
2020			
Beginning of financial year	774,361	501,518	4,138
Currency translation differences	619	16,543	(15)
Fair value losses recognised in profit or loss	(10,247)	(17,394)	–
Additions	46,979	4,574	–
Disposals	(4,982)	–	(4,123)
Adjustment in relation to extension option (Note 24(h))	–	(4,201)	–
Reclassification	(809)	809	–
End of financial year	805,921	501,849	–

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. There were no transfers into or out of fair value hierarchy levels for the financial years ended 31 December 2021 and 2020.

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 categorised under Level 3 of the fair value hierarchy:

Country	Description	Fair value at 31 December 2021 (\$'000)	Valuation technique	Unobservable inputs (a)	Range of unobservable inputs	Relationship of unobservable inputs to fair value
United Kingdom	Student accommodation	371,207 (2020: 330,053)	Income capitalisation approach	Rental rate per room per week	\$133 – \$480 (2020: \$193 – \$433)	The higher the rental rate per room per week, the higher the valuation
				Capitalisation rate	5.5% – 7.1% (2020: 5.5% – 6.8%)	The higher the capitalisation rate, the lower the valuation
Singapore	Commercial dormitories	591,950 (2020: 601,000)	Income capitalisation approach	Rental rate per room per month	\$2,500 – \$9,120 (2020: \$2,500 – \$8,800)	The higher the rental rate per room per month, the higher the valuation
				Capitalisation rate	6.8% – 7.0% (2020: 6.8% – 7.0%)	The higher the capitalisation rate, the lower the valuation
				Cost to complete	\$13,398,000 (2020: \$15,870,000)	The higher the cost to complete, the lower the valuation

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

22. INVESTMENT PROPERTIES (CONTINUED)

Valuation techniques and inputs used in Level 3 fair values measurement (continued)

Country	Description	Fair value at 31 December 2021 (\$'000)	Valuation technique	Unobservable inputs (a)	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Indonesia	Land	1,138 (2020: 1,112)	Sales comparison approach	Market value per square metre	\$158 (2020: \$153)	The higher the market value per square metre, the higher the valuation
Malaysia	Commercial dormitories	124,673 (2020: 113,003)	Income capitalisation approach	Rental rate per room per month	\$548 – \$898 (2020: \$569 – \$896)	The higher the rental rate per room per month, the higher the valuation
				Capitalisation rate	7.0% – 9.0% (2020: 7.5% – 9.5%)	The higher the capitalisation rate, the lower the valuation
			Sales comparison approach	Market value per square metre	\$209 – \$251 (2020: \$146 – \$256)	The higher the market value per square metre, the higher the valuation
			Cost approach	Cost per square metre	\$448 (2020: \$284 – \$533)	The higher the cost per square metre, the higher the valuation
Australia	Student accommodation	160,001 (2020: 167,118)	Discounted cash flow approach	Discount rate	8.8% (2020: 8.0% – 8.9%)	The higher the discount rate, the lower the valuation
				Income capitalisation approach	Rental rate per room per week	\$190 – \$453 (2020: \$301 – \$539)
			Capitalisation rate	6.2% (2020: 6.0% – 6.3%)	The higher the capitalisation rate, the lower the valuation	
			Sales comparison approach	Market value per square metre	\$5,343 – \$24,554 (2020: \$2,061 – \$22,982)	The higher the market value per square metre, the higher the valuation
	Land	882 (2020: 891)	Sales comparison approach	Market price per square metre	\$186 – \$206 (2020: \$194 – \$209)	The higher the market price per square metre, the higher the valuation

(a) There were no significant inter-relationships between unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENT PROPERTIES (CONTINUED)

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 financial year based on the properties' highest and best use. As at 31 December 2021, the fair values of the properties have been determined by SRE Global Pte. Ltd., CBRE Pte. Ltd., KJPP Billy Anthony Lie & Rekan, Henry Butcher Malaysia (Penang) Sdn Bhd, Knight Frank Malaysia Sdn Bhd, C H Williams Talhar & Wong Sdn Bhd, Savills Valuations Pty Ltd, CBRE Valuations Pty Limited, Acumentis (WA) Pty Ltd and Cushman & Wakefield Debenham Tie Leung Limited.

At each financial 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 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, lease payments and property tax, and after making allowances for vacancies.

Income capitalisation approach involves capitalising the net income at an appropriate capitalisation rate to arrive at the fair value. The net income is derived by deducting outgoings such as operating expenses, lease payments and property tax, and after making allowances for vacancies from gross rentals and other income.

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.

The independent property valuers for certain investment properties have highlighted that with the heightened uncertainty of the COVID-19, the reduced certainty would require a higher degree of caution to be exercised when relying on the valuations. In view of unknown future impact that COVID-19 might have on the real estate market, the valuers recommend for the valuations to be kept under frequent review.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

23. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and building \$'000	Leased office space and leasehold improvements \$'000	Plant machinery and equipment \$'000	Renovation, furniture and fittings \$'000	Motor vehicles \$'000	Office equipment and computers \$'000	Capital work-in- progress \$'000	Total \$'000
Group								
2021								
Cost								
Beginning of financial year	683	3,007	4,647	11,606	395	2,078	89	22,505
Currency translation differences	(12)	(38)	(47)	(93)	–	(12)	–	(202)
Additions	–	–	747	3,569	52	192	59	4,619
Disposals	–	(1,530)	(1,011)	(800)	(81)	(56)	(3)	(3,481)
Reclassification from asset held for sale	–	258	–	–	–	–	–	258
Reclassification	–	–	1	20	–	32	(53)	–
End of financial year	671	1,697	4,337	14,302	366	2,234	92	23,699
Accumulated depreciation								
Beginning of financial year	21	1,476	2,139	7,591	292	1,450	–	12,969
Currency translation differences	–	(8)	(30)	(82)	–	(6)	–	(126)
Disposals	–	(1,046)	(732)	(732)	(81)	(47)	–	(2,638)
Depreciation charge (Note 5)	4	374	483	2,332	54	334	–	3,581
Reclassification from asset held for sale	–	79	–	–	–	–	–	79
End of financial year	25	875	1,860	9,109	265	1,731	–	13,865
Accumulated impairment								
Beginning of financial year	–	483	1,316	14	42	3	–	1,858
Disposals	–	(483)	(259)	(14)	–	(3)	–	(759)
End of financial year	–	–	1,057	–	42	–	–	1,099
Net book value								
End of financial year	646	822	1,420	5,193	59	503	92	8,735

NOTES TO THE FINANCIAL STATEMENTS

23. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land and building \$'000	Leased office space and leasehold improvements \$'000	Plant machinery and equipment \$'000	Renovation, furniture and fittings \$'000	Motor vehicles \$'000	Office equipment and computers \$'000	Capital work-in- progress \$'000	Total \$'000
Group								
2020								
Cost								
Beginning of financial year	681	3,012	4,159	11,260	430	1,696	280	21,518
Currency translation differences	2	–	25	154	–	21	5	207
Additions	–	–	369	621	–	346	168	1,504
Disposals	–	(5)	(113)	(331)	(35)	(33)	(207)	(724)
Reclassification	–	–	207	(98)	–	48	(157)	–
End of financial year	683	3,007	4,647	11,606	395	2,078	89	22,505
Accumulated depreciation								
Beginning of financial year	17	911	1,499	6,193	257	1,129	–	10,006
Currency translation differences	–	–	13	68	–	11	–	92
Disposals	–	(3)	(63)	(328)	(24)	(24)	–	(442)
Depreciation charge (Note 5)	4	568	577	1,771	59	334	–	3,313
Reclassification	–	–	113	(113)	–	–	–	–
End of financial year	21	1,476	2,139	7,591	292	1,450	–	12,969
Accumulated impairment								
Beginning of financial year	–	–	1,310	–	53	–	–	1,363
Impairment charge (Note 7)	–	483	8	14	–	3	–	508
Disposals	–	–	(2)	–	(11)	–	–	(13)
End of financial year	–	483	1,316	14	42	3	–	1,858
Net book value								
End of financial year	662	1,048	1,192	4,001	61	625	89	7,678

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23. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

In 2020, an impairment charge of \$508,000 is included within "Other gains/(losses) – net" in the consolidated income statement. The impairment charge has arisen from management's decision during the prior financial year to not extend the lease of a student accommodation asset as a result of negative cash flow projections due to COVID-19 situation based on financial budgets prepared by management.

	Leased office space \$'000	Plant, machinery and equipment \$'000	Renovation, furniture and fittings \$'000	Motor vehicles \$'000	Office equipment and computers \$'000	Total \$'000
Company 2021						
Cost						
Beginning of financial year	1,103	6	1,478	171	1,100	3,858
Additions	–	–	14	–	37	51
End of financial year	1,103	6	1,492	171	1,137	3,909
Accumulated depreciation						
Beginning of financial year	429	6	1,226	127	953	2,741
Depreciation charge	368	–	120	34	86	608
End of financial year	797	6	1,346	161	1,039	3,349
Net book value						
End of financial year	306	–	146	10	98	560
Company 2020						
Cost						
Beginning of financial year	1,103	6	1,478	171	1,003	3,761
Additions	–	–	–	–	97	97
End of financial year	1,103	6	1,478	171	1,100	3,858
Accumulated depreciation						
Beginning of financial year	61	6	1,107	93	863	2,130
Depreciation charge	368	–	119	34	90	611
End of financial year	429	6	1,226	127	953	2,741
Net book value						
End of financial year	674	–	252	44	147	1,117

- (a) Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 24(a).
- (b) The freehold land and building of the Group as at 31 December 2021 comprise:

Location	Use of property
Malaysia No. 17, Jalan Ekoperniagaan 1/23 Taman Ekoperniagaan 81100 Johor Bahru, Johor	Office

NOTES TO THE FINANCIAL STATEMENTS

24. LEASES – THE GROUP AS A LESSEE

Nature of the Group's leasing activities – Group as a lessee

Property

The Group leases office space for the purpose of back office operations for a tenure of 3 years.

Leasehold land and building

The Group makes periodic lease payments for leasehold land and buildings, which are used in the Group's student and workers accommodation businesses. Some of these leases have escalation clauses and extension options. The right-of-use of these leasehold land and buildings are classified as investment properties (Note 22).

There are no externally imposed covenant on these lease arrangements.

(a) Carrying amounts

ROU assets classified within Property, plant and equipment

	2021 \$'000	2020 \$'000
Leased office space	680	1,048

ROU assets classified within Investment properties

The right-of-use asset relating to the leasehold land and buildings presented under investment properties (Note 22) is stated at fair value and has a carrying amount at balance sheet date of \$111,315,000 (2020: \$94,593,000).

(b) Depreciation charge during the year

	2021 \$'000	2020 \$'000
Leased office space	368	368

(c) Interest expense

	2021 \$'000	2020 \$'000
Interest expense on lease liabilities	3,538	2,440

(d) Lease expense not capitalised in lease liabilities

	2021 \$'000	2020 \$'000
Lease expense – short-term leases	300	626
Lease expense – low-value leases	104	46
Variable lease payments which do not depend on an index or rate	344	402
Total (Note 5)	748	1,074

(e) **Total cash outflow** for all the leases was \$18,234,000 (2020: \$10,971,000).

(f) **Addition to ROU assets** during the year was \$25,168,000 (2020: \$40,176,000), of which \$25,168,000 (2020: \$40,176,000) relates to investment properties.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

24. LEASES – THE GROUP AS A LESSEE (CONTINUED)

(g) Variable lease payments not capitalised in lease liabilities

The leases for a leasehold land and freehold building contain variable lease payments that are based on share of revenue and gross income, on top of fixed payments. Such variable lease payments are recognised to profit or loss when incurred and amounted to \$344,000 (2020: \$402,000) (Note (d)).

(h) Extension options on leases

Extension option is included in the lease term if the lease is reasonably certain to be extended. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise the extension option.

For student and workers accommodations, the following factors are considered to be most relevant:

- Whether leasehold improvements undertaken (or expected to be undertaken) are expected to have significant remaining value by the time the extension option is exercisable;
- Importance of that underlying asset to the Group's student and workers accommodation businesses, taking into consideration the location and availability of suitable alternatives; and
- Other factors, including (but not limited to) the Group's historical lease period for similar assets, costs required to secure suitable alternatives, and business disruption.

The above assessment of reasonable certainty to exercise extension options is only revised if a significant change in circumstances that is within the control of the lessee occurs and affects the original assessment.

As at 31 December 2021, potential future (undiscounted) cash outflows capped at approximately \$40,816,000 (2020: \$41,243,000) have not been included in lease liabilities because it is not reasonably certain that the leases will be extended.

25. LEASES – THE GROUP AS A LESSOR

Nature of the Group's leasing activities – Group as a lessor

The Group has leased out their owned investment properties to third parties for monthly lease payments. To reduce credit risk, the Group obtains security deposits for the term of the lease. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties are disclosed in Note 22.

Nature of the Group's leasing activities – Group as an intermediate lessor

Subleases – classified as operating leases

The Group acts as an intermediate lessor under arrangement in which it subleases out accommodation space to third parties for monthly lease payments. The sublease periods do not form a major part of the remaining lease terms under the head leases and accordingly, the sub-leases are classified as operating leases.

Income from subleasing during the financial year was \$27,850,000 (2020: \$11,721,000).

NOTES TO THE FINANCIAL STATEMENTS

25. LEASES – THE GROUP AS A LESSOR (CONTINUED)

Maturity analysis of lease payments – Group as a lessor

The table below discloses the undiscounted lease payments from the operating leases to be received by the Group as a lessor for its leases and subleases after the reporting date as follows:

	2021 \$'000	2020 \$'000
Less than one year	90,171	67,951
One to two years	5,351	9,382
Two to three years	902	1,232
Three to four years	540	540
Four to five years	540	540
More than five years	5,985	6,525
Total undiscounted lease payment	103,489	86,170

26. TRADE AND OTHER PAYABLES

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Trade payables to:				
– non-related parties	3,923	2,696	60	100
Payables to subsidiaries				
– non-trade	–	–	8,706	8,314
Payables to associated companies				
– trade	404	–	–	–
– non-trade	58	822	–	–
	462	822	–	–
Advance rental	8,813	5,625	–	–
Deposits received	19,437	15,925	–	–
Accruals for operating expenses	10,195	9,552	2,527	2,887
Accrued construction costs payable	299	199	–	–
Other payables	3,053	2,335	496	248
Total trade and other payables	46,182	37,154	11,789	11,549

Non-trade payables to subsidiaries and associated companies are unsecured, interest free and repayable on demand.

At 31 December 2020 and 2021, the ageing analysis of the trade payables based on invoice date were as follows:

	Group	
	2021 \$'000	2020 \$'000
Up to 3 months	3,579	2,344
3 to 6 months	95	87
Over 6 months	249	265
	3,923	2,696

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

27. OTHER LIABILITIES

	Group	
	2021 \$'000	2020 \$'000
Current		
Provision for reinstatement costs	–	52
Non-current		
Provision for long service leave	53	60
Provision for reinstatement costs	950	430
Accrued capital expenditure	486	–
	1,489	490

At the balance sheet date, the carrying amounts of the other non-current liabilities approximate their fair values.

28. BORROWINGS

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
Bank borrowings (Note (a))	58,966	68,778	11,712	39,000
Loan from an associated company (Note (c))	3,600	2,160	–	–
Interest payable	692	850	692	850
	63,258	71,788	12,404	39,850
Non-current				
Bank borrowings (Note (a))	565,872	568,734	37,038	24,300
Loan from non-controlling interests (Note (d))	7,368	7,254	–	–
Loan from an associated company (Note (c))	36,568	40,168	–	–
Loan from a subsidiary (Note (d))	–	–	20,000	20,000
Notes payables (Note (b))	55,000	67,250	55,000	67,250
Less: Transaction costs	(376)	(528)	(376)	(528)
	54,624	66,722	54,624	66,722
	664,432	682,878	111,662	111,022
Total borrowings	727,690	754,666	124,066	150,872

The exposure of the borrowings of the Group and of the Company to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
– not later than one year	63,258	71,788	12,404	39,850
– between one to five years	461,250	426,481	91,662	91,022
– after five years	203,182	256,397	20,000	20,000
	727,690	754,666	124,066	150,872

NOTES TO THE FINANCIAL STATEMENTS

28. BORROWINGS (CONTINUED)

At 31 December 2021 and 2020, the Group's and Company's bank borrowings are repayable as follows:

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Within one year	58,966	68,778	11,712	39,000
Between one and two years	109,851	61,909	10,738	13,615
Between two and five years	281,377	282,566	26,300	10,685
After five years	174,644	224,259	-	-
	624,838	637,512	48,750	63,300

At 31 December 2021 and 2020, the Group's and the Company's other loans are repayable as follows:

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Within one year	4,292	3,010	692	850
Between one and two years	4,045	15,850	-	12,250
Between two and five years	65,977	66,156	54,624	54,472
After five years	28,538	32,138	20,000	20,000
	102,852	117,154	75,316	87,572

(a) Bank borrowings

Bank borrowings are subject to floating interest rates of which \$126,976,000 (2020: \$140,979,000) are managed with interest rate swaps where floating interest rates are swapped into fixed interest rates (Note 30). The carrying amounts of the non-current borrowings approximate their fair values.

Total borrowings include secured liabilities of \$576,089,000 (2020: \$574,212,000) for the Group. These borrowings are secured over certain investment properties (Note 22).

(b) Notes payables

On 21 September 2020, the Company issued an Exchange Offer invitation ("Invitation"), offering the holders of its outstanding \$60,000,000 fixed rate notes due 2022 comprised in Series 004 (the "Existing Notes") to exchange any and all outstanding Existing Notes for a like principal amount of fixed rate notes due 2024 to be issued pursuant to its \$750,000,000 Multicurrency Debt Issuance programme (the "Programme").

On 12 October 2020, the Company issued \$55,000,000 fixed rate notes due 2024 (the "Series 005 Notes") under the Programme, comprising \$45,250,000 in aggregate principal amount issued pursuant to the Invitation and \$9,750,000 in aggregate principal amount of additional notes. The Series 005 Notes will bear interest as follows:

- (i) for the period from, and including 12 October 2020 to, but excluding, 12 April 2023: 5.75% per annum; and
- (ii) so long as the Series 005 Notes are not redeemed, for the period from, and including, 12 April 2023: 8.25% per annum payable semi-annually in arrears.

Unless previously redeemed or purchased and cancelled, the Series 005 Notes shall mature on 12 April 2024.

NOTES TO THE FINANCIAL STATEMENTS

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28. BORROWINGS (CONTINUED)

(b) Notes payables (continued)

The net proceeds arising from the Series 005 Notes (after deducting for issue expenses) has been fully utilised to redeem Series 004 Notes. On 1 February 2021, the Group has fully redeemed the remaining Series 004 Notes due 2022 of \$12,250,000.

As at 31 December 2021 and 2020, the Group and the Company are in compliance with all relevant financial covenants and the borrowings have been classified and presented appropriately based on the agreed terms.

(c) 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 amounts of the non-current borrowings approximate their fair values.

(d) Loan from a subsidiary and loan from non-controlling interests

The loan from a subsidiary and loan from non-controlling interests are unsecured with fixed terms of repayment. The interest on the loans are calculated based on the floating rates, except for part of the loan from non-controlling interests amounting to \$998,000 (2020: \$884,000) which is calculated based on fixed rates. The carrying amounts of the non-current borrowings approximate their fair values.

(e) Fair value of current and non-current notes payables

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Notes payables	55,380	67,008	55,380	67,008

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. LEASE LIABILITIES

The exposure of the lease liabilities of the Group to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
– not later than one year	17,946	10,282	426	495
Non-current				
– between one to five years	37,457	29,362	–	426
– after five years	49,765	55,441	–	–
	87,222	84,803	–	426
	105,168	95,085	426	921

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30. DERIVATIVE FINANCIAL INSTRUMENTS

	Group			Company		
	Contractual notional amount \$'000	Fair value Asset \$'000	Fair value Liability \$'000	Contractual notional amount \$'000	Fair value Asset \$'000	Fair value Liability \$'000
31 December 2021						
<i>Derivatives held for hedging:</i>						
<i>Cash-flow hedges</i>						
– Interest rate swaps	126,976	–	(2,235)	10,000	–	(122)
			(122)			(122)
– Current			(122)			(122)
– Non-current			(2,113)			–
Total			(2,235)			(122)
31 December 2020						
<i>Derivatives held for hedging:</i>						
<i>Cash-flow hedges</i>						
– Interest rate swaps	140,979	–	(6,655)	20,000	–	(516)
			(165)			(165)
– Current			(165)			(165)
– Non-current			(6,490)			(351)
Total			(6,655)			(516)

The contractual notional amount of interest rate swaps held for hedging which is based on SOR and is directly impacted by IBOR reform is \$126,976,000 (2020: \$140,979,000).

Hedging instruments used in Group's hedging strategy in 2021

	Contractual notional amount \$'000	Carrying Amount		Changes in fair value used for calculating hedge ineffectiveness		Hedge ineffectiveness recognised in P&L*	Weighted average hedged rate	Maturity date
		Assets/ (Liabilities) \$'000	Financial statement line item	Hedging instrument \$'000	Hedged item \$'000			
Group								
<i>Cash flow hedge</i>								
Interest rate risk								
– Interest rate swap to hedge floating rate borrowings	126,976	(2,235)	Derivative financial instrument	2,311	(2,311)	–	1.71%	October 2022 to March 2025
Company								
<i>Cash flow hedge</i>								
Interest rate risk								
– Interest rate swap to hedge floating rate borrowings	10,000	(122)	Derivative financial instrument	61	(61)	–	1.95%	October 2022

* All hedge ineffectiveness and costs of hedging are recognised in profit and loss within "Other gains/(losses) – net".

NOTES TO THE FINANCIAL STATEMENTS

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30. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Hedging instruments used in Group's hedging strategy in 2020

	Contractual notional amount \$'000	Carrying Amount		Changes in fair value used for calculating hedge ineffectiveness		Hedge ineffectiveness recognised in P&L*	Weighted average hedged rate	Maturity date
		Assets/ (Liabilities) \$'000	Financial statement line item	Hedging instrument \$'000	Hedged item \$'000			
Group								
<i>Cash flow hedge</i>								
Interest rate risk								
– Interest rate swap to hedge floating rate borrowings	140,979	(6,655)	Derivative financial instrument	(6,779)	6,779	–	1.73%	November 2021 to March 2025
Company								
<i>Cash flow hedge</i>								
Interest rate risk								
– Interest rate swap to hedge floating rate borrowings	20,000	(516)	Derivative financial instrument	(523)	523	–	1.94%	November 2021 to October 2022

* All hedge ineffectiveness and costs of hedging are recognised in profit and loss within "Other gains/(losses) – net".

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Deferred income tax liabilities	13,295	9,168	40	83

Movement in the deferred income tax account is as follows:

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Beginning of financial year	9,168	9,796	83	81
Currency translation differences	(217)	363	–	–
Charged/(credited) to profit or loss (Note 10(a))	4,344	(358)	(43)	2
Disposal of a subsidiary (Note 21(c))	–	(633)	–	–
End of financial year	13,295	9,168	40	83

Deferred income tax assets are recognised for unutilised tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of approximately \$7,810,000 (2020: \$7,594,000) and capital allowances of approximately \$506,000 (2020: \$1,022,000) 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.

NOTES TO THE FINANCIAL STATEMENTS

31. DEFERRED INCOME TAXES (CONTINUED)

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 \$'000	Fair value gain-net \$'000	Total \$'000
2021			
Beginning of financial year	1,418	7,750	9,168
Currency translation differences	14	(231)	(217)
Charged to profit or loss	151	4,193	4,344
End of financial year	1,583	11,712	13,295
	Accelerated tax depreciation \$'000	Fair value gain-net \$'000	Total \$'000
2020			
Beginning of financial year	1,217	8,579	9,796
Currency translation differences	13	350	363
Charged/(credited) to profit or loss	188	(546)	(358)
Disposal of subsidiary (Note 21(c))	-	(633)	(633)
End of financial year	1,418	7,750	9,168

Company

Deferred income tax liabilities

	Accelerated tax depreciation \$'000
2021	
Beginning of financial year	83
Credited to profit or loss	(43)
End of financial year	40
2020	
Beginning of financial year	81
Charged to profit or loss	2
End of financial year	83

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

32. SHARE CAPITAL AND TREASURY SHARES

	Group and Company No. of ordinary shares Issued share capital '000	Group Share capital \$'000	Company Share capital \$'000
2021			
Beginning and end of financial year	840,779	142,242	253,553
2020			
Beginning and end of financial year	840,779	142,242	253,553

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 in accordance with IFRS 3 Business Combinations. 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 financial year ended 31 December 2011.

33. OTHER RESERVES

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
(a) Composition				
Fair value reserve	(53)	(673)	(53)	(673)
Hedging reserve	(2,247)	(6,720)	(123)	(515)
Currency translation reserve	(39,642)	(35,988)	-	-
Capital reserve	16,893	16,893	-	-
	(25,049)	(26,488)	(176)	(1,188)
(b) Movements				
(i) Fair value reserve				
Beginning of financial year	(673)	(150)	(673)	(150)
Fair value gains/(losses) on financial assets, at FVOCI (Note 16)	618	(600)	618	(600)
Reclassification to profit or loss on disposal (Note 7)	2	77	2	77
End of financial year	(53)	(673)	(53)	(673)

NOTES TO THE FINANCIAL STATEMENTS

33. OTHER RESERVES (CONTINUED)

	Group		Company	
	Interest rate risk		Interest rate risk	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
(ii) Hedging reserve				
Beginning of financial year	(6,720)	(1,674)	(515)	(275)
Fair value gains/(losses)	2,311	(6,779)	61	(523)
Reclassification to profit or loss – Finance expense (Note 8)	2,109	1,762	331	283
Share of fair value gains/ (losses) from associates (Note 19)	53	(29)	–	–
End of financial year	(2,247)	(6,720)	(123)	(515)
	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
(iii) Currency translation reserve				
Beginning of financial year	(35,988)	(46,201)	–	–
Net exchange differences on translation of financial statements of foreign subsidiaries, associated companies and joint venture	(3,654)	10,146	–	–
Disposal of subsidiary	–	67	–	–
End of financial year	(39,642)	(35,988)	–	–
	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
(iv) Capital reserve				
Beginning and end of financial year	16,893	16,893	–	–

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) Retained profits of the Group are distributable except for the accumulated retained profits of associated companies and a joint venture amounting to \$79,329,000 (2020: \$73,927,000) which are included in the Group’s retained profits.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

34. RETAINED PROFITS (CONTINUED)

(b) Movement in retained profits for the Company is as follows:

	Company	
	2021 \$'000	2020 \$'000
Beginning of financial year	26,750	28,423
Net profit	20,134	6,737
Dividends paid (Note 35)	–	(8,410)
End of financial year	46,884	26,750

35. DIVIDENDS

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<i>Ordinary dividends paid</i>				
Final exempt dividend paid in respect of the previous financial year of nil cent (2020: 1.0 cent) per share	–	8,410	–	8,410

At the Annual General Meeting on 28 April 2022, a final dividend of 0.5 cent per share amounting to a total of \$4,204,000 will be recommended.

These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2022.

36. COMMITMENTS

(a) Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group	
	2021 \$'000	2020 \$'000
Property, plant and equipment	55	644
Investment properties	13,408	9,044

(b) Corporate guarantees

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 \$73,004,000 (2020: \$75,712,000). As at 31 December 2021, the amount of the guaranteed loans drawn down by associated companies and a joint venture amounted to \$72,609,000 (2020: \$75,289,000).

The Company has provided corporate guarantees in favour of financial institutions in respect of facilities granted to subsidiaries, associated companies and a joint venture amounting to \$596,299,000 (2020: \$592,428,000). As at 31 December 2021, the amount of the guaranteed loans drawn down by the subsidiaries, associated companies and a joint venture amounted to \$586,368,000 (2020: \$584,211,000).

As at 31 December 2021 and 2020, the fair value of the corporate guarantees were insignificant.

Except for the corporate guarantees disclosed above, the Group and the Company did not have any other contingent liabilities as at end of the current and prior financial years.

NOTES TO THE FINANCIAL STATEMENTS

37. 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, Australia, United Kingdom, the United States of America, South Korea and Indonesia.

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"), Great Britain Pound ("GBP"), Hong Kong Dollar ("HKD"), and Korean Won ("KRW"). 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 \$'000	USD \$'000	MYR \$'000	AUD \$'000	GBP \$'000	HKD \$'000	KRW \$'000	Other \$'000	Total \$'000
2021									
Financial assets									
Cash and bank balances	44,025	632	3,454	5,264	10,113	–	287	3,718	67,493
Financial assets, at FVOCI	6,453	–	–	–	–	–	–	–	6,453
Financial assets through profit or loss	–	57	–	–	–	–	–	–	57
Trade and other receivables	10,314	726	3,114	1,566	2,249	–	27	–	17,996
Other financial assets	1,565	–	1,926	–	–	–	11	–	3,502
Inter-company balances	462,099	276	114,469	46,950	75,182	11	174	2,213	701,374
	524,456	1,691	122,963	53,780	87,544	11	499	5,931	796,875
Financial liabilities									
Trade and other payables, and other liabilities	26,762	195	3,999	2,185	4,167	12	323	212	37,855
Derivative financial instruments	2,235	–	–	–	–	–	–	–	2,235
Lease liabilities	76,592	–	26,429	–	2,147	–	–	–	105,168
Borrowings	505,176	–	25,592	62,016	134,860	–	46	–	727,690
Inter-company balances	462,099	276	114,469	46,950	75,182	11	174	2,213	701,374
	1,072,864	471	170,489	111,151	216,356	23	543	2,425	1,574,322
Net financial (liabilities)/assets	(548,408)	1,220	(47,526)	(57,371)	(128,812)	(12)	(44)	3,506	(777,447)
Less: Net financial assets denominated in the respective entities' functional currencies	547,456	(67)	47,526	57,453	130,443	–	45	(3,487)	
Currency risk exposures	(952)	1,153	–	82	1,631	(12)	1	19	

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37. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

	SGD \$'000	USD \$'000	MYR \$'000	AUD \$'000	GBP \$'000	HKD \$'000	KRW \$'000	Other \$'000	Total \$'000
2020									
Financial assets									
Cash and bank balances	63,944	3,391	2,066	4,658	8,923	37	230	619	83,868
Financial assets, at FVOCI	3,717	3,062	–	–	–	–	–	–	6,779
Financial assets through profit or loss	–	24	–	–	–	–	–	–	24
Trade and other receivables	5,447	363	2,905	1,716	1,119	–	137	–	11,687
Other financial assets	1,667	–	1,817	–	–	–	12	33	3,529
Inter-company balances	452,498	962	111,455	45,003	45,374	31	1,285	2,213	658,821
	<u>527,273</u>	<u>7,802</u>	<u>118,243</u>	<u>51,377</u>	<u>55,416</u>	<u>68</u>	<u>1,664</u>	<u>2,865</u>	<u>764,708</u>
Financial liabilities									
Trade and other payables	22,230	114	3,054	1,949	3,692	8	188	294	31,529
Derivative financial instruments	6,655	–	–	–	–	–	–	–	6,655
Lease liabilities	65,412	–	26,820	–	2,853	–	–	–	95,085
Borrowings	540,897	–	25,247	65,545	122,927	–	50	–	754,666
Inter-company balances	452,498	962	111,455	45,003	45,374	31	1,285	2,213	658,821
	<u>1,087,692</u>	<u>1,076</u>	<u>166,576</u>	<u>112,497</u>	<u>174,846</u>	<u>39</u>	<u>1,523</u>	<u>2,507</u>	<u>1,546,756</u>
Net financial (liabilities)/assets	(560,419)	6,726	(48,333)	(61,120)	(119,430)	29	141	358	(782,048)
Less: Net financial assets denominated in the respective entities' functional currencies	559,585	(322)	48,332	61,193	120,419	(2)	(142)	(352)	
Currency risk exposures	(834)	6,404	(1)	73	989	27	(1)	6	

NOTES TO THE FINANCIAL STATEMENTS

37. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

The Company's currency exposure based on the information provided to management is as follows:

	SGD \$'000	USD \$'000	AUD \$'000	GBP \$'000	HKD \$'000	Other \$'000	Total \$'000
2021							
Financial assets							
Cash and bank balances	20,207	36	27	23	15	2	20,310
Financial assets, at FVOCI	6,453	–	–	–	–	–	6,453
Trade and other receivables	17,470	–	33	168	10	45	17,726
Loans to subsidiaries	375,141	–	–	–	–	–	375,141
Other financial assets	196	–	–	–	–	–	196
	419,467	36	60	191	25	47	419,826
Financial liabilities							
Trade and other payables	11,772	–	4	–	12	1	11,789
Derivative financial instruments	122	–	–	–	–	–	122
Lease liabilities	426	–	–	–	–	–	426
Borrowings	124,066	–	–	–	–	–	124,066
	136,386	–	4	–	12	1	136,403
Net financial assets	283,081	36	56	191	13	46	283,423
Less: Net financial assets denominated in the entity's functional currency	(283,081)	–	–	–	–	–	–
Currency risk exposures	–	36	56	191	13	46	
	SGD \$'000	USD \$'000	AUD \$'000	GBP \$'000	HKD \$'000	Other \$'000	Total \$'000
2020							
Financial assets							
Cash and bank balances	28,129	13	14	54	35	2	28,247
Financial assets, at FVOCI	3,717	3,062	–	–	–	–	6,779
Trade and other receivables	16,440	126	–	81	23	44	16,714
Loans to subsidiaries	372,569	–	–	–	–	–	372,569
Other financial assets	305	–	–	–	–	–	305
	421,160	3,201	14	135	58	46	424,614
Financial liabilities							
Trade and other payables	11,543	–	6	–	–	–	11,549
Derivative financial instruments	516	–	–	–	–	–	516
Lease liabilities	921	–	–	–	–	–	921
Borrowings	150,872	–	–	–	–	–	150,872
	163,852	–	6	–	–	–	163,858
Net financial assets	257,308	3,201	8	135	58	46	260,756
Less: Net financial assets denominated in the entity's functional currency	(257,308)	–	–	–	–	–	–
Currency risk exposures	–	3,201	8	135	58	46	

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37. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

If the USD, MYR, AUD, and GBP change against SGD by 2% (2020: 2%) with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset position, and currency translation effects arising from consolidation would be as follows:

	← Increase/(Decrease) →			
	2021		2020	
	Profit after tax \$'000	Other comprehensive income \$'000	Profit after tax \$'000	Other comprehensive income \$'000
Group				
USD against SGD				
– strengthened	19	7	106	(10)
– weakened	(19)	(7)	(106)	10
MYR against SGD				
– strengthened	–	2,038	–	1,816
– weakened	–	(2,038)	–	(1,816)
AUD against SGD				
– strengthened	1	3,705	1	3,692
– weakened	(1)	(3,705)	(1)	(3,692)
GBP against SGD				
– strengthened	27	5,053	16	4,327
– weakened	(27)	(5,053)	(16)	(4,327)

The Group has insignificant exposure to currency risk arising from HKD and KRW.

The Company has insignificant exposure to currency risk.

(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 fair value through other comprehensive income. These securities are listed in Singapore.

If prices for debt securities listed in Singapore change by 11% (2020: 1%) with all other variables including tax rate being held constant, the effects on other comprehensive income will be:

	← Increase/(Decrease) →	
	2021 Other comprehensive income \$'000	2020 Other comprehensive income \$'000
Group/Company		
Listed in Singapore		
– increased by	710	68
– decreased by	(710)	(68)

(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 and Company's exposure to cash flow interest rate risks arise mainly from non-current variable rate borrowings. The Group manages these cash flow interest rate risks using floating-to-fixed interest rate swaps.

NOTES TO THE FINANCIAL STATEMENTS

37. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(iii) Cash flow and fair value interest rate risks (continued)

The Group enters into interest rate swaps as disclosed in Note 30 with the same critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding amount of the borrowings. As all critical terms matched during the year, the economic relationship was 100% effective.

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedging relationship, and through periodic prospective effective assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness. Hedge ineffectiveness may occur due to (a) changes in the critical terms of either the interest rate swaps or the borrowings, or (b) transiting the hedged item and the hedging instrument to alternative benchmark rates at different time, which may result in temporary mismatch in benchmark interest rates or permanent difference in adjustment spreads.

The Group is exposed mainly to SOR. The Group's finance function is managing the Group's SOR transition plan. The greatest change will be amendments to the contractual terms of the SOR-referenced floating-rate debts and the associated swaps and the corresponding update of the hedge designations. There is currently uncertainty around the timing and precise nature of these changes.

Hedging relationships for which 'Phase 1' amendments apply

The 'Phase 1' amendments provided temporary relief from applying specific hedge accounting requirements to hedging relationships directly impacted by IBOR reform. The temporary reliefs would end when the uncertainty arising from IBOR reform is no longer present.

The Group has judged that IBOR uncertainty is still present with respect to its cash flow hedge of the SOR-linked borrowings, because the hedging instruments and the hedged items have not yet been amended to transit to SORA.

The following Phase 1 reliefs are applied to the cash flow hedge linked to SOR:

- When considering the 'highly probable' requirement, the Group has assumed that the SOR interest rate on which the Group's hedged debt is based does not change as a result of IBOR reform;
- In assessing whether the hedge is expected to be highly effective on a forward-looking basis the Group has assumed that the SOR interest rate on which the cash flows of the hedged debt and the interest rate swap that hedges it are based is not altered by the IBOR reform; and
- The Group has not recycled the cash flow hedge reserve relating to the period after the reforms are expected to take effect.

If the interest rates have increased/decreased by 1.0% (2020: 1.0%) with all other variables including tax rate being held constant, the Group's profit after tax would have been lower/higher by \$4,264,000 (2020: \$4,271,000).

If the interest rates have increased/decreased by 1.0% (2020: 1.0%) with all other variables including tax rate being held constant, the Company's profit after tax would have been lower/higher by \$280,000 (2020: \$318,000).

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37. FINANCIAL RISK MANAGEMENT (CONTINUED)

(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. In addition, the Group also collects security deposits and advanced rental from its accommodation customers to manage credit risk as these can be used to offset outstanding trade receivables in the event of default. 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 top five debtors of the Group represented 83% (2020: 39%) of trade receivables in 2021. The Company has no material third party debtors.

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Corporate guarantees provided to banks on subsidiaries', associated companies' and a joint venture's loans	72,609	75,289	586,368	584,211

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 movements in credit loss allowance are as follows:

	Trade receivables	
	2021 \$'000	2020 \$'000
Group		
Beginning of financial year	1,748	883
Loss allowance recognised in profit or loss during the year on:		
– Assets acquired/originated	501	1,313
– Reversal of unutilised amounts	(613)	(13)
– Currency translation	2	27
Written-off	(300)	(462)
End of financial year	1,338	1,748

Cash and cash equivalents, receivables from associated company and other receivables are subject to immaterial credit loss.

(i) Trade receivables

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables arising from revenue from contracts.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

NOTES TO THE FINANCIAL STATEMENTS

37. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(i) Trade receivables (continued)

Trade receivables are written off when the assets become uncollectible.

The Group's credit risk exposure in relation to trade receivables under IFRS 9 as at 31 December 2021 and 31 December 2020 are set out as follows:

	2021 \$'000	Total	2020 \$'000
Group			
Sale of optical storage media and other trading goods			
Expected loss rate	15%		28%
Trade receivables	62		203
Loss allowance	9		58
Rental income from investment properties			
Expected loss rate	11%		25%
Trade receivables	12,068		6,664
Loss allowance	1,329		1,690

The loss allowance in relation to the trade receivables from rental income from investment properties relates to specific cases amounting to \$1,329,000 (2020: \$1,690,000) which have been fully provided for. For the remaining trade receivables, the credit loss allowance is considered to be insignificant as credit risk is minimised with rental deposits from customers being received in advance.

(ii) Receivables from subsidiaries

	Receivables from subsidiaries \$'000	Loans to subsidiaries \$'000	Total \$'000
Company			
2021			
Beginning of financial year	–	5,819	5,819
Loss allowance recognised in profit or loss during the year on:			
– Assets acquired/originated	–	734	734
– Reversal of unutilised amounts	–	(1,148)	(1,148)
End of financial year	–	5,405	5,405
2020			
Beginning of financial year	78	9,666	9,744
Loss allowance recognised in profit or loss during the year on:			
– Reversal of unutilised amounts	(78)	(3,847)	(3,925)
End of financial year	–	5,819	5,819

Cash and bank deposits, receivables from associated companies and other receivables are subject to immaterial credit loss.

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of IFRS 9. The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

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37. FINANCIAL RISK MANAGEMENT (CONTINUED)

(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 12.

Management monitors rolling forecasts of the liquidity reserve (comprises cash and bank deposits (Note 12)) 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 the Company's financial liabilities (including derivative financial liabilities) based on contractual undiscounted cash flows.

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000
Group				
2021				
Trade and other payables	37,369	–	–	–
Other liabilities	–	486	–	–
Lease liabilities	21,201	20,129	26,440	61,651
Borrowings	78,755	128,263	369,982	207,264
Financial guarantee contracts (Note 37(b))	72,609	–	–	–
2020				
Trade and other payables	31,529	–	–	–
Lease liabilities	13,359	12,827	26,760	69,303
Borrowings	96,584	79,406	376,022	262,550
Financial guarantee contracts (Note 37(b))	75,289	–	–	–

The financial guarantee contracts maturing in less than 1 year are \$72,609,000 (2020: \$75,289,000).

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000
Company				
2021				
Trade and other payables	11,789	–	–	–
Lease liabilities	426	–	–	–
Borrowings	16,248	14,801	84,283	20,725
Financial guarantee contracts (Note 37(b))	586,368	–	–	–
2020				
Trade and other payables	11,549	–	–	–
Lease liabilities	520	455	–	–
Borrowings	53,907	17,684	73,801	20,975
Financial guarantee contracts (Note 37(b))	584,211	–	–	–

NOTES TO THE FINANCIAL STATEMENTS

37. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

The table below analyses the derivative financial instruments of the Group and the Company for which contractual maturities are essential for an understanding of the timing of the cash flows into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000
Group			
At 31 December 2021			
Net-settled interest rate swaps – cash flow hedges – Net cash outflows	(1,698)	(1,473)	(757)
At 31 December 2020			
Net-settled interest rate swaps – cash flow hedges – Net cash outflows	(2,405)	(2,129)	(2,924)
Company			
At 31 December 2021			
Net-settled interest rate swaps – cash flow hedges – Net cash outflows	(131)	–	–
At 31 December 2020			
Net-settled interest rate swaps – cash flow hedges – Net cash outflows	(348)	(149)	–

(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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Net debt	660,197	670,798	103,756	122,625
Total capital	1,405,009	1,383,451	424,327	429,987
Net gearing ratio	47%	48%	24%	29%

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 are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2020 and 2021.

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37. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurements

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Group			
As at 31 December 2021			
Financial assets, at FVOCI	6,453	–	–
Financial assets, at fair value through profit or loss	–	–	57
Derivative financial instruments – assets	–	2,235	–
As at 31 December 2020			
Financial assets, at FVOCI	6,779	–	–
Financial assets, at fair value through profit or loss	–	–	24
Derivative financial instruments – liabilities	–	6,655	–
Company			
As at 31 December 2021			
Financial assets, at FVOCI	6,453	–	–
Derivative financial instruments – liabilities	–	122	–
As at 31 December 2020			
Financial assets, at FVOCI	6,779	–	–
Derivative financial instruments – liabilities	–	516	–

The fair value of financial instruments traded in active markets (such as trading and FVOCI 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.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves. These instruments are classified as Level 2.

The Group estimates the fair value of its unquoted investment classified as financial assets at fair value through profit or loss based on its share of the investee companies' net asset value ("NAV"), which is a significant unobservable input. NAV is determined by reference to the attributable net assets of the Group's investee companies based on the latest available financial information, adjusted, where applicable, for valuations of the underlying investment properties held by the investee companies determined by external, independent and qualified valuers.

Management of the Group reviews the appropriateness of the methodologies used to determine NAV, and also evaluates the appropriateness and reliability of the inputs used in the determination of NAV.

The financial assets at fair value through profit or loss are classified under Level 3 of the fair value hierarchy.

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37. FINANCIAL RISK MANAGEMENT (CONTINUED)

(f) 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 16, Note 18 and Note 30 to the financial statements, except for the following:

	Group \$'000	Company \$'000
2021		
Financial assets, at amortised cost	88,991	413,373
Financial liabilities at amortised cost	870,713	136,281
2020		
Financial assets, at amortised cost	99,084	417,835
Financial liabilities at amortised cost	881,280	163,342

38. RELATED PARTY TRANSACTIONS

In addition to information disclosed elsewhere in the financial statements, 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	
	2021 \$'000	2020 \$'000
Services provided to immediate holding corporation	88	83
Services provided to associated companies	1,973	2,129
Purchases from a company which a director has an interest	66	111
Interest charged by associated company	631	826
Interest charged by non-controlling interest	97	124

Outstanding balances at 31 December 2021 and 2020 arising from sales and purchases of goods are set out in Notes 13 and 26.

(b) Key management personnel compensation

The key management personnel compensation is as follows:

	Group	
	2021 \$'000	2020 \$'000
Wages and salaries	4,704	4,132
Employer's contribution to defined contribution plans, including Central Provident Fund	118	138
	4,822	4,270

Included in above, total compensation to directors of the Company amounted to \$2,407,000 (2020: \$1,939,000).

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39. 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 Deputy Chairman, the Group Chief Executive Officer, the Group Chief Financial Officer, and the Chief Operating Officer of each business/geographic segment.

The Senior Management manages and monitors the business in three business segments which is the provision of dormitory accommodation and services for workers ("Workers accommodation"), provision of accommodation and services for students ("Student accommodation") and manufacture and sale of optical storage media and other trading goods ("Others").

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.

The segment information provided to the Senior Management for the reportable segments are as follows:

	Workers accommodation \$'000	Student accommodation \$'000	Others \$'000	Total \$'000
Year ended 31 December 2021:				
Revenue:				
Sales to external parties	109,428	32,064	1,525	143,017
Timing of revenue recognition in relation to revenue from contracts with customers				
– Point in time	3,272	593	1,525	5,390
– Over time	11,089	1,979	–	13,068
Segment results	65,037	10,723	328	76,088
Gain on disposal of asset held for sale	2,019	–	–	2,019
Finance expenses	(14,165)	(8,569)	–	(22,734)
Interest income				520
Fair value (losses)/gains on investment properties	(12,932)	9,856	–	(3,076)
Share of profit of associated companies and joint venture	4,425	10,630	22	15,077
Profit before tax				67,894
Income tax expense				(12,097)
Net profit				55,797
Included in segment results:				
Depreciation	2,832	717	32	3,581
As at 31 December 2021:				
Segment assets	858,102	554,710	887	1,413,699
Short-term bank deposits				40,160
Financial assets, at FVOCI				6,453
Tax recoverable				599
Investments in associated companies	73,971	41,875	1,225	117,071
Investment in a joint venture	–	4,732	–	4,732
Consolidated total assets				1,582,714
Segment liabilities	136,878	17,836	360	155,074
Borrowings	398,205	329,485	–	727,690
Current income tax liabilities				9,336
Deferred income tax liabilities				13,295
Consolidated total liabilities				905,395
Other segment items:				
Capital expenditure	9,046	26,483	36	35,565

NOTES TO THE FINANCIAL STATEMENTS

39. SEGMENT INFORMATION (CONTINUED)

	Workers accommodation \$'000	Student accommodation \$'000	Others \$'000	Total \$'000
Year ended 31 December 2020:				
Revenue:				
Sales to external parties	91,537	35,768	1,050	128,355
Timing of revenue recognition in relation to revenue from contracts with customers				
– Point in time	2,148	563	958	3,669
– Over time	5,786	1,569	–	7,355
Segment results	55,582	14,469	(342)	69,709
Loss on disposal of investment properties	–	(97)	–	(97)
Gain on disposal of a subsidiary	–	–	1,398	1,398
Finance expenses	(14,207)	(9,112)	–	(23,319)
Interest income	–	–	–	875
Fair value losses on investment properties	(10,247)	(17,394)	–	(27,641)
Share of profit of associated companies and joint venture	4,054	660	105	4,819
Profit before tax				25,744
Income tax expense				(7,033)
Net profit				18,711
Included in segment results:				
Depreciation	2,228	1,050	35	3,313
As at 31 December 2020:				
Segment assets	848,307	521,952	3,230	1,373,489
Short-term bank deposits				44,408
Financial assets, at FVOCI				6,779
Tax recoverable				816
Investments in associated companies	79,180	31,063	1,219	111,462
Investment in a joint venture	–	4,758	–	4,758
Consolidated total assets				1,541,712
Segment liabilities	121,879	17,078	479	139,436
Borrowings	435,202	319,464	–	754,666
Current income tax liabilities				9,657
Deferred income tax liabilities				9,168
Consolidated total liabilities				912,927
Other segment items:				
Capital expenditure	7,775	5,106	–	12,881

Segment assets consist primarily of property, plant and equipment, investment properties, inventories, receivables, other current assets and operating cash, and exclude deferred tax assets, investments in associated companies and a joint venture, financial assets, at FVOCI 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

39. SEGMENT INFORMATION (CONTINUED)

Geographical information

The Group's three business segments operate in five main geographical areas:

- Singapore – the Company is headquartered and has operations in Singapore. The operations in this area are principally the provision of workers accommodation, provision of student accommodation, provision of management services, manufacture and sale of optical storage media and other trading goods;
- 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.

	Revenue	
	2021 \$'000	2020 \$'000
Singapore	98,255	84,252
Australia	4,537	8,442
Malaysia	13,468	10,954
United Kingdom	24,533	22,447
Other countries	2,224	2,260
	143,017	128,355

	Non-current assets	
	2021 \$'000	2020 \$'000
Singapore	746,790	749,500
Australia	161,919	169,314
Malaysia	155,082	142,877
United Kingdom	375,862	335,336
Other countries	46,431	35,687
	1,486,084	1,432,714

40. 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.

41. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

42. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Centurion Corporation Limited on 17 March 2022.

FIVE-YEAR SUMMARY

A summary of the results, assets and liabilities and non-controlling interests of the Group for the last five years ended 31 December, as extracted from the published annual reports is set out below:

Consolidated Results

	2017 \$'000	2018 \$'000	2019 \$'000	2020 \$'000	2021 \$'000
IFRS Financial Measures					
Revenue	137,113	120,070	133,353	128,355	143,017
Profit attributable to equity holders of the Company	31,722	79,326	99,951	17,171	52,679
Earnings per share (in SGD cents)	4.17	9.43	11.89	2.04	6.27
Non-IFRS Financial Measures					
Profit from Core Business Operations* attributable to equity holders of the Company	44,331	34,271	38,232	41,320	46,486
Earnings per share from Core Business Operations* (in SGD cents)	5.83	4.08	4.55	4.91	5.53

Assets and Liabilities

	2017 \$'000	2018 \$'000	2019 \$'000	2020 \$'000	2021 \$'000
Non-current assets	1,075,676	1,227,750	1,400,915	1,432,714	1,486,084
Current assets	113,315	93,990	78,052	108,998	96,630
Total assets	1,188,991	1,321,740	1,478,967	1,541,712	1,582,714
Total liabilities	713,258	796,789	865,102	912,927	905,395
Non-controlling interests	12,806	17,636	21,674	23,189	17,605
Total equity attributable to equity holders of the Company	462,927	507,315	592,191	605,596	659,714

* Profit from core business operations is net profit after tax adjusted for fair value changes on investment properties including those of associated companies and joint venture, fair value changes on net rent guarantee, deferred tax arising from fair value changes, dual listing expenses and one-off capital gains/(losses).

STATISTICS OF SHAREHOLDINGS

AS AT 4 MARCH 2022

Class of shares	:	Ordinary Shares
Issued and fully paid-up capital	:	S\$202,441,222.11
Number of shares issued	:	840,778,624
Voting rights	:	One vote per share

Treasury Shares and Subsidiary Holdings

The Company does not hold any treasury shares and has no subsidiary holdings.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholding	Number of Shareholders	%	Number of Shares	%
1 – 99	143	2.94	6,930	0.00
100 – 1,000	771	15.85	329,320	0.04
1,001 – 10,000	2,284	46.97	11,201,882	1.33
10,001 – 1,000,000	1,635	33.62	85,844,742	10.21
1,000,001 and above	30	0.62	743,395,750	88.42
	4,863	100.00	840,778,624	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	Number of Shares	%
1.	Centurion Properties Pte Ltd	405,756,126	48.26
2.	HKSCC Nominees Limited	111,930,839	13.31
3.	DB Nominees (Singapore) Pte Ltd	31,321,316	3.73
4.	Raffles Nominees (Pte) Limited	29,551,175	3.51
5.	Citibank Nominees Singapore Pte Ltd	29,366,100	3.49
6.	DBS Nominees Pte Ltd	22,944,193	2.73
7.	UOB Kay Hian Pte Ltd	22,653,987	2.69
8.	CGS-CIMB Securities (Singapore) Pte Ltd	20,414,802	2.43
9.	United Overseas Bank Nominees Pte Ltd	12,219,025	1.45
10.	Wong Kok Hoe	10,000,000	1.19
11.	OCBC Nominees Singapore Pte Ltd	5,084,536	0.61
12.	Goh Kai Kui	4,800,000	0.57
13.	Tang Kok Onn Simon	4,689,400	0.56
14.	Maybank Securities Pte. Ltd.	4,599,118	0.55
15.	Phillip Securities Pte Ltd	3,028,696	0.36
16.	Jack Investment Pte Ltd	2,855,100	0.34
17.	OCBC Securities Private Ltd	2,497,777	0.30
18.	Heng Siew Eng	2,378,700	0.28
19.	Lee Joh Ern	2,295,625	0.27
20.	Ho Han Khoon Alvin	2,010,000	0.24
	Total	730,396,515	86.87

STATISTICS OF SHAREHOLDINGS

SUBSTANTIAL SHAREHOLDERS AS AT 4 MARCH 2022

(As recorded in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Centurion Properties Pte Ltd ⁽²⁾	425,756,126	50.64	–	–	425,756,126	50.64
Centurion Global Ltd ⁽³⁾	–	–	425,756,126	50.64	425,756,126	50.64
Loh Kim Kang David ⁽⁴⁾	37,986,350	4.52	425,956,126	50.66	463,942,476	55.18
Han Seng Juan ⁽⁵⁾	33,877,600	4.03	433,703,626	51.58	467,581,226	55.61
Teo Peng Kwang ⁽⁶⁾	63,723,330	7.58	–	–	63,723,330	7.58

Notes:

- (1) Based on **840,778,624** issued ordinary shares (excluding treasury shares) as at 4 March 2022.
- (2) Of the 425,756,126 shares held by Centurion Properties Pte Ltd (“**Centurion Properties**”), 20,000,000 shares are registered in the name of Raffles Nominees (Pte.) Limited and 405,756,126 shares are registered in its own name.
- (3) Centurion Properties is a wholly-owned subsidiary of Centurion Global Ltd (“**Centurion Global**”). Centurion Global is, therefore, deemed to have an interest in 425,756,126 shares held by Centurion Properties.
- (4) Loh Kim Kang David (“**Mr. Loh**”) holds a 50% shareholding interest in Centurion Global. Mr. Loh is, therefore, deemed to have an interest in 425,756,126 shares held by Centurion Properties, a wholly-owned subsidiary of Centurion Global. Mr. Loh is also deemed to have an interest in 200,000 shares held by his spouse, Wong Wan Pei.

Of the 37,986,350 shares held by Mr. Loh, 15,837,450 shares are registered in the name of UOB Kay Hian Private Limited, 1,700,000 shares are registered in the name of Raffles Nominees (Pte.) Limited, 14,903,900 shares are registered in the name of CGS-CIMB Securities (Singapore) Pte Ltd, 4,000,000 shares are registered in the name of CGS-CIMB Securities (Hong Kong) Limited, 1,345,000 shares are registered in the name of Standard Chartered Bank (Hong Kong) Ltd and 200,000 shares are registered in his own name.

- (5) Han Seng Juan (“**Mr. Han**”) holds a 50% shareholding interest in Centurion Global. Mr. Han is, therefore, deemed to have an interest in 425,756,126 shares held by Centurion Properties, a wholly-owned subsidiary of Centurion Global. Mr. Han is also deemed to have an interest in 7,947,500 shares held by his spouse, Kang Lee Cheng Susanna, which are registered in the name of DB Nominees (Singapore) Pte Ltd.

Of the 33,877,600 shares held by Mr. Han, 5,898,400 shares are registered in the name of Citibank Nominees Singapore Pte Ltd, 2,370,700 shares are registered in the name of UOB Kay Hian Private Limited, 3,239,000 shares are registered in the name of Kim Eng Securities (Hong Kong) Limited, 9,026,000 shares are registered in the name of UBS Securities (Hong Kong) Limited, 402,300 shares are registered in the name of Oversea-Chinese Bank Nominees Pte Ltd, 3,388,500 shares are registered in the name of Maybank Kim Eng Securities Pte Ltd, 5,193,700 shares are registered in the name of CGS-CIMB Securities (Singapore) Pte Ltd, 2,785,000 shares are registered in the name of CGS-CIMB Securities (Hong Kong) Limited, 49,000 shares are registered in the name of UOB Kay Hian (Hong Kong) Limited and 1,525,000 shares are registered in his own name.

- (6) Of the 63,723,330 shares held by Teo Peng Kwang, 40,270,164 shares are registered in the name of DBS Bank Ltd, 7,356,916 shares are registered in the name of Deutsche Bank, 96,250 shares are registered in the name of United Overseas Bank Nominees Pte Ltd and 16,000,000 shares are registered in the name of DB Nominees (Singapore) Pte Ltd.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

As at 4 March 2022, approximately 30.86% of the total number of issued shares (excluding treasury shares) of the Company are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the SGX-ST Listing Manual and Rule 8.08 of the SEHK Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING

CENTURION CORPORATION LIMITED

勝捷企業有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Co. Reg. No.: 198401088W)

(SGX Stock Code: OU8)

(SEHK Stock Code: 6090)

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM” or “Meeting”) of **CENTURION CORPORATION LIMITED** (the “Company”) will be held: (a) in Singapore, at Canning Room, Raffles City Convention Centre (Level 4), 80 Bras Basah Road, Singapore 189560 and by way of electronic means (for Singapore shareholders); and (b) in Hong Kong, only by way of electronic means (for Hong Kong shareholders) on 28 April 2022 (Thursday) at 10:00 am for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and Audited Financial Statements of the Company and its subsidiaries for the financial year ended 31 December 2021 together with the Auditors’ Report thereon. **(Resolution 1)**
2. To declare a final dividend of 0.5 Singapore cent per ordinary share, on a one-tier tax exempt basis, for the financial year ended 31 December 2021. **(Resolution 2)**
3. To re-elect the following Directors retiring by rotation pursuant to Regulation 89 of the Company’s Constitution:
 - (a) Mr. Loh Kim Kang David
[See Explanatory Note (i)] **(Resolution 3)**
 - (b) Mr. Teo Peng Kwang
[See Explanatory Note (ii)] **(Resolution 4)**
 - (c) Ms. Tan Poh Hong
[See Explanatory Note (iii)] **(Resolution 5)**
4. To approve the payment of Directors’ fees of up to S\$492,000 for the financial year ending 31 December 2022, to be paid quarterly in arrears (FY2021: up to S\$422,875). **(Resolution 6)**
[See Explanatory Note (iv)]
5. To re-appoint PricewaterhouseCoopers LLP as the Company’s Auditors and to authorise the Directors to fix their remuneration. **(Resolution 7)**
6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. Share Issue Mandate

“That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “Companies Act”), Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (“SEHK”), the Directors of the Company be authorised and empowered to:

- A. (i) issue shares in the capital of the 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 the Directors of the Company may in their absolute discretion deem fit; and

* for identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- B. (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed fifty percent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company shall not exceed twenty percent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the 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 and SEHK) 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 and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of convertible securities which were issued and outstanding or subsisting at the time of the passing of this Resolution;
 - (b) new shares arising from exercising share options or vesting of share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST and the Listing Rules of the SEHK for the time being in force (unless such compliance has been waived by the SGX-ST and SEHK) and the Constitution for the time being of the Company; and
- (4) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.”
[See Explanatory Note (v)] **(Resolution 8)**

8. Renewal of Share Purchase Mandate

“That:

- (a) for the purposes of the Companies Act, the exercise by the Directors of the Company of all the powers to purchase or otherwise acquire issued shares in the capital of the Company from time to time of not exceeding in aggregate the Prescribed Limit (as hereinafter defined) at the price of up to but not exceeding the Maximum Price (as hereinafter defined), whether by way of:
 - (i) on-market purchases (each an “**On-Market Share Purchase**”) on the SGX-ST and/or SEHK, through the ready markets, through one or more duly licensed stock brokers appointed by the Company for such purpose; and/or
 - (ii) off-market purchases (each an “**Off-Market Share Purchase**”) effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations, including but not limited to the provisions of the Companies Act, Listing Manual of the SGX-ST and Listing Rules of the SEHK, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

NOTICE OF ANNUAL GENERAL MEETING

- (b) unless revoked or varied by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
- (i) the date on which the next AGM of the Company is held; or
 - (ii) the date by which the next AGM of the Company is required by law to be held; or
 - (iii) the date on which the purchases of shares by the Company have been carried out to the full extent mandated;
- (c) for the purpose of this Resolution:

"Prescribed Limit" means ten percent (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of this Resolution; and

"Maximum Price" in relation to a share to be purchased, means an amount (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of an On-Market Share Purchase, one hundred and five percent (105%) of the Average Closing Price (as hereinafter defined); and
- (ii) in the case of an Off-Market Share Purchase, one hundred and twenty percent (120%) of the Average Closing Price,

where:

"Average Closing Price" means the average of the closing market prices of a share of the Company over the last five (5) Market Days ("**Market Day**" being a day on which the SGX-ST or the SEHK, as the case may be, is open for securities trading), on which transactions in the shares of the Company were recorded, immediately preceding the date of making the On-Market Share Purchase, or, as the case may be, the date of making an announcement for an offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Days and the day on which the purchase is made;

- (d) the Directors of the Company and each of them be and are hereby authorised to deal with the shares purchased by the Company, pursuant to the Share Purchase Mandate in any manner as they or he may think fit, which is allowable under the Companies Act, Listing Manual of the SGX-ST and the Listing Rules of the SEHK; and
- (e) the Directors of the Company and each of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they or he may consider expedient, necessary, incidental or in the interest of the Company to give effect to the transactions contemplated and/or authorised by this Resolution."

[See Explanatory Note (vi)]

(Resolution 9)

By Order of the Board

Hazel Chia Luang Chew
Juliana Tan Beng Hwee
Company Secretaries

Singapore, 25 March 2022

Headquarters and
Principal Place of Business
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

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (i) Ordinary Resolution 3 is to re-elect Mr. Loh Kim Kang David (“**Mr. Loh**”) as an Executive Director of the Company. Mr. Loh will, upon re-election, remain as Executive Director, Joint Chairman of the Board and Chairman of the Executive Committee. He is a controlling shareholder of the Company. Save as disclosed in the Company’s Annual Report and the circular to shareholders accompanying this Notice of AGM (the “**Circular**”), there are no relationships (including immediate family relationships) between Mr. Loh and the other Directors, substantial shareholder of the Company or the Company.
- (ii) Ordinary Resolution 4 is to re-elect Mr. Teo Peng Kwang (“**Mr. Teo**”) as an Executive Director of the Company. Mr. Teo will, upon re-election, remain as Executive Director and a member of the Executive Committee. He is also the Chief Operating Officer – Accommodation Business and a substantial shareholder of the Company. There are no relationships (including immediate family relationships) between Mr. Teo and the other Directors, substantial shareholders of the Company or the Company.
- (iii) Ordinary Resolution 5 is to re-elect Ms. Tan Poh Hong (“**Ms. Tan**”) as an Independent Non-Executive Director of the Company. Ms. Tan will, upon re-election, remain as Independent Non-Executive Director and a member of the Nominating Committee and the Remuneration Committee. She is considered independent for the purposes of Rule 210(5)(d) of the Listing Manual of the SGX-ST and Rule 3.13 of the Listing Rules of the SEHK. There are no relationships (including immediate family relationships) between Ms. Tan and the other Directors, substantial shareholders of the Company or the Company.
- (iv) Ordinary Resolution 6 is to approve the payment of Directors’ fees of up to S\$492,000 for the financial year ending 31 December 2022 (“**FY2022**”), to be paid quarterly in arrears.

At the last AGM of the Company, shareholders’ approval was sought and obtained for the payment of a reduced aggregate sum of up to S\$422,875 as Directors’ fees for the financial year ended 31 December 2021 (“**FY2021**”), after taking into account the voluntary 15% reduction in Directors’ fees for FY2021, as part of the Company’s measures to strengthen cash flow management and controls to conserve cash in view of the uncertainty amidst the COVID-19 pandemic and continued challenges ahead, which was subject to review at the end of FY2021. The aggregate amount of Directors’ fees paid to the Directors for FY2021 was S\$422,875.

As announced by the Company on 24 February 2022, in light of the Group’s improved performance for FY2021, the Remuneration Committee has recommended and the Board has approved the reinstatement of the salaries of the senior management staff of the Group in Singapore, which had been cut since 1 May 2020, with effect from 1 January 2022. Further, the voluntary 15% reduction in Directors’ fees (“**Fee Reduction**”) to cease with effect from 1 January 2022 in line with the cessation of the salary cut of the senior management staff of the Group in Singapore. Accordingly, the Directors’ fees for FY2022 will be reinstated to the same level as Directors’ fees before the Fee Reduction.

The proposed Directors’ fees of up to S\$492,000 for FY2022 factors in the cessation of the voluntary 15% reduction in Directors’ fees with effect from 1 January 2022.

Ordinary Resolution 6, if passed, will authorise the Company to make payment of fees to the Directors (including fees payable to members of the various Board Committees) for FY2022 on a quarterly basis in arrears, for their services rendered during the course of the financial year. This will facilitate Directors’ compensation for services rendered in a more timely manner.

- (v) Ordinary Resolution 8, if passed, will empower the Directors of the Company from the date of the forthcoming AGM until the date of the next AGM to issue shares and/or to make or grant Instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such Instruments, up to a number not exceeding fifty percent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders shall not exceed twenty percent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company.
- (vi) Ordinary Resolution 9, if passed, will empower the Directors of the Company from the date of the forthcoming AGM until the date of the next AGM to purchase issued ordinary shares of the Company by way of On-Market Share Purchase or Off-Market Share Purchase of not exceeding in aggregate the Prescribed Limit at the Maximum Price in accordance with the terms and conditions set out in the Circular, the Companies Act, the Listing Manual of the SGX-ST and the Listing Rules of the SEHK.

The Company intends to use internal sources of funds or borrowings, or a combination of internal resources and external borrowings, to finance its purchase or acquisition of shares. The amount of financing required for the Company to purchase or acquire its shares, and the impact on the Company’s financial position, cannot be ascertained as at the date of this Notice of AGM as these will depend on whether the shares are purchased or acquired out of capital or profits, the number of shares purchased or acquired and the price at which such shares are purchased or acquired.

The financial effects of the purchase or acquisition of such shares by the Company pursuant to the proposed Share Purchase Mandate on the audited financial statements of the Company and the Group for FY2021 based on these assumptions are set out in paragraph 4.7 of the Circular.

Please refer to the Circular for details.

- * Information on the Directors who are proposed to be re-elected can be found under the section entitled “Board of Directors” in the Annual Report 2021 and also in the Circular.

NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT NOTICE ON THE FORTHCOMING AGM ARRANGEMENTS IN LIGHT OF COVID-19 PANDEMIC

The AGM is being convened, and will be held (a) physically and by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 of Singapore (for shareholders in Singapore); and (b) only by way of electronic means (for shareholders in Hong Kong).

Voting will be conducted in real time via electronic means during the forthcoming AGM for shareholders and proxyholders attending the physical meeting in Singapore and attending the AGM by way of electronic means (both in Singapore and Hong Kong).

This notice sets out the Company's arrangements relating to, among others, (i) physical attendance at the AGM for shareholders in Singapore, (ii) attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or live audio-only stream), (iii) submission of questions prior to, or "live" at, the AGM, (iv) addressing of substantial and relevant questions prior to and/or at the AGM and (v) voting (in real time via electronic means) by shareholders (either personally or via appointment of proxy(ies) or through the appointment of the Chairman of the Meeting as proxy).

Notes:

1. Attendance and Pre-Registration

- (a) In Singapore, due to current restrictions arising from the COVID-19 pandemic and to minimise physical interactions and COVID-19 transmission risk, the number of attendees allowed to attend the physical meeting in Singapore ("**Physical Meeting**") will be kept at 100 persons and the Directors shall determine such number of shareholders attending the Physical Meeting in compliance with the Ministry of Health ("**MOH**") advisory. Shareholders in Singapore can also choose to attend the AGM by way of electronic means (via live audio-visual webcast or live audio-only stream) ("**Virtual Meeting**").
- (b) In Hong Kong, due to recent development of the COVID-19 pandemic, shareholders shall NOT attend the AGM physically in person. Shareholders in Hong Kong can only attend the Virtual Meeting.
- (c) Pre-registration

Members of the Company ("**Shareholders**" or "**Members**") (including investors holding shares through the Central Provident Fund ("**CPF**") or Supplementary Retirement Scheme ("**SRS**") ("**CPF/SRS Investors**")) who wish to participate in the Virtual Meeting or attend the Physical Meeting **MUST pre-register online** (the "**Pre-Registration**") at the URL: <https://conveneagm.com/sg/centurioncorp> **by 10:00 am on 25 April 2022** ("**Registration Cut-off Time**") to enable the Company to verify their status as Shareholders.

Shareholders who are appointing any persons(s) (other than the Chairman of the Meeting) as his/her/its proxy(ies) to attend the Physical Meeting or the Virtual Meeting on his/her/its behalf should inform his/her/its proxy(ies) to pre-register online and specify his/her/their intention to attend the Physical Meeting or the Virtual Meeting, as the case may be, at the URL: <https://conveneagm.com/sg/centurioncorp> **by the Registration Cut-off Time**, failing which the appointment shall be invalid.

Following successful verification:

- (i) Authenticated Shareholders and proxyholders who are successful in the Pre-Registration to attend the Physical Meeting or Virtual Meeting will receive a confirmation email from the Company by 26 April 2022 ("**Confirmation Email**") via the email address provided during the online Pre-Registration or as indicated in the instrument appointing a proxy or proxies ("**Proxy Form**").
- (ii) Authenticated Shareholders and proxyholders who are unsuccessful in the Pre-Registration to attend the Physical Meeting will receive the Confirmation Email for Virtual Meeting from the Company by 26 April 2022 to attend the Virtual Meeting through the following:
 - (a) watching the live streaming of the AGM proceedings via the login credentials created during Pre-Registration or login with their Singpass account; or
 - (b) observing the AGM proceedings by dialling in to the telephone number provided in the Confirmation Email.

Due to limited number of physical seats available at the AGM venue, in compliance with MOH advisory, selection of attendees to attend the Physical Meeting will be on a first come first served basis and the Company reserves the right to select verified pre-registered Shareholders and proxyholders to attend the AGM in person.

For Shareholders and proxyholders who have registered by the Registration Cut-off Time but do not receive the Confirmation Email for Physical Meeting or Virtual Meeting, as the case may be, by 26 April 2022, please email to: support@conveneagm.com as soon as possible.

If you have any queries on above procedures in Pre-Registration for the Physical Meeting or Virtual Meeting, please email to: support@conveneagm.com or call the Singapore toll-free telephone number +65 6856 7330.

Shareholders and proxyholders must not forward the above-mentioned login credentials or telephone number to other persons who are not Shareholders and who are not entitled to attend the AGM. This is also to avoid any technical disruptions or overload to the Virtual Meeting.

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- (d) Investors holding shares through Relevant Intermediaries (other than CPF/SRS Investors) – Pre-registration for attending AGM (including pre-submission of questions)

Investors holding shares through relevant intermediaries (other than CPF/SRS Investors) will not be able to pre-register for the Virtual Meeting or Physical Meeting directly with the Company. Such investors who wish to attend/participate in the Virtual Meeting or Physical Meeting (including pre-submission of questions) should contact their relevant intermediaries through which they hold such shares as soon as possible in order for the relevant intermediaries to make the necessary arrangements to pre-register.

NOTE: DUE TO THE CAPACITY LIMIT RESTRICTIONS, THE COMPANY WILL NOT ACCEPT ANY PHYSICAL ATTENDANCE BY SHAREHOLDERS AND PROXYHOLDERS AT THE AGM VENUE IN SINGAPORE WITHOUT PRE-REGISTRATION OR WHO ARE UNSUCCESSFUL IN THE PRE-REGISTRATION TO ATTEND THE PHYSICAL MEETING.

2. Questions Relating to the Agenda of the AGM

- (a) Submitting questions in advance of the AGM

Shareholders who have any questions in relation to the items of the agenda of the AGM can submit questions in advance, by 12 April 2022, via any of the following options:

- (i) Annex your questions to your Proxy Forms (if submitted by post or email).
- (ii) Submit your questions during the Pre-Registration process at the URL: <https://conveneagm.com/sg/centurioncorp>.
- (iii) Email your questions with your name and identification number (for Singapore Shareholders)/your name and address (for Hong Kong Shareholders) to agm@centurioncorp.com.sg.

- (b) Submitting questions during the AGM

- (i) Shareholders and proxyholders who have pre-registered and are verified to attend the Virtual Meeting or the Physical Meeting will be able to ask questions in relation to the items of the agenda of the AGM during the AGM proceedings.
- (ii) Attendees of the Virtual Meeting can either submit text-based questions via the Live Webcast by clicking the "Ask a Question" feature or click the "Queue for Video call" to speak via the Live Webcast. Questions will be answered during the AGM.

- (c) The Company will endeavour to respond to substantial and relevant questions received from Shareholders prior to the AGM by 20 April 2022 and/or during the AGM proceedings. Such questions from Shareholders and responses from the Company will be published on the Company's website and on the websites of the SGX-ST and the SEHK. Where there are substantially similar questions, the Company will consolidate such questions; consequently, not all questions may be individually addressed.

3. Voting (in real time via electronic means) by Shareholders (either personally or via appointment of proxy(ies) or through the appointment of the Chairman of the Meeting as proxy)

- (a) Pursuant to Regulation 59 of the Company's Constitution, all resolutions to be put to vote at the AGM (and at any adjournment thereof) shall be decided by way of poll as required by the Listing Manual of SGX-ST and the Listing Rules of SEHK.
- (b) Voting on all resolutions to be tabled for approval at the forthcoming AGM will be conducted in real time via electronic means during the AGM for Shareholders and proxyholders attending the Physical Meeting (in Singapore) or attending the AGM by way of electronic means (both in Singapore and Hong Kong).

It is important for Shareholders and proxyholders to bring their own web-browser enabled devices for voting at the Physical Meeting or have their own web-browser enabled devices ready for voting during the Virtual Meeting.

Shareholders and proxyholders will be required to log-in via the e-mail address provided during Pre-Registration or as indicated in the Proxy Form.

- (c) A Shareholder in Singapore (whether individual or corporate) who does not wish to attend the Physical Meeting or the Virtual Meeting may appoint the Chairman of the Meeting or any other person(s) as his/her/its proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM.
- (d) A Shareholder in Hong Kong (whether individual or corporate) who does not wish to attend the Virtual Meeting may appoint the Chairman of the Meeting or any other person(s) as his/her/its proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM.
- (e) In the appointment of the Chairman of the Meeting or any other person(s) as proxy(ies), Shareholders must give specific instructions as to voting, or abstentions from voting, in respect of each of the resolutions in the Proxy Form, failing which the proxy(ies), or the Chairman of the Meeting as proxy, will vote or abstain from voting at his/her/their discretion.

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- (f) (i) A Member who is not a relevant intermediary or a clearing house (or its nominee(s)) is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM.
- (ii) A Member who is a relevant intermediary or a clearing house (or its nominee(s)) is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member.
- (iii) “**Relevant Intermediary**” has the meaning ascribed to it in Section 181 of the Companies Act.
- (g) If the appointor is a corporation, the Proxy Form must be executed under seal or the hand of its duly authorised officer or attorney.
- (h) A proxy need not be a member of the Company. The Chairman of the Meeting, as proxy, need not be a member of the Company.

Investors holding shares through Relevant Intermediaries (including CPF/SRS Investors)

- (i) The Proxy Form is not valid for use by investors holding shares through relevant intermediaries (including CPF/SRS Investors) and shall be ineffective for all intents and purposes if used or purported to be used by them.
- (j) CPF/SRS Investors who wish to vote at the AGM should approach their respective CPF Agent Banks or SRS Operators to submit their votes (including their appointment as proxies) by **10:00 am on 19 April 2022**, being at least seven (7) working days before the date of the AGM.
- (k) Investors holding shares through a clearing house (or its nominee(s)) or relevant intermediaries (other than CPF/SRS Investors) who wish to vote at the AGM should approach the clearing house (or its nominee(s)) or their relevant intermediaries as soon as possible to submit their votes.

(l) Submission of Proxy Form

The Proxy Form appointing the Chairman of the Meeting or any other person(s) as proxy(ies), duly completed and signed, must be submitted to the Company no later than **10:00 am on 25 April 2022**, being not less than 72 hours before the time appointed for holding the AGM, in the following manner:

- (i) by post, be lodged at the registered office of the Company at 45 Ubi Road 1, #05-01, Singapore 408696 (“**Registered Office Address**”) (for Singapore Shareholders) or at the office of the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong (for Hong Kong Shareholders); or
- (ii) by submitting a scanned PDF copy via email to agm@centurioncorp.com.sg; or
- (iii) by submitting an electronic format accessible on the Pre-Registration website at <https://conveneagm.com/sg/centurioncorp>,

failing which the instrument may be treated as invalid.

- (m) Completion and return of the Proxy Form by a Shareholder will not preclude him/her from attending (either in person or by way of electronic means) and voting at the AGM if he/she subsequently wishes to do so, and at any adjournment thereof, provided that the Shareholder has pre-registered and his/her Pre-Registration to attend the AGM (either in person or by way of electronic means) has been verified and authenticated by the Company. The relevant Proxy Form submitted by the Shareholder shall be deemed to be revoked and in such an event, the Company reserves the right to terminate the proxy(ies)’ access to the AGM proceedings.

4. **Precautionary measures to minimise the risk of COVID-19 transmission for Physical Meeting in Singapore**

In view of the COVID-19 situation, and to better protect the safety and health of the Shareholders and other participants attending the Physical Meeting, the Company will implement the following precautionary measures/steps at the AGM venue in Singapore:

- (a) All attendees attending the Physical Meeting must be fully vaccinated, recovered from the COVID-19 within the past 180 days, or medically ineligible for vaccines under the National Vaccination Programme, and will be required to check-in using SafeEntry and undergo a temperature check before entering the AGM venue for the Physical Meeting.
- (b) Any person returning a temperature reading at or above 37.5°C when undergoing a temperature check will not be permitted to attend the Physical Meeting.
- (c) Any person who has a fever or exhibiting flu-like symptoms or is subject to any Singapore Government prescribed quarantine or stay-home notice will not be given access to the AGM venue in Singapore.
- (d) Every person attending the Physical Meeting will be required to wear a surgical or equivalent face mask throughout the Physical Meeting.
- (e) All attendees must maintain at least one (1) metre safe distancing between individual attendees at all times. Seats will be spaced at least one (1) metre apart.

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- (f) Shareholders and proxyholders who received the Confirmation Email for Physical Meeting but who are feeling unwell on the date of the AGM are advised not to attend the Physical Meeting.
- (g) Shareholders and proxyholders who received the Confirmation Email for Physical Meeting are also advised to arrive at the Physical Meeting early, as the measures mentioned above may cause delay in the registration process.
- (h) No distribution of corporate gift and no refreshment will be served at the Physical Meeting.

The Company seeks the understanding and co-operation of all Shareholders (including proxyholders) to safeguard public health and safety and minimise the risk of community spread of COVID-19.

The Company will closely monitor the situation and reserves the right to take further measures as appropriate in order to minimise any risk to Shareholders/proxyholders and others attending the Physical Meeting.

5. Closure of Register of Members in Hong Kong

The Hong Kong branch share register will be closed from 25 April 2022 to 28 April 2022, both days inclusive, during which period no transfer of shares will be registered in Hong Kong, for determining the entitlement of Shareholders to attend and vote at the AGM. All transfers of shares, accompanied by the relevant share certificates, must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 pm on 22 April 2022.

6. Despatch of documents and access to documents or information relating to the AGM

- (a) Printed copies of this Notice of AGM together with the Proxy Form have been sent to Shareholders. These documents are also available for download from the Company's website at the URL: www.centurioncorp.com.sg or, the website of the SGX-ST or, the website of the SEHK.
- (b) The Annual Report 2021 and Circular to Shareholders dated 25 March 2022 have been published on the Company's website (www.centurioncorp.com.sg) and on the websites of the SGX-ST (www.sgx.com) and the SEHK (www.hkexnews.hk).
- (c) Printed copies of the Annual Report 2021 and Circular to Shareholders dated 25 March 2022 will be despatched to Shareholders in Hong Kong and made available to Shareholders in Singapore upon request. Shareholders in Singapore could download the Request Form ("RF") from the Company's website at URL: https://centurion.listedcompany.com/ar2021_request_form.html and the website of SGX-ST (www.sgx.com) and return the completed RF either via email to agm@centurioncorp.com.sg or by post, be lodged at the Company's Registered Office Address by 12 April 2022.
- (d) For more information relating to the AGM, Shareholders should check the websites of the SGX-ST and the SEHK for updates (if any) or email the Company's IR team, David Phey/George Goh at agm@centurioncorp.com.sg.

7. Further Updates

Shareholders should note that the manner of conduct of the AGM may be subject to further changes based on the evolving COVID-19 situation, any legislative amendments and any directives or guidelines from government agencies or regulatory authorities. Any changes to the manner of conduct of the AGM will be announced by the Company. Shareholders are advised to check the Company's website and the websites of the SGX-ST and the SEHK regularly for updates.

8. Filming and photography

When a Shareholder or proxyholder attends, speaks and votes at the AGM via electronic means or physically, he/she consents to his/her videos and/or photographs being taken for the purpose of publication on the Company's website and publicity materials without further notification.

- 9. Any reference to a time of day is made by reference to Singapore time.

Personal data privacy:

"Personal data" has the same meaning ascribed to it in the Personal Data Protection Act 2012 of Singapore, which includes name, address, NRIC/passport number of a Member and proxy(ies) and/or representative(s) of a Member.

By (a) submitting a Proxy Form appointing the Chairman of the Meeting or any other person(s) as proxy(ies) to attend, speak and vote at the AGM and/or any adjournment thereof, (b) completing the Pre-Registration in accordance with this Notice of AGM, or (c) submitting any question prior to the AGM in accordance with this Notice of AGM, a Member of the Company consents to the collection, use and disclosure of the Member's personal data by the Company (or its agents or service providers) for the following purposes (collectively, the "Purposes"):

- (i) processing, administration and analysis by the Company (or its agents or service providers) of proxies and/or representatives appointed for the AGM (including any adjournment thereof);
- (ii) processing of the Pre-Registration for purposes of granting access to Members to the Physical Meeting and Virtual Meeting and providing them with any technical assistance where necessary;

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(iii) addressing substantial and relevant questions from Members received prior to and/or at the AGM and if necessary, following up with the relevant Members in relation to such questions;

(iv) preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and

(v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines, and

warrants that where the Member discloses the personal data of the Member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and agrees to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Member's breach of warranty. In addition, by attending the Physical Meeting or Virtual Meeting and/or any adjournment thereof, a Member consents to the collection, use and disclosure of the Member's personal data by the Company (or its agents or service providers) for any of the Purposes.