Centurion Corporation Limited

(Incorporated in the
Republic of Singapore with limited liability)
(Co. Reg. No.: 198401088W)
SGX Stock Code: OU8
SEHK Stock Code: 6090

ANNUAL REPORT 2022

STABILITY, RESILIENCE, AGILITY.

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

2
Assets in Australia

6
Assets in United States

1
Asset in South Korea

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1. *Westlite residents cultural sharing with SIT (Singapore)*
2. *dwell Castle Gate Haus Facade (Nottingham, UK)*
3. *dwell Village Melbourne City Facade (Melbourne, Australia)*
4. *Residents with CEO Mr. Kong at Westlite's Deepavali celebrations (Singapore)*
5. *Residents at Westlite Integration Cup (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).

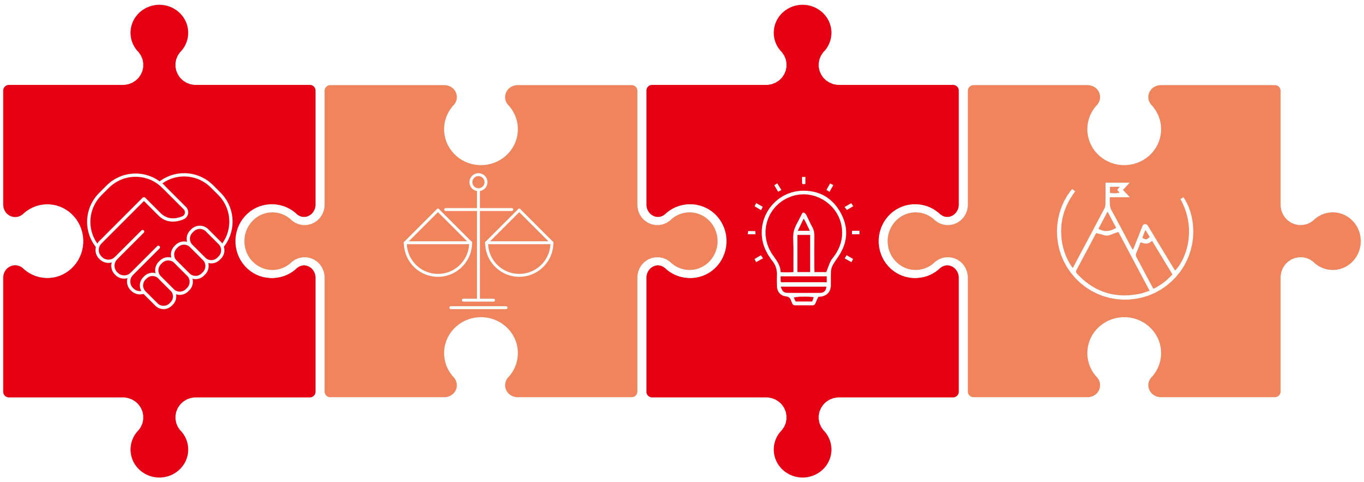
As at 31 December 2022, the Group's portfolio of 36 operational accommodation assets comprises approximately 66,291 beds. Centurion's established portfolio of workers accommodation assets are managed under the "Westlite" brand and comprises nine workers accommodation assets in Singapore as well as eight 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 2022

1st Quarter

- Established Executive Committee of the Board to assist the Board with its oversight responsibilities in, amongst others, making business decisions and evaluating major strategic initiatives.
- Received Certification from Department of Labour Peninsular Malaysia (JTKSM) for all Westlite Malaysia properties.

2nd Quarter

- Asset Enhancement Initiatives completed at Westlite Tebrau, adding 688 beds to the Group's portfolio.
- Recorded 40% jump of 1H revenue to S$90.5 million, on the back of stronger contributions from the group's portfolio of purpose-built workers accommodation (PBWA) and purpose-built student accommodation (PBSA) across Singapore, Australia and the UK.

3rd Quarter

- The management contracts for two migrant worker Onboarding Centres (OCs), namely Onboard@Punggol Northshore and Onboard@ChuaChuKang, came to term in September. The 2 OCs had ceased operations and the properties have been returned to the government.

4th Quarter

- Issued S$53 million Fixed Rate Notes due 2026 to further strengthen the Group's balance sheet.
- Asset Enhancement Initiatives completed at Westlite Tampoi adding 1,214 beds to the Group's portfolio.
- The Westlite Inter-dormitory Cricket Tournament returned for its 7th edition, enlarged to include the Westlite Integration Cup, with 6 corporate teams comprising local national players competing alongside 13 migrant worker teams in two parallel, simultaneous tournaments.

1. Asset enhancement works at Westlite Tebrau adding 688 beds

2. Asset enhancement works at Westlite Tampoi adding 1,214 beds

3. Westlite Integration Cup 2022

4. Refurbished dwell MSV South (Manchester, UK)

5. Centurion Corporation and Gateway Arts, My Invisible Life Premiere

JOINT CHAIRMEN LETTER TO SHAREHOLDERS

Mr. Han Seng Juan

With the resumption of domestic and international travel, there has been a steady return of migrant worker and student populations to workplaces and university campuses, across the countries where Centurion operates.

DEAR SHAREHOLDERS

In 2022, countries around the world continued to re-open their borders, ease pandemic-management measures and transition to living with the COVID-19 virus. With the resumption of domestic and international travel, there has been a steady return of migrant worker and student populations to workplaces and university campuses, across the countries where Centurion operates.

At the same time, geo-political tensions, persistent inflation and escalating interest rate hikes have presented challenges to economies and businesses, driving up the cost of business and capital.

STRONG PERFORMANCE IN UNCERTAIN TIMES

Against this backdrop, we are pleased to announce that Centurion has delivered strong performance in FY 2022, tapping the recovery and despite the economic volatility and uncertainties.

Group revenue grew 26% to S$180.5 million, while net profit after tax attributable to equity holders grew 36% to S$71.4 million. Excluding fair value gains from investment properties and its related deferred taxes, profit from core business operations attributable to equity holders grew 23% to S$57.1 million in FY 2022.

Across all our operating markets, financial occupancies have recovered to high levels near or exceeding pre-COVID performance. We have also been able to grow rental rates, across all our markets, mitigating the impact of increased operating and finance expenses. Our margins have remained generally stable; Gross Profit Margin grew two percentage points year-on-year to 68% for FY 2022.

This commendable financial performance is testament of the strength and resilience of the Group's asset portfolio and management, as well as the Group's agility in enlarging portfolio capacity and expanding revenue streams.

JOINT CHAIRMEN LETTER TO SHAREHOLDERS

Mr. Loh Kim Kang David

STABILITY AND RESILIENCE

Our specialised accommodation business, both worker and student accommodation, enjoy robust demand as well as short supply in the countries and cities where we operate.

Across all geographies, with the recovery of migrant worker and student populations, demand for quality worker and student accommodation has overtaken available supply. Moreover, demand for migrant workforce and higher education tends to be counter-cyclical, and resilient to economic swings.

We have also strategically diversified our asset portfolio in both these two business segments, across 6 countries, for greater balance and stability.

AGILITY AND CONTINUED GROWTH

At the same time, the Group continually looks for opportunities to enhance our portfolio and expand revenue streams.

This may be by way of acquisition, or by asset-light means such as through private funds or joint ventures, master leases or management contracts. We also consider, where sensible, opportunities for accommodation-related revenue streams, such as through ancillary services delivered to our resident communities.

During the COVID outbreak, we were among the first dormitory operators to lease and manage Quick Build Dormitories in Singapore, and to manage migrant worker Onboard Centres. We were also quick to reconfigure our Malaysian assets to optimize bed capacity within new regulatory specifications, and to enhance our UK student assets to address changing consumer preferences post-pandemic.

In January 2023, we secured a tender award to develop a new Purpose Built Dormitory in Singapore, which will be among the first to be developed by the private sector under new regulatory specifications announced by MOM.

Such portfolio and business expansion have added to our continued growth and strong financial performance in the face of volatility and uncertainty, as well as our continued innovation and leadership in the specialized accommodation marketplace.

Fair value of our assets gained S$19 million at the end of FY 2022, rebounding from a net fair value adjustment loss of S$3.1 million at the end of FY 2021. Net Asset Value stood at a new high of S$0.817 per share as at 31 December 2022.

EXTENDING APPRECIATION

Given the locations of the Group's assets, which are well-diversified across markets and customer bases, we remain confident in the fundamentals of the Group's business and the resilience of our specialised accommodations asset class over the long term.

We will continue to pursue portfolio and revenue growth opportunities, including the ongoing strategic review of our assets, exploring avenues for capital recycling and capital reallocation towards synergistic or higher yielding assets and markets, to deliver sustainable, long-term value to our shareholders.

To our Board of Directors, we wish to express our gratitude for your contributions and strategic counsel. We would also like to thank our shareholders, loyal partners, and community stakeholders for their continued trust in Centurion through the challenging times.

Our achievements today would not have been possible without the collective hard work contributed by the management and staff, to whom we extend our greatest appreciation and gratitude.

Yours faithfully

HAN SENG JUAN
LOH KIM KANG, DAVID
Joint Chairmen

CEO'S STATEMENT

Mr. Kong Chee Min

In a year that has brought both opportunities and challenges, recovery as well as new headwinds, we are pleased to report that the Group has delivered solid, resilient performance in Fiscal Year 2022.

DEAR SHAREHOLDERS,

In a year that has brought both opportunities and challenges, recovery as well as new headwinds, we are pleased to report that the Group has delivered solid, resilient performance in Fiscal Year 2022.

RECOVERING DEMAND OVERTAKES SUPPLY

The recovery from COVID-19, which began to emerge in the 2H 2021, has carried through in 2022. With the easing of travel restrictions and as global economies emerged out of the Covid-19 pandemic, worker and student populations have recovered across the countries where Centurion operates.

In Singapore, the migrant workforce in Construction, Marine and Process industries have climbed close to pre-COVID numbers, while available bed supply had fallen during the past 2 years. Pressing demand has been further exacerbated by steeply rising rents in private residential housing, driving employers of migrant workers in other sectors not required by manpower law to live in approved worker dormitories, to also seek purpose built dormitory beds.

Similar conditions, where worker or student beds are in short supply to meet resurgent demand, have arisen in the UK and Australia, and also to some extent, in Malaysia.

The Group has been able to tap this strong recovery, to achieve peak financial occupancies with healthy rental reversions, across all the countries where Centurion operates.

IMPACT FROM HEADWINDS EFFECTIVELY CUSHIONED

For FY 2022, Centurion reported commendable financial performance, reflecting the stability and resilience of its core business notwithstanding the increased costs which inflation and rising interest rates have brought to operating and finance expenses.

The Group registered a 26% growth in revenue to S$180.5 million in FY 2022. Gross Profit increased 31% to S$123.6 million, and Net Profit After Tax Attributable to Equity Holders rose 36% to S$71.4 million.

The Group's PBWA business in Singapore and Malaysia saw revenue increase 23% to S$134.7 million. Segment margin remained stable at 58%. Centurion's PBSA business, across Australia, UK, US and South Korea, reported revenue growth of 38% to S$44.2 million. Segment margin increased seven percentage points to 40%.

CEO'S STATEMENT

ENLARGED, ENHANCED PORTFOLIO

Adding to the growth in revenue, are portfolio assets the Group had secured and also asset enhancement initiatives we had carried out, leading into and during the year.

In Singapore, two of the four Quick Build Dormitories we had secured on Master Leases from MOM commenced operations in June and September 2021. These Quick Build Dormitories contributed through the full year in FY 2022, with close to full occupancy. Additionally, the management contracts for two Onboard Centres which commenced in 2021, also accreted management fees and ancillary accommodation-related revenues for the Group, until the contracts came to term in September 2022.

Asset Enhancement Initiatives completed at Westlite Tebrau and Westlite Tampoi added 1,902 beds to portfolio capacity in Johor, Malaysia, while the refurbishment of rooms at dwell MSV and dwell MSV South in Manchester helped uplift revenue of the UK PBSA portfolio.

The Group will continue to explore opportunities to enlarge and enhance its portfolio capacity, adding to its revenue streams in the months and years ahead.

In Malaysia, we have secured a 10-year master lease, to operate a new PBWA asset with 2,196 beds at Westlite Cemerlang in Johor, which is expected to commence operations in 3Q 2023.

In January 2023, the Group together with a joint venture partner, Lian Beng Group Ltd, won a land tender from JTC, for development and use as a purpose built worker dormitory on a 30-year land lease. This tender award is particularly attractive as the land is situated in the east of Singapore, an area which faces a shortage of bed supply to address strident demand. The development, which is expected to be completed in 2025, will add approximately 1,650 beds to the Group's portfolio of owned and managed assets.

We have also secured a management contract to manage five Community Recovery Facilities for the Ministry of Manpower, which accrete management fee income commencing February 2023.

LOOKING AHEAD

The global recovery from COVID-19 continues to gain momentum, with the normalisation of international travel and the numbers of migrant workers as well as students returning to geographical territories where Centurion operates.

Inflationary pressures and rising interest rates will add to operating costs and financing expenses, which the Group expects will be mitigated by high financial occupancy, as well as positive rental rate reversions in view of the positive demand and supply fundamentals.

The Group will closely monitor the dual headwinds, with focus on moderating impact through management efficiencies, optimizing rental revenues, and prudent cash conservation.

The Group will also continue to review and enhance its assets, spaces and operations, to remain agile to shifts in the market as well as regulatory changes, even as we continue to do our utmost to ensure the wellbeing of our worker and student residents, as well as enhance operational efficiency.

EXTENDING APPRECIATION

With the resilience and stability of our portfolio, and the support of our stakeholders, the Group is well-positioned for continued growth amid the recovery, despite looming headwinds.

I would like to thank our Board of Directors for their stewardship. I also thank our business partners and community stakeholders for their support and collaboration, our management team and staff for their unstinting commitment. Last but not least, to our Shareholders, thank you 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 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. 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 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 60, 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.

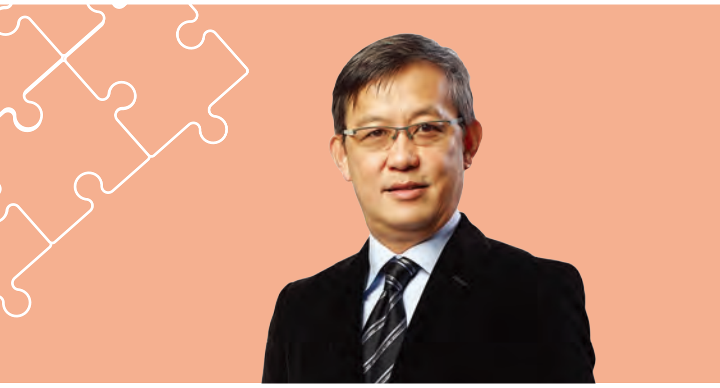
Before joining UOB Kay Hian Pte Ltd, Mr. Han was with OUB Securities Pte Ltd as Dealing Director from August 1995 to June 1996 and Ong & Company Pte Ltd as Dealing Director from November 1989 to August 1995. He started his career as a dealer at UOB Securities Pte Ltd from July 1987 to October 1989.

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 60, 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 and will be seeking re-election at the forthcoming Annual General Meeting to be held on 27 April 2023.

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 63, 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 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 74, was appointed as an Independent Non-Executive Director on 17 May 2007 and as Lead Independent Director on 1 March 2014. As at the date of this Annual Report, Mr. Gn is 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 ("2021 AGM") and the continued appointment of Mr. Gn as an Independent Non-Executive Director was approved by shareholders at the 2021 AGM via the two-tier vote mechanism, 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 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 is presently 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 60, was appointed as an Independent Non-Executive Director on 17 May 2007. As at the date of this Annual Report, Mr. Mohan is 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 by shareholders at the 2021 AGM via the two-tier vote mechanism, 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 has been appointed as a Member of the Board of Visiting Justices (BOVJ) & Board of Inspection (BOI) for the term from 1 March 2023 to 26 February 2026.

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 (黃格賢) ("Mr. Owi"), aged 65, was appointed as an Independent Non-Executive Director on 1 January 2017. As at the date of this Annual Report, Mr. Owi is 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 and will be seeking re-election at the forthcoming Annual General Meeting to be held on 27 April 2023.

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 64, was appointed as an Independent Non-Executive Director of the Company on 8 May 2018. As at the date of this Annual Report, Ms. Tan is a member of the Remuneration Committee and a member of the Nominating Committee. She was last re-elected a Director of the Company 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 and a Director of Vanguard Healthcare Pte Ltd since 1 November 2022. 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 43, was appointed as an Independent Non-Executive Director of the Company on 13 November 2019. As at the date of this Annual Report, Mr. Lee is a member of the Remuneration Committee. He was last re-elected a Director of the Company on 27 April 2020 and will be seeking re-election at the forthcoming Annual General Meeting to be held on 27 April 2023.

Mr. Lee has been a Director of WatchBox HK Limited since 10 April 2020, 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.

KEY MANAGEMENT PERSONNEL

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 8).

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 9).

MR. KONG CHEE MIN
Chief Executive Officer

Mr. Kong Chee Min (江志明) ("Mr. Kong"), aged 57, 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).

Ms. Foo Ai Huey (符爱慧) ("Ms. Foo"), aged 54, 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 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 Practicing Accountant of the Australian Society of Certified Practicing Accountants since 12 September 1994.

MS. FOO AI HUEY
Chief Financial Officer

KEY MANAGEMENT PERSONNEL

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 9).

MR. HO LIP CHIN
Chief Investment Officer – Accommodation Business

Mr. Ho Lip Chin (何立錦) ("Mr. Ho"), aged 54, 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 25 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 with several 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 IHG, a company principally engaged in managing hotels. He had held investment and consulting roles at HVS International Singapore and HKR Asia-Pacific Pte Ltd.

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

KEY MANAGEMENT PERSONNEL

MR. LEONG SIEW FATT
Head, Student Accommodation Business

Mr. Leong Siew Fatt (梁兆發) ("Mr. Leong"), aged 56, 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 34 years.

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

Ms. Lee Geok Ing (李玉英) ("Ms. Lee"), aged 61, retired as the Group's Human Resources and Administration Manager with effect from 1 July 2022. She was appointed a member of the Board on 11 August 1994 and became the Group's Human Resources and Administration Manager in January 1995. Ms. Lee stepped down from the Board on 18 May 2007.

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
(retired with effect from 1 July 2022)
Human Resources & Administration Manager

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
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Tel: (65) 6745 3288
Fax: (65) 6743 3288
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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
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Fax: (65) 6250 3787
Email: enquiry@westlite.com.sg
Website: www.westlite.com.sg

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WESTLITE JALAN TUKANG
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Fax: (65) 6250 2261
Email: enquiry@westlitepapan.com.sg
Website: www.westlitepapan.com.sg

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Fax: (65) 6468 1687
Email: mandai@westlite.com.sg
Website: www.westlite.com.sg

SM SUMMIT HOLDINGS PTE LTD
SUMMIT CREATIONS PTE LTD
45 Ubi Road 1 #04-02
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Fax: (65) 6748 9612
Email: enquiry@smsummit.com.sg
Website: www.smsummit.com.sg

MALAYSIA

CENTURION DORMITORIES SDN BHD
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Fax: (607) 555 9351
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Website: www.westlite.com.my

AUSTRALIA

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5-17 Flemington Road North
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Email: StayVMC@dwellstudent.com.au
Website: www.dwellstudent.com.au

DWELL ADELAIDE STUDENT LIVING PTY LTD
12-18 Synagogue Place Adelaide,
South Australia 5000
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DWELL STUDENT LIVING KOREA LTD.
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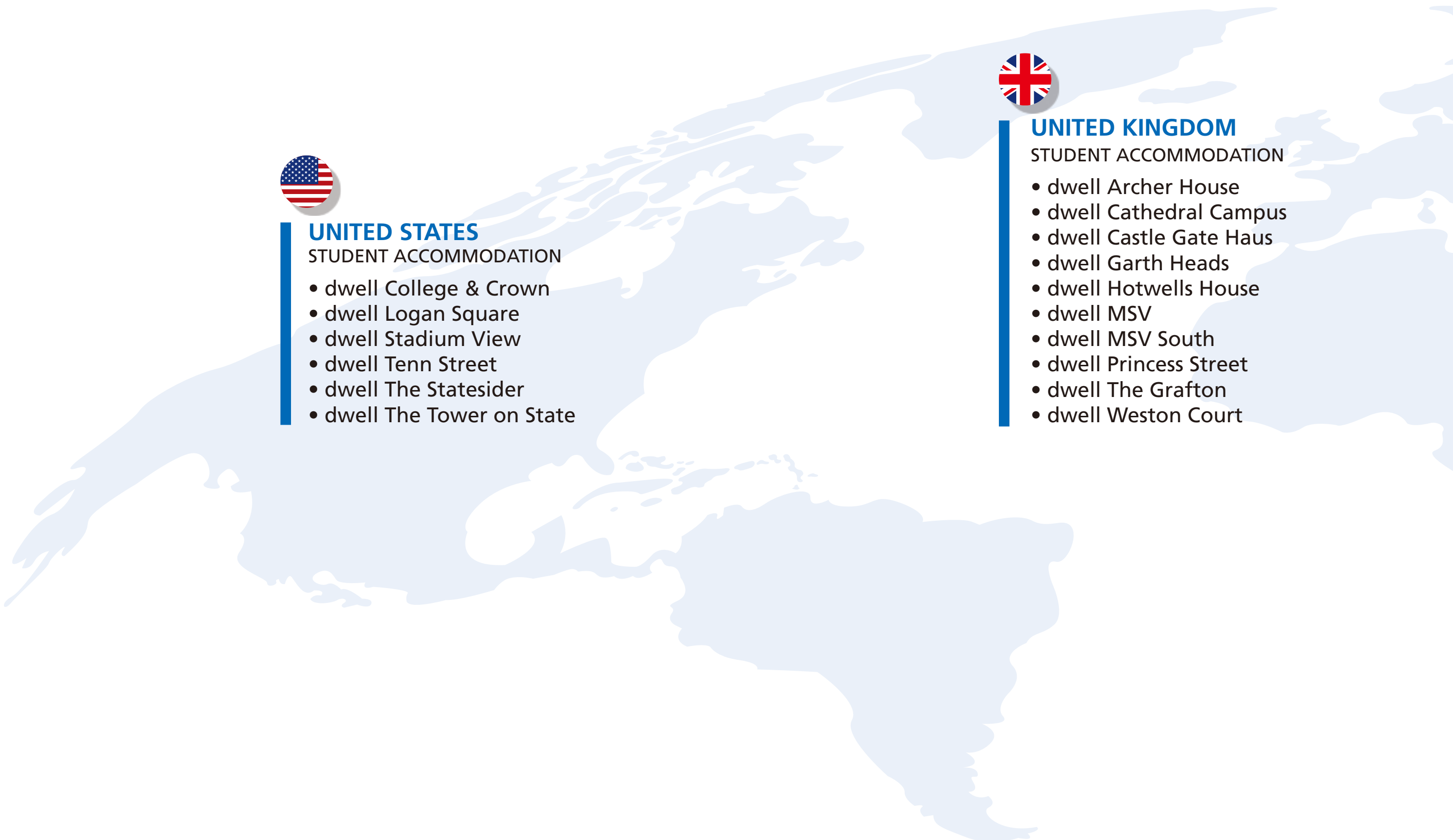
Tel: +85-2-957 8008/0700
Fax: +85-2-957 1188
Email: staydongdaemun@dwellkorea.co.kr
Website: www.dwellstudent.co.kr

GLOBAL PRESENCE



As at 31 December 2022, the Group owns and manages a strong portfolio of 36 operational accommodation assets totalling 66,291 beds, across two specialised accommodation asset types, and six geographic markets. With the upcoming Westlite Cemerlang, which is expected to commence operations in 3Q 2023, the Group`s portfolio bedcount will be adjusted to 68,487 beds in FY 2023.

OPERATIONAL

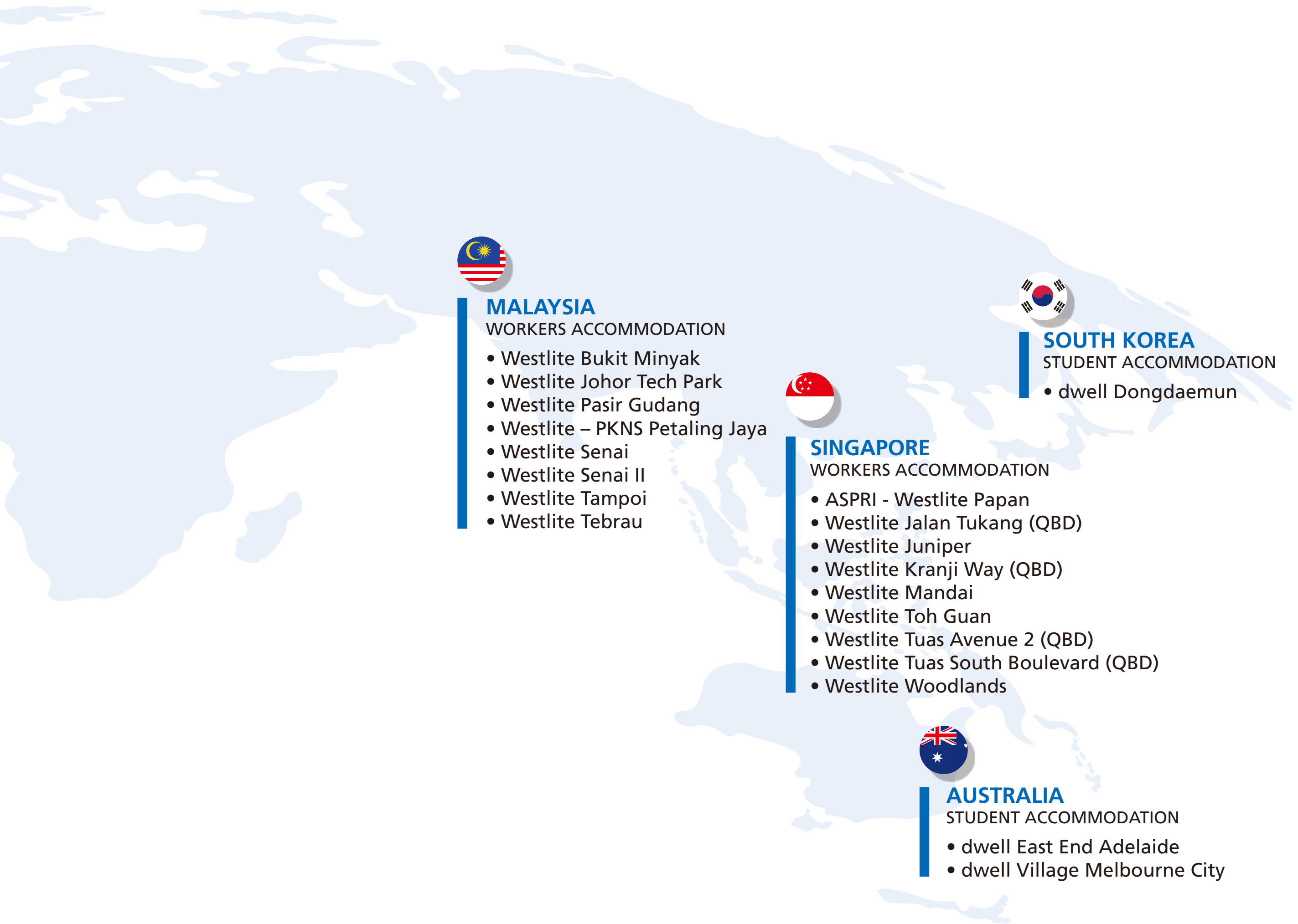
S$1.9 billion
ASSETS UNDER MANAGEMENT

66,291
BEDS IN TOTAL

17
WORKERS ACCOMMODATION

19
STUDENT ACCOMMODATION

GLOBAL PRESENCE



WESTLITE® ACCOMMODATION

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

dwell Student Living®

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 2022

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

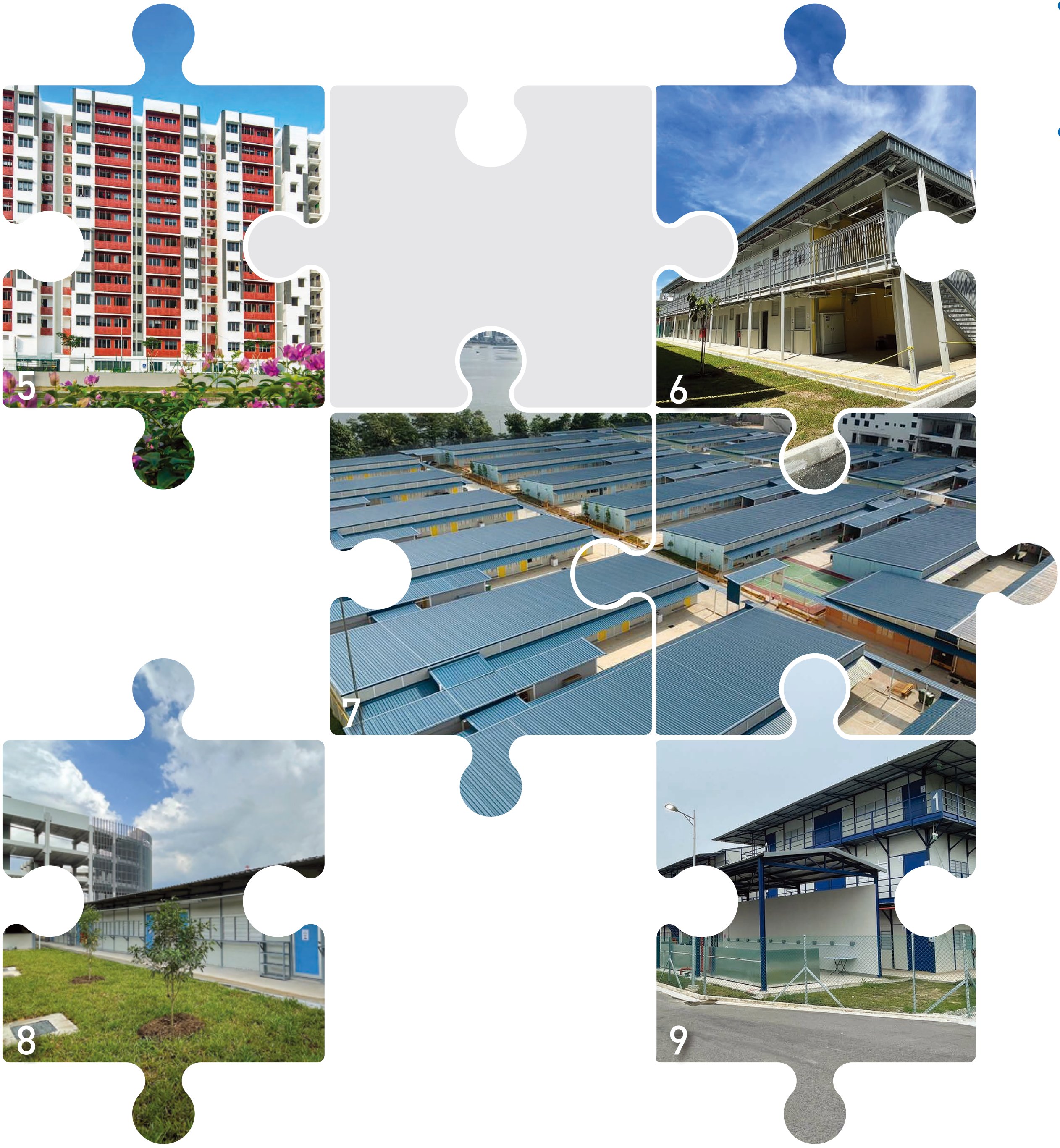
- c.628 beds
- Land tenure: 3-year lease (wef 2021, with an option to renew for another 1 year)
- Land area: 10,000 sqm
- Provides convenience and accessibility for companies nestled within the Tuas industrial area

BUSINESS PORTFOLIO

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.



OVERVIEW
STRATEGY AND BUSINESS REVIEW
SUSTAINABILITY REPORT
CORPORATE GOVERNANCE
FINANCIAL REPORT
ADDITIONAL INFORMATION

BUSINESS PORTFOLIO

MALAYSIA

c.26,313

Total beds operational as at 31 December 2022

JOHOR

1. WESTLITE JOHOR TECH PARK

- c.3,480 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.1,952 beds
- 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.1,210 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.3,020 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.5,500 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.1,786 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

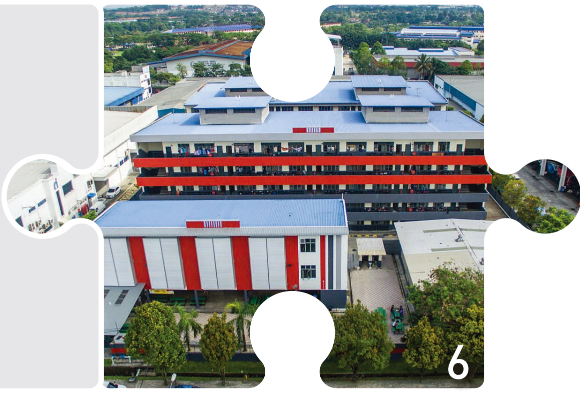
- c.3,321 beds
- Land tenure: Freehold
- Land area: 16,398 sqm
- Centurion's first Westlite Accommodation outside Johor

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

BUSINESS PORTFOLIO



BUSINESS PORTFOLIO

UNITED KINGDOM

c.2,807

Total beds operational as at 31 December 2022

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.126 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

BUSINESS PORTFOLIO

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

BUSINESS PORTFOLIO

UNITED STATES

c.2,145*

Total beds operational
as at 31 December 2022

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.920

Total beds operational
as at 31 December 2022

ADELAIDE

1. DWELL EAST END ADELAIDE

- c.304 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 2022

4 & 5. 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

S$180.5m

from S$143.0m in FY 2021

26% increase YoY

CORE PROFIT (NON IFRS)[1,2&3]

S$57.1m

from S$46.5m in FY 2021

23% increase YoY

NAV PER SHARE

SINGAPORE CENTS

81.70¢

from 78.46¢ in FY 2021

4% increase YoY

Notes:

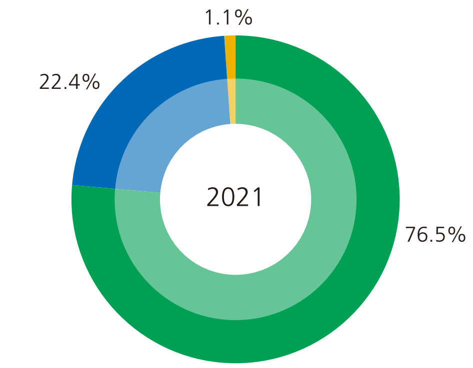
1 *Attributable to equity holders of the company.*

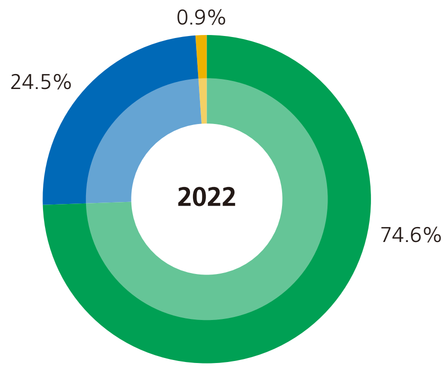
2 *Core Profit (non-IFRS) exclude one-off transactions which refer to fair value gain/loss on investment properties including those of associated companies and joint venture, deferred tax arising from fair value changes and gain on disposal of asset held for sale.*

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

SEGMENTAL REVIEW

REVENUE CONTRIBUTION BY BUSINESS SEGMENT (%)

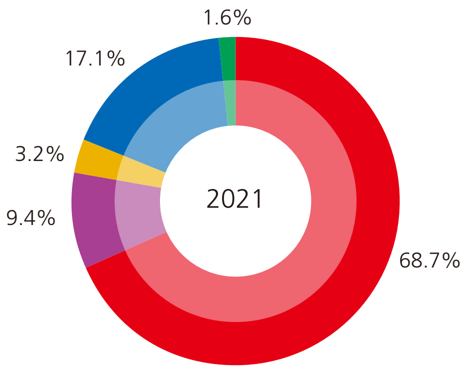


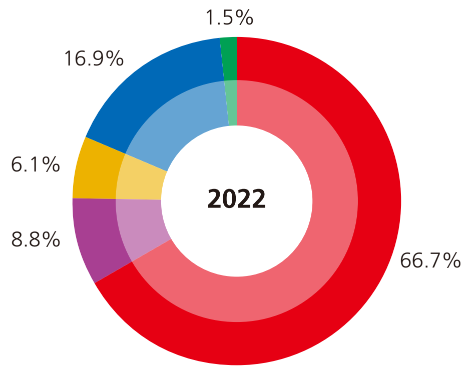


Workers Accommodation   Student Accommodation   Others

SEGMENTAL REVIEW

REVENUE CONTRIBUTION BY GEOGRAPHY (%)



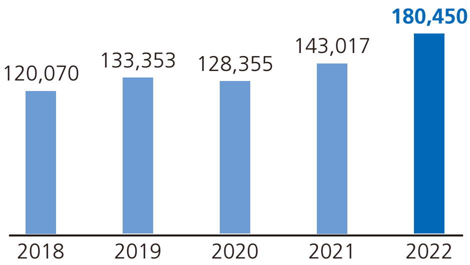


Singapore   Malaysia   Australia   United Kingdom   Other countries

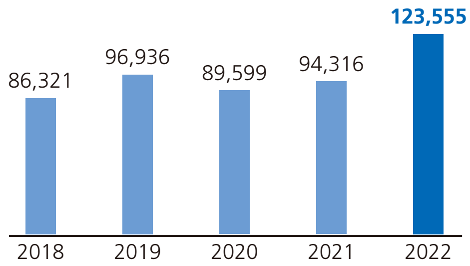
KEY FIGURES

IFRS[1] FINANCIAL MEASURES

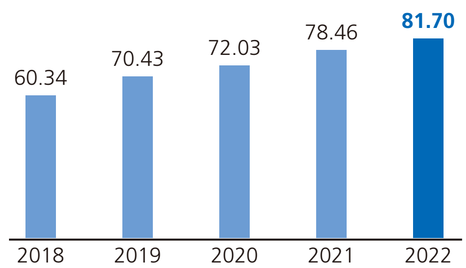
REVENUE (S$'000)



GROSS PROFIT (S$'000)

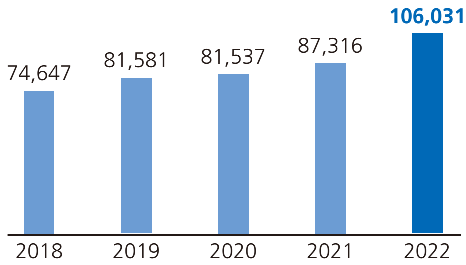


NET ASSET VALUE PER SHARE (CENTS)

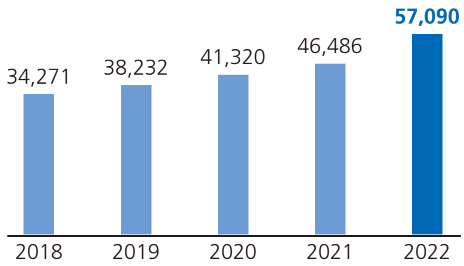


NON-IFRS[1] FINANCIAL MEASURES

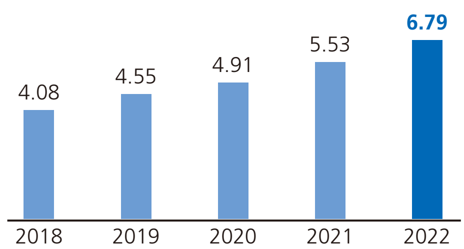
EBITDA[3] – CORE BUSINESS[2] (S$'000)



NET PROFIT[4] FROM CORE BUSINESS[2] (S$'000)



EARNINGS PER SHARE – CORE BUSINESS[2] (CENTS)



Notes:

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 gain/loss on rent guarantee and investment properties including those of associated companies and joint venture, deferred tax arising from fair value changes, 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)	FY 2022	FY 2021	Change
Revenue	**180,450**	143,017	26%
Gross Profit	**123,555**	94,316	31%
Gross Margin	**68%**	66%	2pp
Net Profit After Tax	**76,280**	55,797	37%
Profit from core business operations (non-IFRS)	**63,488**	53,088	20%
Net Profit After Tax Attributable to Equity Holders	**71,425**	52,679	36%
Net Profit from Core Business Operations attributable to Equity Holders (non-IFRS)	**57,090**	46,486	23%

The reconciliation of IFRS financial measures to non-IFRS financial measures for FY 2022 and FY 2021 are as follows:

(S$'000)	FY 2022	FY 2021	Change
Net Profit After Tax (IFRS)	**76,280**	**55,797**	**37%**
Adjusted for:			
– Net fair value (gain)/loss on investment properties	(18,982)	3,076	N.M
– Share of fair value gain on investment properties from associated companies and and joint venture	(2,256)	(7,950)	-72%
	(21,238)	(4,874)	336%
– Deferred tax arising from fair value changes	8,446	4,184	102%
– Gain on disposal of asset held for sale	–	(2,019)	-100%
Profit from core business operations (non-IFRS)	**63,488**	**53,088**	**20%**

Net Profit After Tax Attributable to Equity Holders (IFRS)	**71,425**	**52,679**	**36%**
Adjusted for:			
– Net fair value (gain)/loss on investment properties	(18,982)	3,076	N.M
– Share of fair value gain on investment properties from associated companies and and joint venture	(2,256)	(7,950)	-72%
– Non-controlling interest's share of fair value loss on an investment property	(1,543)	(3,484)	-56%
	(22,781)	(8,358)	173%
– Deferred tax arising from fair value changes	8,446	4,184	102%
– Gain on disposal of asset held for sale	–	(2,019)	-100%
Profit from core business operations attributable to Equity Holders (non-IFRS)	**57,090**	**46,486**	**23%**

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 26% growth in revenue, from S$143.0 million in the twelve months ended 31 December 2021 ("FY 2021") to S$180.5 million in the twelve months ended 31 December 2022 ("FY 2022").

The higher revenue was driven by increases in financial occupancies across all countries in which the Group operates, where concerns for COVID-19 abated and countries lifted almost all COVID-19 restrictions and measures. The Group's portfolio of Purpose-Built Student Accommodation ("PBSA") assets and Purpose-Built Workers Accommodation ("PBWA") has seen a healthy recovery in financial occupancy as compared to last year.

Revenue from the Group's Westlite Accommodation PBWA segment increased 23% from S$109.4 million in FY 2021 to S$134.7 million in FY 2022 due mainly to strong revenue contributions in Singapore with the reopening of the Singapore borders and easing of COVID-19 restrictions during 2022.

Revenue growth from the Group's dwell Student Living PBSA segment outpaced the growth in PBWA revenue, rising by 38% year-on-year from S$32.1 million to S$44.2 million as bookings and financial occupancies across the Group's PBSA assets in the UK and Australia were boosted by the lifting of travel restrictions and a return of international students underscored by shortfalls in PBSA bed supply.

In addition, the growth in revenue also driven by contributions from four new QBDs which delivered a full year contribution in FY 2022 as compared to FY 2021, when only two QBDs delivered a full year contribution while two QBDs commenced operations in June and September 2021.

PROFITABILITY

Gross profit increased S$29.3 million from S$94.3 million in FY 2021 to S$123.6 million in tandem with the increase in revenue.

Other income and other (losses)/gains reduced by S$4.5 million largely from the cessation of various government support schemes in respect of COVID-19 and an absence of a gain of S$2.0 million from the disposal of the factory unit in Indonesia which was completed in FY 2021.

Administrative and distribution expenses increased by S$7.7 million mainly due to the recovery and increase in business activities as well as a higher legal and professional fees incurred in relation to the strategic review exercise for student accommodation and asset due diligence cost incurred during the year.

Finance expense increased by S$5.6 million due to the higher interest rate environment which was partially offset against reduced loan balances.

Share of profit of associated companies and joint venture reduced by S$6.2 million, due largely to fair value adjustments from investments in the Group's US portfolio.

The Group recognised a net fair value gain of S$19.0 million in FY 2022 due mainly to the Group's investment properties in UK, Malaysia and Australia, offset against the fair value loss of investment properties in Singapore as well as against the adjustment of fair value of the right-of-use ("ROU") investment properties. This was compared against a fair value loss of S$3.1 million in FY 2021 when the market conditions and financial occupancy rates were severely impacted due to the COVID-19 pandemic and the adjustment of fair value of ROU investment properties.

Income tax expenses increased by S$6.9 million due largely to higher profit and deferred income tax provided on the fair value gain in investment properties.

Accordingly, net profit after tax derived from the Group's operations for FY 2022 was S$76.3 million, an increase of S$20.5 million or 37% from S$55.8 million in FY 2021.

Excluding fair value adjustments and gain on disposal of asset held for sale, net profit derived from core business operations increased S$10.4 million from S$53.1 million reported in FY 2021 to S$63.5 million in FY 2022, an increase of 20%.

CASH FLOWS

In FY 2022, the Group generated a positive cash flow of S$104.2 million from operating activities. Net cash used in investing activities amounted to S$1.7 million, mainly due to additions to investment properties and property, plant and equipment and offset with dividends received from associated companies.

The Group recorded net cash used in financing activities of S$100.2 million mainly for the repayment of borrowings, interest, principal portion of lease liabilities and dividends paid during the year.

CAPITAL AND RISK MANAGEMENT

Foreign Currency Risks

The Group proactively manage its exposure to the UK, Australia, Malaysia, South Korea, 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 through 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 relevant risks can be mitigated and appropriate measures can be carried out to minimize the exposure.

Liquidity Risks

The Group's prudent liquidity risk management includes maintaining sufficient cash balances and the availability of short terms deposits and bank facilities to meet any short-term liabilities and unanticipated fund requirements.

As at 31 December 2022, the Group's liquidity position remained healthy with S$68.3 million in cash and bank balances. The Group also has sufficient unutilised committed credit facilities of S$129.2 million (of which S$121.7 million relates to unutilised committed credit facilities expiring more than 12 months after balance sheet date) to meet the current net liabilities of S$73.8 million.

FINANCIAL REVIEW

Apart from the available cash, short term deposits and committed banking facilities, the Group also has a 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$418 million from debt capital markets over six different occasions over the years, including the latest issuance of the MTN Series 6 of S$53 million in FY 2022.

Capital Management

The Group's objectives when managing capital is to maintain an optimal capital structure and maximise shareholder value.

The Group's borrowings reduced from S$727.7 million as at 31 December 2021 to S$663.1 million as at 31 December 2022, due primarily to the repayment of borrowings and foreign currency denominated loans which were particularly affected by the weakening of British Pounds, Australian dollars and Malaysia Ringgit.

With active debt and capital management policies in place, the Group maintained a well-spread out debt maturity profile to manage refinancing risks. As at 31 December 2022, the Group had an average long-term bank debt maturity profile averaging six years while its net gearing ratio stands at 43% compared to 47% as at 31 December 2021.

The Group's interest cover continues to be adequate and is within its interest cover threshold, standing at 3.9 times. The Group's acquired operating assets and assets under development are primarily funded through bank borrowings. The Group uses long-term bank debt with regular principal repayments to finance its long-term assets.

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 commendable financial results in FY 2022 with the re-opening of international borders and global recovery from the COVID-19 pandemic.

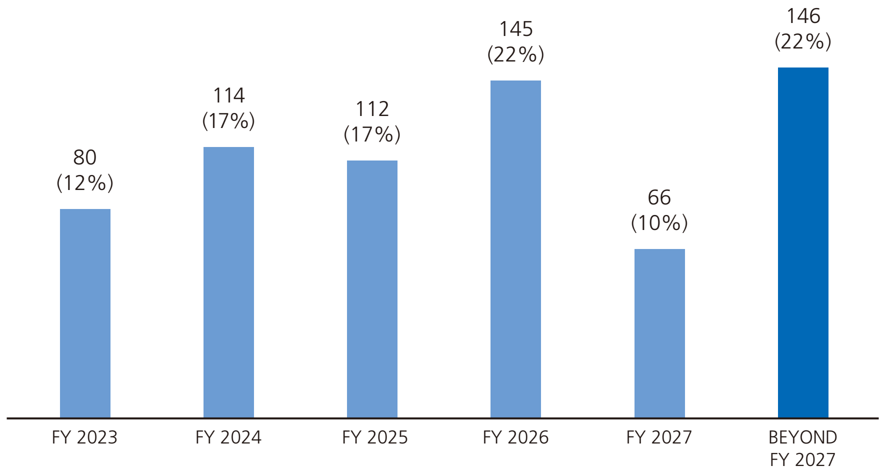
To reward shareholders, the Board has recommended a final dividend of 0.5 Singapore cent per ordinary share in respect of FY 2022 for Singapore shareholders (equivalent to 2.87 Hong Kong cents per ordinary share for Hong Kong shareholders).

In the long term, we remain confident in the fundamentals of our business and the resilience of our strategic assets. 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.

1. *Facade of Westlite Bukit Minyak (Malaysia)*
2. *Facade of Westlite Woodlands (Singapore)*
3. *Facade of Westlite Johor Technology Park (Malaysia)*
4. *Facade of ASPRI-Westlite Papan (Singapore)*

FINANCIAL REVIEW

DEBT MATURITY PROFILE AS AT 31 DECEMBER 2022 (S$'MILLION)



Out of the S$80 million due in FY 2023, S$26 million has been refinanced in February 2023.

NOTES TO RECONCILIATION OF IFRS FINANCIAL MEASURES WITH NON-IFRS FINANCIAL MEASURES (TABLE ON PAGE 30)

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

In relation to fair value changes:

i. Fair value (gain)/loss 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 gain/(loss) in the Consolidated Income Statement. The fair value (gain)/loss 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 expense arising from fair value changes. The deferred tax expense was 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.

In relation to one-off capital gain/loss:

iii. Gain on disposal of asset held for sale was a one-off transaction recognised through the disposal of the asset held for sale to third party during the previous financial year.

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 2022 together with the comparative financial year ended 31 December 2021. 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.

GROUP STRUCTURE

Centurion Corporation Limited

SINGAPORE

- 100% SM Summit Holdings Pte Ltd
- 100% Summit Creations Pte Ltd
- 100% Centurion Dormitories Pte Ltd
  - 100% Westlite Dormitory (Toh Guan) Pte Ltd
  - 45% Lian Beng – Centurion (Mandai) Pte Ltd
    - 100% Lian Beng – Centurion (Dormitory) Pte Ltd
- 100% Centurion Dormitories Holdings Pte Ltd
  - 100% Westlite Dormitory (Woodlands) Pte Ltd
  - 100% Westlite Juniper (Mandai) Pte Ltd
- 100% Centurion Dormitory Venture Pte Ltd
  - 51% Centurion – Lian Beng (Papan) Pte Ltd
  - 51% Centurion – Lian Beng (Ubi) Pte Ltd
- 100% Westlite Management Pte Ltd
  - 100% Westlite Dormitory (Tuas) Pte Ltd
  - 100% Westlite Dormitory Management Pte Ltd
  - 100% WLC Facilities Services Pte Ltd

MALAYSIA

- 100% Centurion Dormitories Sdn Bhd
  - 100% Westlite Dormitory Management Sdn Bhd
  - 100% WLC Services Sdn Bhd
  - 100% Westlite Dormitory (Tebrau) Sdn Bhd
  - 100% Westlite Dormitory (JB Techpark) Sdn Bhd
  - 100% Westlite Dormitory (Tampoi) Sdn Bhd
  - 100% Westlite Dormitory (Pasir Gudang) Sdn Bhd
  - 100% Westlite Dormitory (Senai) Sdn Bhd
  - 100% Westlite Dormitory (SN II) Sdn Bhd
  - 100% Westlite Dormitory (Petaling Jaya) Sdn Bhd
  - 100% Westlite Dormitory (Bukit Minyak) Sdn Bhd

AUSTRALIA

- 100% Centurion Overseas Investments Pte Ltd
  - 100% Centurion Student Services Pty Ltd
  - 100% Centurion Australia Investments Pty Ltd (Trustee)
  - 100% Centurion Overseas Ventures Ltd (Labuan)
    - 100% Centurion Melbourne Student Village Trust
    - 100% Centurion Melbourne Apartment Trust
  - 100% Centurion Overseas Investments (II) Pte Ltd
    - 100% Centurion Investments (JS A) Ltd
      - 100% Centurion Adelaide Student Village Trust
    - 100% Centurion SA Investments Pty Ltd (Trustee)
- 100% Centurion Accommodation Management Pte Ltd
  - 100% Dwell Adelaide Student Living Pty Ltd

UNITED KINGDOM

- 100% Centurion Student Services (UK) Ltd
- 100% Centurion Investments (JS) Ltd
- 100% Centurion Investments (JS I) Ltd
- 100% Centurion Investments (JS II) Ltd
- 100% Centurion Investments (JS III) Ltd
- 100% Centurion Investments (JS V) Ltd
- 100% Centurion Investments (JS VI) Ltd
- 100% Centurion Investments (JS VII) Ltd
  - 100% Centurion Investments JS VII (UK) Ltd
- 100% Centurion Investments (BV) Ltd
- 14.29% Centurion Student Accommodation Fund

UNITED STATES

- 100% Centurion Accommodation Management Pte Ltd
  - 100% Centurion Student Investment Management Pte Ltd
  - 100% Dwell US Student Living LLC
- 28.7% Centurion US Student Housing Fund

SOUTH KOREA

- 55% IGIS Centurion #238 Professional Investors Private Real Estate Investment LLC
- 55% CSL Student Living Benikea KP Ltd
- 100% Dwell Student Living Korea Ltd

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
Lee Wei Loon
Owi Kek Hean
Tan Poh Hong

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)
Gn Hiang Meng
Tan Poh Hong

REMUNERATION COMMITTEE
Chandra Mohan s/o Rethnam (Chairman)
Lee Wei Loon
Tan Poh Hong

EXECUTIVE COMMITTEE
Loh Kim Kang David (Chairman)
Han Seng Juan
Wong Kok Hoe
Teo Peng Kwang
Kong Chee Min

COMPANY SECRETARIES
Hazel Chia Luang Chew
Juliana Tan Beng Hwee
Cheung Yuet Fan (Hong Kong Company Secretary)

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Malayan Banking Berhad
DBS Bank Ltd

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Recognised Public Interest Entity Auditor
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Marina One East Tower Level 12
Singapore 018936

AUDIT PARTNER-IN-CHARGE
Yeow Chee Keong
(Date of appointment:
Since financial year beginning
1 January 2022)

AUTHORISED REPRESENTATIVES
Wong Kok Hoe
Cheung Yuet Fan

INCREASED OCCUPANCY AND RENTAL RATES CUSHIONED IMPACT OF RISING COSTS

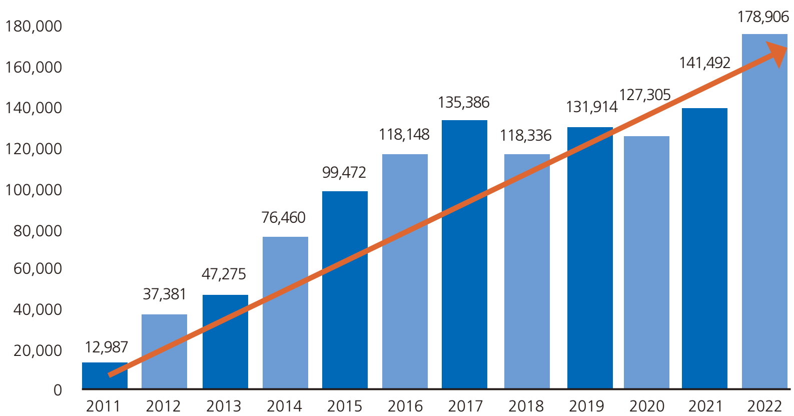
The year 2022 saw the lifting of remaining travel restrictions globally, and the return of foreign workers and international students to their work or study destinations. Across the six countries where Centurion operates, worker and student populations have now recovered close to or surpassed pre-COVID numbers. In almost all 17 cities where the Group operates, demand for student/worker beds has overtaken available bed supply.

At the same time, geo-political tensions and macroeconomic issues have brought challenges to businesses, with persistent inflation, escalation of energy costs, and interest rate hikes pushing operating costs and finance expenses higher.

Despite the challenges, Centurion has delivered stable and resilient revenue and profits for FY 2022, driven by marked gains in financial occupancies as well as healthy rental revisions, which cushioned the effects of inflation and rising finance expenses.

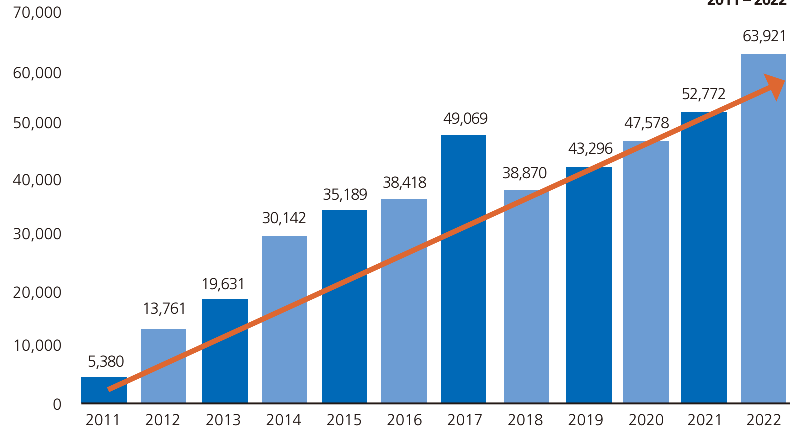
ACCOMMODATION – REVENUE* (S$'000)

CAGR: 27%
2011 – 2022



ACCOMMODATION – NET PROFIT* (S$'000)

CAGR: 25%
2011 – 2022



Note:

* *From core business operations*

1. *Asset enhancement works at Westlite Tampoi adding 1,214 beds (Malaysia)*
2. *Asset enhancement works at Westlite Tebrau adding 688 beds (Malaysia)*
3. *Westlite residents on excursion to Singapore Flyer (Singapore)*
4. *Resumption of mask free activities at student accommodations (Australia)*


WESTLITE
2
dwell
Student Living
Student Living
4

OPERATIONS REVIEW

With the continued return of foreign workers and international students across its geographical markets, the Group has been able to grow its financial occupancies and rental rates, effectively mitigating increases in operating costs and finance expenses.

The Group has delivered strong full-year results in 2022, which reflect the resilience and sustainability of our core business. With the continued return of foreign workers and international students across its geographical markets, the Group has been able to grow its financial occupancies and rental rates, effectively mitigating increases in operating costs and finance expenses.

The Group's PBWA business in Singapore and Malaysia saw revenue increase 23% to S$134.7 million, and segment margin remained stable at 58%. Centurion's PBSA business, across Australia, UK, US and South Korea, reported revenue growth of 38% to S$44.2 million, while segment margin increased seven percentage points to 40%.

Even as the global recovery from COVID-19 is clearly underway and demand for quality PBWA and PBSA beds continues to be robust, the macroeconomic conditions continue to bring volatility and uncertainty to the markets.

Centurion continues to monitor and moderate the impact of the dual headwinds of inflation and interests, with management efficiencies and prudent cash conservation, while taking opportunities, where sensible, to enlarge our portfolio capacity, enhance the value of our assets and optimize rental revenues.

The Group will also continue to work closely with the relevant authorities and Non-Governmental Organizations, to provide safe, caring, and inclusive homes-away-from-home to our residents.

WORKERS ACCOMMODATION – SINGAPORE

In Singapore, the Group operates nine Purpose-Built Workers Accommodations ("PBWAs"), including five Purpose-Built Dormitories ("PBDs") comprising 27,530 beds, and four Quick Build Dormitories ("QBDs") comprising 6,368 beds. The portfolio assets are well-located in industrial estates or worksites, and fully comply with prevailing government regulatory requirements.

The Group also managed two migrant worker Onboard Centres on a management contract from the Ministry of Manpower, for a period of 12 months commencing 1H 2021. The management contracts were extended for a period of 6 months during 2022, and came to end of contract term in September 2022.

Amongst the PBDs, Westlite Toh Guan comprises eight blocks of accommodations with a capacity of 7,800 beds, which is conveniently located in Jurong. One block is currently pending re-development, leaving 7,330 beds available. The property has no restriction to any industry sectors, and can house workers across marine, engineering, oil and gas, manufacturing, and construction sectors.

Westlite Mandai offers 6,300 beds sited on freehold land close to Sungai Kadut and Woodlands industrial districts, and can house workers from any industry. A short walk away, is 1,900-bed Westlite Juniper, which the Group operates on a 10+5 year master lease secured in September 2019.

Westlite Woodlands is a 4,100-bed workers accommodation strategically located near the Woodlands industrial hub, and supports workers from the marine, process and manufacturing industries in the northern part of Singapore.

ASPRI-Westlite Papan is an unique integrated development, comprising a PBD and the Association of Process Industry ("ASPRI") training centre within one convenient estate. This 7,900-bed property caters to the housing and training needs of workers from the Process, Construction and Maintenance ("PCM") industry. The PBD is situated near Jurong Island, home to more than 100 global energy and chemical companies.

The four QBDs, namely 3,420-bed Westlite Jalan Tukang, 1,300-bed Westlite Kranji Way, 1,020-bed Westlite Tuas Avenue 2, and 628-bed Westlite Tuas South Boulevard, were developed by Jurong Town Corporation during the pandemic to enable de-densification and to pilot new specifications for future dorms. The Company secured the 4 QBDs on a three + one year Master Lease, with the first two QBDs operational from 2020 and the remaining two from 2021, contributing to Singapore PBWA revenue for the full year in 2022.

With the re-opening of the Singapore economy and borders, the resumption of arrivals of dormitory-bound work pass holders, which began in 2H 2021, has continued unabated throughout FY 2022. This led to pressing demand and close-to-full occupancy across the Group's PBWA portfolio.

Financial occupancy of the five PBDs in FY 2022 was 97%, an improvement of 12 percentage points as compared to FY 2021. Financial occupancy of the four QBDs also increased to 99% in FY 2022, an improvement of 18 percentage points year-on-year.

The Group continues to explore opportunities to enlarge its Singapore portfolio. In January 2023, the Group together with a joint venture partner won a land tender from JTC, for development and use as a purpose-built worker dormitory on a 30-year land lease. Centurion owns 51% in the joint venture company which was awarded the tender, with Lian Beng Group Ltd holding the remaining 49%. The land is situated at Ubi Avenue 3 in the east of Singapore, a region which has few Purpose-Built Dormitories, is supported mainly by Factory Converted Dormitories, and faces a shortage of bed supply. The development, which is expected to be completed in 2025, will add approximately 1,650 beds to the Group's portfolio of owned and managed assets.

The Group has also, in January 2023, secured a management service contract from Ministry of Manpower to manage a cluster of five Community Recovery Facilities for an initial period of 6 months, with option to extend further, commencing in February 2023.

WORKERS ACCOMMODATION – 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 Peninsula 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 2 million foreign workforce[1].

Six of the assets are located in Johor, namely Westlite Tebrau, Westlite Johor Tech Park, Westlite Pasir Gudang, Westlite Senai, Westlite Senai II and Westlite Tampoi. The seventh asset, Westlite Bukit Minyak was developed in Penang, while the eighth asset,

[1] *The changing landscape of Workers Accommodation, Knight Frank, November 2021.*

OPERATIONS REVIEW

1. *Facade of dwell MSV (Manchester, UK)*
2. *Westlite Deepavali 2022 Celebrations (Singapore)*
3. *Facade of Westlite Mandai (Singapore)*

Westlite – PKNS Petaling Jaya in Selangor, was secured on a 21 + 9 years master lease from the Selangor State Development Corporation (PKNS) in 4Q 2020.

All Malaysian assets are strategically located near or within major industrial estates, with good access to highways. Catering mainly to the manufacturing sector, the properties also meet international ethical standards set by organizations such as Responsible Business Alliance and International Labour Organization.

The migrant worker population across Malaysia began to recover in 2H 2021, but at a slower pace. Employers experienced delays in bringing migrant workers into the country and the migrant workforce recovered towards pre-pandemic levels only gradually, until the processes were smoothened in 2H 2022.

During that time, the Group reconfigured its Malaysian PBDs to meet new regulatory specifications from JTKSM, to comply with requirements of the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 ("Act 446"). By 1 Jan 2022, all Westlite PBDs in Malaysia had been inspected and cleared for compliance.

With that reconfiguration, the Malaysia portfolio bed count reduced from 39,758 beds to 24,411 beds. However, there was no impact on the earnings of the Malaysia portfolio, as employers there mainly lease whole apartment units rather than individual beds, and there was no reduction in the rental rate per apartment unit, despite the lower bed capacity.

The average financial occupancy for the Malaysia PBWA portfolio improved to 80% for FY 2022. Demand for quality PBWA beds has continued to rise, as employers are now able to bring in workers with fewer restrictions or delays[2], and with continued enforcement of Act 446 which requires employers to provide quality accommodation to their migrant workforce.

In 2Q 2022, the Group completed asset enhancement works at Westlite Tebrau and added 688 beds to the portfolio. In 4Q 2022, the Group also completed further asset enhancement works at Westlite Tampoi, adding 1,214 beds in Johor.

The Group has also secured a 10-year management contract for a 2,196-bed PBWA, Westlite Cemerlang in Johor, which is expected to commence operations in 3Q 2023.

STUDENT ACCOMMODATIONS

As at 31 December 2022, the Group has a portfolio of 6,080 beds across 19 operational PBSA assets in Australia, South Korea, the UK and the US. All the Group's PBSAs are managed under the dwell Student Living brand.

Financial occupancies in the Group's PBSAs have improved significantly across the markets in tandem with the lifting of travel restrictions particularly in the UK and Australia.

STUDENT ACCOMMODATION – UNITED KINGDOM

In the UK, as at 31 December 2022, the Group owns and operates 10 freehold or long leasehold PBSA assets with bed capacity of c.2,807 beds, which are strategically located across five cities near leading universities.

Five of the assets are in Manchester, two are in Nottingham, and one property each are in Liverpool, Newcastle and Bristol. Nine of the assets are fully owned and managed by Centurion, while dwell Castle Gate Haus in Nottingham is held by the Group's second private fund, in which the Group holds a 14.3% stake.

The UK began lifting COVID-19 management measures and travel restrictions from 2H 2021, and both domestic and international students have returned to their university campuses during 2022.

[2] *Over 238,000 foreign workers with approved visa entering Malaysia soon, says minister, The Edge Markets, 4 October 2022.*

OPERATIONS REVIEW

The UK has also continued to position itself as a renowned hub of education and invest in building this profile on the international stage. It recently achieved its target of welcoming 600,000 international students a decade earlier than expected, hosting 679,970 international students[3] in 2022.

With the recovery in student numbers as well as a continued shortage of PBSA bed supply, average financial occupancy of the UK portfolio improved from 72% in FY 2021 to 90% in FY 2022. The Group has also been able to attract healthy rental reversions, which helped cushion the impact of escalating energy prices, inflation of operating costs and increased finance expenses.

STUDENT ACCOMMODATION – AUSTRALIA

In Australia, the Group owns and operates 2 PBSAs, namely dwell Village Melbourne City and dwell East End Adelaide.

dwell Village Melbourne City (formerly known as RMIT Village), with 616 beds, is strategically located on the northern edge of Melbourne's Central Business District, near the University of Melbourne. dwell East End Adelaide, with 304 beds, is strategically located off Rundle Street on the eastern side of Adelaide City Centre, within walking distance to University of Adelaide and University of South Australia.

The re-opening of Australia international borders from 15 December 2021, just before the commencement of the academic year 2022, helped accelerate the recovery of financial occupancy across the portfolio. While there were initial delays in the issuance of Australian student visas, the Australian government has focused efforts to quicken visa issuance and international student numbers are expected to continue to rebound.

Average financial occupancy of the Group's two assets in Adelaide and Melbourne has improved significantly from 26% in FY 2021 to 73% in FY 2022, as international students return steadily to Australia, but face a shortage of accommodations[4].

STUDENT ACCOMMODATION – SOUTH KOREA

Centurion holds a 55% stake in the joint venture company owning dwell Dongdaemun, and also manages the property, which is located in close proximity to reputable education institutions such as Kyunghee University, University of Seoul, KAIST and Hankuk University of Foreign Studies. The property is a quality 208-bed student accommodation with communal facilities that promotes an active and vibrant community living environment.

In FY 2022, dwell Dongdaemum has exhibited strong recovery, with financial occupancy increasing to 84% in FY 2022 as compared to 66% in FY 2021.

STUDENT ACCOMMODATION – UNITED STATES

Centurion owns and operates six freehold PBSA assets in the US, which have a total capacity of c.2,145 beds and are located in five states including Connecticut, Florida, Alabama, Texas and Wisconsin, and primarily cater to first tier universities.

The US portfolio assets are held under the Centurion US Student Housing Fund ("CUSSHF"), the Group's inaugural private fund. Centurion holds approximately 28.7% of the total units in issue in CUSSHF and is the manager of the fund and its assets.

The portfolio assets have achieved healthy and stable occupancy, with healthy rental reversions, for Academic Year 22/23, and the Group has, in November 2022, extended the term of CUSSHF for a further two years.

4. Facade of Westlite - PKNS Petaling Jaya (Malaysia)

5. Resumption of large gatherings within student accommodations (Australia)

[3] *International student recruitment data, Universities UK, 10 February 2023.*

[4] *International students in Australia face accommodation crunch and soaring rents, Straits Times, 11 February 2023.*

MARKET OUTLOOK

The outlook for Centurion's globally diversified portfolio of specialised accommodation remains positive. The asset class is robust and continues to recover to pre-pandemic levels, supported by high demand and strong fundamentals. From this position, Centurion continues to see strong recovery across all markets, and is well placed to benefit from its leading position and deliver on its strategic priorities.

FY 2022 saw the global economic recovery from Covid-19 continue at pace. Domestic and international travel restrictions were lifted, and economies eased measures as they transited to living with Covid-19.

The global operating environment faced market headwinds as a result of macro-economic conditions and the ongoing Russia-Ukraine crisis. Against this backdrop, Centurion reported compelling financial performance underpinned by its strategically diversified portfolio of quality assets. Importantly, emerging from the pandemic, the commendable financial results reflect the resilience of the Group's portfolio and the agility of its management operations.

With global economies reopening, demand for PBWAs and PBSAs have continued to rebound strongly to pre-pandemic levels and as a result, Centurion expects demand and financial occupancies to continue to increase across its global portfolio. Beyond this, the Group will continue to explore opportunities to expand and optimise its portfolio, to deliver long-term value to its shareholders.

WORKERS ACCOMMODATION – SINGAPORE

According to figures released by the Ministry of Manpower[1], the number of work permit holders in the Construction, Marine and Process ("CMP") industry sectors has recovered to pre-pandemic levels at 369,400 (December 2019: 370,100) up from lows of 311,000 in December 2020. This recovery has been supported by an acceleration in arrivals for dormitory-bound work pass holders through travel lanes in addition to the increase in approvals for re-entry into Singapore for migrant workers who had returned to their home countries during the pandemic. Meanwhile, there is also an increasing shift among employers in sectors such as manufacturing, logistics and services to place their workers in purpose-built dormitories (PDBs) amid escalating private residential rental rates, adding to demand for quality dormitory beds.

To meet the steep demand for quality beds in Singapore, the Group continues to explore opportunities to expand its Singapore portfolio in support of employers and industry. In January 2023, the Group together with a joint venture partner won a land tender from JTC, for development and use as a purpose-built worker dormitory, on a 30-year lease. The land is situated in the east of Singapore, an area which faces a shortage of Purpose-Built Dormitory bed supply. The development, which is expected to be completed in 2025, will be among the first to be developed by the private sector under new regulatory specifications announced by MOM in Q4 2021, and add approximately 1,650 beds to the Group's portfolio of owned and managed assets.

The Group has also been focusing on expanding revenue streams, through management fee income and ancillary services, and has won a management service contract from Ministry of Manpower to manage a cluster of five Community Recovery Facilities for an initial period of six months, with option to extend up to 12 months, commencing in February 2023.

WORKERS ACCOMMODATION – MALAYSIA

In Malaysia, amid a slower recovery, the Group saw the return of migrant workers following the lifting of pandemic travel restrictions and the numbers are expected to continue recovering, as Government authorities move to prioritise visa process to support industries in increasing migrant workforce numbers. In October 2022, human resources minister M Saravanan said that he expects the number of migrant workers in Malaysia to rise to more than two million[2].

In 2022, the Workers Minimum Housing and Amenities Act (Amendment) 2019 ("Act 446") came into enforcement following a grace period extended by the Government to support employers with compliance. Malaysia government authorities now conduct enforcement actions on employers who do not meet specified standards of housing for migrant workers. Employers who are housing their workers in residential estates will now have to consolidate their workers into properly managed purpose-built dormitories and combined with an inflow of migrant workers, we expect an increased demand for PBWAs that are of a higher standard meeting ACT requirements.

To be able to fulfil those increased demand, we have initiated asset optimisation with asset enhancement works at Westlite Tebrau that added 688 beds to the portfolio. Further asset enhancement works were also implemented at Westlite Tampoi, adding 1,214 beds in Johor. Looking ahead, the Group is also expecting to commence operations of a 2,196-bed PBWA in 3Q 2023, a 10-year management contract for Westlite Cemerlang in Johor.

The Group continues to explore growth opportunities to enlarge its bed capacity in Malaysia, to support increasing demand for PBWA in the country.

STUDENT ACCOMMODATION – UNITED KINGDOM

The UK continues to be an education destination of choice and is among the top three countries for international students looking to study abroad. Universities UK recently released figures showing that from 2020-21 there were 605,130 international students studying in the UK, surpassing the 600,000-target set by the UK government for 2030[3].

[1] *Foreign Workforce Statistics, Ministry of Manpower, retrieved 13 March 2023*

[2] *Free labour market remains unattainable, Free Malaysia Today, 18 October 2022*

[3] *International Facts and Figures 2022, Universities UK, 20 December 2022*

MARKET OUTLOOK

EXPECTED GROWTH IN BED CAPACITY

	Operating Capacity (approximate no. of beds)	
	FY 2022	**Expected (FY 2023)**
Workers Accommodation		
Singapore	33,898	33,898
Malaysia^	26,313	28,509
Student Accommodation		
UK	2,807	2,807
US	2,145	2,145
Australia	920	920
South Korea	208	208
Total	**66,291**	**68,487**

^ *Bed capacity for PBWA in Malaysia has reduced to c.24,411 beds to comply with Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 ("Act 446") with effect from 1 January 2022. 688 beds added in 2Q 2022 following completion of asset enhancement works at Westlite Tebrau and 1,214 beds added in 4Q 2022 following completion of asset enhancement works at Westlite Tampoi.*

In the year ended June 2022, there were 486,868 sponsored study visas granted, including dependents. This is the highest annual number of study visas granted on record and represents both a recovery from the lower number of visas granted during the Covid-19 pandemic but also an increase over pre-pandemic levels[4].

At the same time, domestic Higher Education demand continues to be strong, with international students accounting for just 15.7% of all undergraduates and 39.1% of all postgraduate students in Academic Year 2020-21[5].

Over FY 2022, the UK removed all Covid-19 travel restrictions for both domestic and international travel. This resulted in strong recovery in terms of financial occupancy and demand across the UK student accommodation portfolio. Despite initial concerns regarding the impact of the Russia-Ukraine crisis on the appetite of internationals students travelling to UK or Europe, the number of international students pursuing studies in the UK continues to grow, especially as in-person studies resume.

Pre-bookings for Academic Year 2023/24 commencing September 2023 are healthy, and the Group continues to explore opportunities to enhance its UK portfolio to meet evolving demands.

STUDENT ACCOMMODATION – AUSTRALIA

In Australia, it is estimated that the number of international students returning following the re-opening of the border in December 2021 has risen by more than 120,000[6]. The Australian government is prioritising the return of international students and has invested significantly in international education innovation, including a $10 million investment to boost the recovery of the International Education Industry.

Data from the Australian Government Department of Education shows that, following the easing of Covid-19 restrictions and re-opening of the country to international travel in December 2021, more than 120,000 overseas students have returned, and student visa applications are at record levels. As of October 2022, there were approximately 370,000 international students in Australia, this compares to lows of 250,000 in December 2021. In addition, a recent survey by global education specialist IDP, found that Australia is the world's second most popular higher education study destination[7].

dwell East End Adelaide Christmas celebrations

[4] *International Facts and Figures 2022, Universities UK, 20 December 2022*
[5] *International student recruitment data, Universities UK, 3 March 2023*
[6] *International students are returning to Australia, but they are mostly going to more prestigious universities, The Conversation, 1 November 2022*
[7] *Australia re-asserts itself as a top study destination, University World News, 25 October 2022*

MARKET OUTLOOK

1. *Residents enjoying their BBQ night (Australia)*
2. *Futsal competition at Westlite (Singapore)*
3. *Mr Tung Yui Fai, Chief of ACE Group, at Westlite Deepavali Celebrations 2022 (Singapore)*
4. *Minister Tan See Leng at film premiere of My Invisible LIfe, presented by Centurion Corporation Limited (Singapore)*

As a result, there has been a strong recovery in financial occupancy across the PBSA portfolio and we expect this to continue at pace as international student numbers continue to recover to pre-pandemic levels. In January 2023, the Chinese government move to end recognition of online degrees has spurred the return of Chinese students to Australian campuses, further amplifying demand for student accommodation.

STUDENT ACCOMMODATION – UNITED STATES

The Group's portfolio in the US continues to deliver healthy and stable occupancy, and the Group has in November 2022 extended the term of CUSSHF for a further two years. The Group anticipates robust demand and high levels of occupancy, in addition to strong rental reversions for the current and upcoming Academic Year commencing September 2023.

STUDENT ACCOMMODATION – SOUTH KOREA

Post-pandemic, South Korea has emerged as the preferred destination for international students seeking a Far East study experience, particularly for exchange and language programmes. The government's Study in Korea initiative seeks to invite 200,000 international students to study in Korean universities by 2023 and Centurion anticipates continued strong demand for PBSA moving forward. The Group will continue to explore opportunities to realise the value of its asset in South Korea.

SUMMARY

There continues to be a strong demand and short supply of workers and student accommodation in 2022, across the markets in which we operate, as sectors recover and Covid-19 restrictions ease, with more inflows of migrant workers and students returning to their workplaces and university campuses.

The short supply of quality worker and student accommodation is expected to continue in the immediate and mid-term, across the cities where Centurion operates. The Group expects demand and financial occupancy to remain robust, with continued healthy growth in rental rates.

Inflation and interest rates continue to present challenges to operating performance, and Centurion will continue to monitor conditions closely, and moderate the impact of rising costs with proactive management, optimizing revenues as well as prudent financial management and cash conservation.

INVESTOR RELATIONS

Centurion is committed to regular and open communication with the investment community; corporate governance and transparency are placed at the forefront of our sustainability effort.

PROACTIVE & TRANSPARENT COMMUNICATION

Centurion is committed to proactively engaging shareholders as well as the wider investment community through regular, transparent and timely communications, with the objective of enabling both existing as well as potential investors to make informed decisions.

Centurion's commitment to high standards of corporate governance and transparency underpins its priority on maintaining active, open and fair dialogue with its stakeholders. Through the Company's outreach engagements, existing and potential investors, analysts, media and shareholders are kept updated on the Group's business strategies, sustainability initiatives, financial performance and material corporate developments.

Centurion believes its efforts in investor relations, through various media and communication channels and programmes such as our corporate website, corporate announcements, general meetings and outreach activities, build greater accessibility and understanding of the Group's business and creates long-term value for its stakeholders.

MULTIPLE COMMUNICATIONS CHANNELS

At Centurion, corporate transparency through regular and open engagement with the investment community is important to us; we take steps to engage regularly and actively with the global investment community. In FY 2022, Management engaged with close to 50 local and overseas institutional investors, predominantly through virtual conference calls in view of Covid-19 restrictions. We actively arranged and participated in non-deal roadshows organised by research houses when travel curbs were relaxed to meet up with our investors in Malaysia.

During these investor meetings, Management took time to elaborate on initiatives and strategic focus, particularly our response and support of government initiatives to contain the Covid-19 pandemic. Given the challenges faced during the pandemic, these active dialogue sessions served to keep the investment community informed and allay concerns over the financial health of the Group. At the same time, the investment community was kept informed of the many social efforts the Group had undertaken to improve the well-being of residents during the difficult pandemic years.

Media and Analyst briefings are conducted following the release of half-year and full year financial results to promote communication with the investment community. In the spirit of fair disclosure and to ensure wider reach, the Group adopted the hybrid format to enhance accessibility for local and overseas participants by providing a choice to either attend in person or virtually during its full year 2022 results briefing.

We also actively develop and foster strong relationships with research analysts, who play an important role in communicating key messages to the investing community. To ensure timely and accurate dissemination of information, the IR section on Centurion's website is regularly updated and contains all SGXNet announcements, financial statements, investor presentations and AGM-related materials, including minutes of the AGM and full voting results.

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.

OUTREACH ACTIVITIES

Centurion understands the importance of engaging the investment community on a regular basis. 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.

We believe such proactive investor relations outreach serves to deepen relationships with long-term shareholders over time, promoting greater transparency and trust with a better understanding of the Group's business even as it facilitates access to new shareholders. Importantly, these investor relations engagements sought to attain optimal valuation for the Group against its listed peers and creates long-term value for our shareholders.

INVESTOR RELATIONS

2022/2023 INVESTOR RELATIONS CALENDAR

Over the past year, as COVID-19 related restrictions started to be lifted, the management was able to engage both its existing and prospective investors to raise awareness and share Centurion's investment story.

Date	Event
February 2022	FY 2021 Results Announcement | Analysts & Media Briefing via video call
	HK Analyst and Stock Commentator briefing (virtual)
April 2022	FY 2022 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
May 2022	1Q2022 Business Updates Announcement
August 2022	1H2022 Results Announcement | Analysts & Media Briefing, held in Singapore on a hybrid mix of physical and virtual venues, with access to analysts, media and stock commentators in Singapore and Hong Kong
September 2022	Media briefing and investor outreach in Kuala Lumpur, Malaysia
November 2022	3Q2022 Business Updates Announcement
February 2023	FY 2022 Results Announcement | Analysts & Media Briefing via video call
April 2023	FY 2022 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

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 2022:

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 2022)	S$0.335	HK$1.90
Shares Outstanding (As at 31 December 2022)	771,305,949	69,472,675
Market Capitalisation (As at 31 December 2022)	S$258.4 million	HK$132.0 million
Closing Price Range (FY 2022)	S$0.325 – S$0.42	HK$1.85 – HK$2.25

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:

David Phey
Head of Corporate Communication
Phone: (65) 6745 3288
Email: david.phey@centurioncorp.com.sg

SUSTAINABILITY REPORT

SUSTAINABILITY REPORT

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ABOUT THIS SUSTAINABILITY REPORT

This is the sixth annual sustainability report by Centurion Corporation Limited for the financial year 1 January 2022 to 31 December 2022 ("**FY 2022**"), and published on 24 March 2023. This report aims to provide our stakeholders with an update on the Group's Environmental, Social and Governance ("**ESG**") performance of our business operations in Singapore, Malaysia, Australia, South Korea, the United Kingdom ("**UK**") and the United States ("**USA**"). Employment data for the USA has been excluded from this report as headcount for properties in the USA is managed by our 3rd party manager. No restatements were made from the previous report.

This report has been prepared to be in line with the updated GRI Universal Standards 2021 released by The GRI Sustainability Reporting Standards (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 Securities Trading Limited ("**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 engaged our internal auditors to perform an internal review of our sustainability reporting process.

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 contact, as follows:

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

1. *Westlite Integration Cup (Singapore)*
2. *Westlite Juniper residents at a terrarium workshop (Singapore)*
3. *Students feeling excited at dwell Resi-Life events (UK)*
4. *dwell Resi-Life programme (UK)*

SUSTAINABILITY REPORT

BOARD STATEMENT

As part of Centurion's corporate DNA to operate a business with a heart, we want to provide an estate for residents to enjoy and a community that is inclusive and engaging, beyond just providing a bedroom unit.

We believe that physical, social, and mental wellbeing is the key to having an active life beyond work. This is why Centurion has an active calendar of events to ensure a holistic residential life experience. Our programmes would include excursions to places of interest, inter-dormitory sporting events and competitions like cricket tournaments. Mental wellness support is also one of our key focuses, efforts are geared towards improving migrant workers' access to mental health services such as counselling and information on what to do when they need help. Working together with NGOs we also implement extensive training and counselling sessions to raise awareness of and support for good mental health practices, as well as early detection of mental stress, among migrant workers.

Centurion takes pride in helping our worker residents integrate with the local 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 hospitals with painting and cleaning of its communal areas and also participate in the Marina Bay Run to raise funds for the Singapore Community Chest.

As we have progressively emerged from the global pandemic in 2022, Centurion has taken a lead in bringing back a slew of festive activities for its worker residents, including the iconic Inter-Dormitory Cricket Tournament. This year, we held an expanded and integrated version of the annual tournament where our worker residents played alongside national cricket players and corporate players. There were also excursions to Gardens by the Bay and a weekend filled with events and celebrations to commemorate International Migrants Day.

Being a leading provider of quality worker and student accommodation, we understand the need to be forward thinking and agile especially in a complex and uncertain world. To anticipate and address evolving, emerging needs in our accommodation environments, we continuously assess opportunities to reconfigure our spaces to be ready for different purposes, including the ability to convert spaces into temporary living quarters or for isolation purposes in the shortest possible time.

Our efforts in retrofitting existing accommodations to meet evolving living specifications may open up gateways to developing greener buildings. For instance, there could be opportunities to install more renewable energy fittings such as solar panels to generate electricity for the accommodation, further digitising processes and discovering solutions to enable a greener transition in our utility consumption.

Beyond this, a collective effort is needed from the purpose built accommodation ecosystem in our journey towards making progress on the sustainability agenda. Centurion will continue to collaborate closely with regulatory bodies as well as industry partners in building a sustainable future.

Yours faithfully,
For and on behalf of the Board

HAN SENG JUAN
LOH KIM KANG, DAVID
Joint Chairmen

SUSTAINABILITY REPORT

1. OUR APPROACH TO SUSTAINABILITY

I. SUSTAINABILITY GOVERNANCE STRUCTURE

Centurion's Board of Directors consider ESG factors as an important part of its responsibility in setting the vision and long-term strategy of the company.

The Board has oversight on all aspects of strategies relating to 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 the Sustainability Steering Committee (SSC), which is chaired by the COO with the CEO as an advisor. The role of this committee is to periodically update the board on the Group's ESG initiatives and performance, as well as to provide insights on current trends and developments for the benefit of the board members. The areas in which this committee is to provide assistance include formulation of work plan, sustainability target setting, as well as reporting.

To effectively implement the Group's ESG initiatives, the Sustainability Working Group (SWG) which comprises the relevant Heads of Departments from the business units and reports directly to the SSC, is tasked to execute the various initiatives on the ground as well as to monitor the progress of their respective unit's performance against the ESG initiative targets.

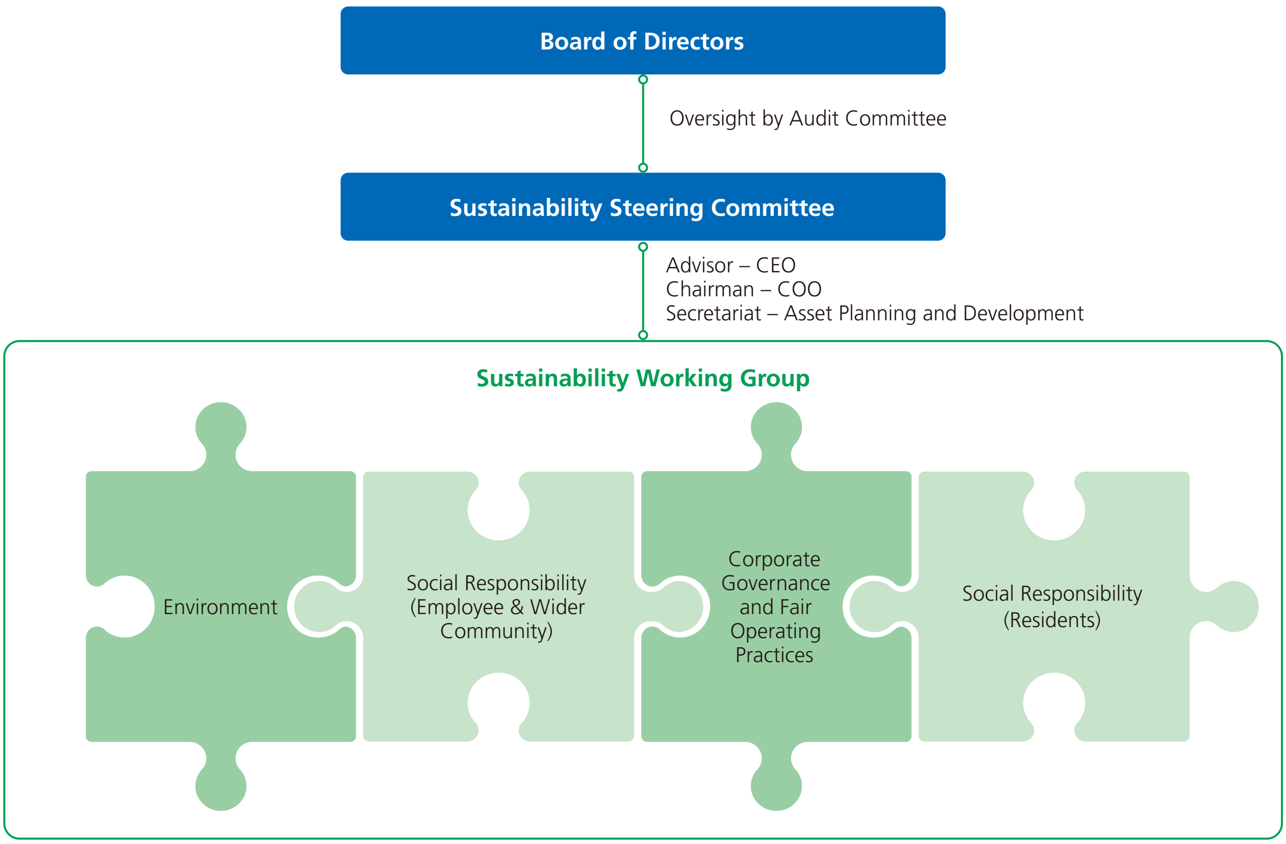
In compliance with SGX's new requirement for Directors to undergo mandatory sustainability training, Centurion's Board of Directors have attended the sustainability training course on ESG Essentials for Directors offered by the Singapore Institute of Directors (SID).

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 2022, 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 ("SDGs"), 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.



SUSTAINABILITY REPORT

iii. MATERIAL ESG FACTORS, BOUNDARIES, DISCLOSURES AND TARGETS

MATERIAL ESG FACTORS			
MATERIAL TOPICS	OUR INVOLVEMENT	TARGETS FOR 2023	CHAPTER COVERED
Economic			
ECONOMIC PERFORMANCE	Direct	• Maintain consistent rate of return • Grow recurring (sustainable) profits and cash flow	Economic Contributions
INDIRECT ECONOMIC IMPACTS	Direct and Indirect	• 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	• Maintain zero confirmed incidents of corruption	Ethics and Compliance
Environmental			
ENERGY	Direct	• Reduce or maintain the current average electricity consumption per person (employee and resident)	Environmental Performance
WATER	Direct	• Reduce or maintain the current average water consumption per person (employee and resident)	Environmental Performance
GREENHOUSE (GHG) EMISSIONS	Direct	• Reduce GHG emissions intensity per person in 2023	Environmental Performance
Social			
ATTRACT, DEVELOP AND RETAIN TALENT	Direct	• 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	• Achieve zero accidents	Health and Safety
CUSTOMER HEALTH AND SAFETY	Direct	• Achieve zero accidents	Health and Safety
LOCAL COMMUNITIES	Indirect	• To increase engagement with residents by 10%	Caring for our Residents and the Community
SOCIO-ECONOMIC COMPLIANCE	Direct	• Maintain no incident of non-compliance with relevant regulatory standards	Ethics and Compliance

iv. STAKEHOLDER ENGAGEMENT

To ensure sustainable growth of our business, it is crucial for us to establish trusted relationships with 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. Below is a high-level summary on 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	• Senior management representation on board of various industry bodies • Quarterly Announcements on SGX and SEHK • Interim Reports • Annual Reports • Sustainability Reports • Ongoing dialogue	• 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)	• 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	• Safe and clean living environment • Customer service and experience • Affordable quality accommodation • Timely physical and emotional support during COVID-19 pandemic	We engage customers and residents via regular social settings or through activities such as the Westlite Integration Cup on 18 December and the Blossoms of Friendship monthly guided tours. Additionally, official channels to provide formal feedback are available in all our offices across different locations. Based on the feedback received via Feedback Forms, we have added several new facilities for our worker residents. 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. This includes MyMA app, Facebook Live events as well as Zoom Resident activities.

SUSTAINABILITY REPORT

OUR STAKEHOLDERS	HOW WE ENGAGE AND FREQUENCY	KEY CONCERNS & EXPECTATIONS	OUR RESPONSE
EMPLOYEES	• 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	• 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.	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. 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. 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: • 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	• 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	• Business and Growth strategies • Acquisitions and Divestments • Risk Management • Corporate governance • Economic performance	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. Due to COVID-19 travel and physical meeting restrictions, our AGM was held in a hybrid format in April 2022.
SUPPLIERS	• Tenders • Evaluations • Annual reviews	• Consistent business • Clarity of specifications • Timely payments	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.

v. MEMBERSHIPS AND ASSOCIATIONS

Centurion is a member of several key industry groups and associations, which allows us to stay abreast with industry and sustainability trends. They include:

i. Association of Process Industry (ASPRI)
ii. Association of Singapore Marine Industries (ASMI)
iii. Dormitory Association of Singapore Limited (DASL)
iv. Federation of Malaysian Manufacturers (FMM)
v. Student Accommodation Association Australia (SAAA)
vi. Singapore Business Federation (SBF)
vii. Singapore Institute of Directors (SID)
viii. Singapore Manufacturing Federation (SMF)
ix. Singapore National Employer Federation (SNEF)

vi. SUPPLY CHAIN

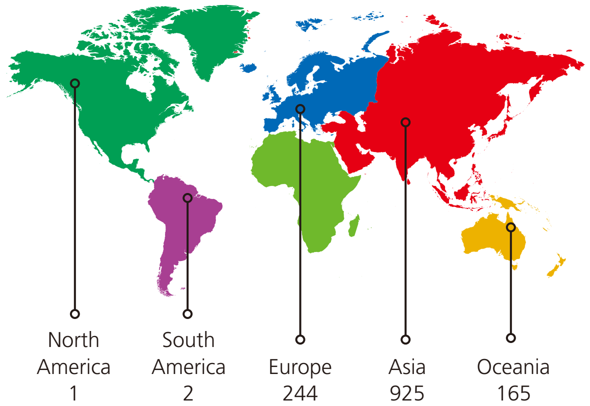
We engage with suppliers to provide a range of services associated with the management and operation of our workers and student accommodation, including cleaning, security, pest control, utility services, provision of furniture and equipment, construction, renovation and other repair and maintenance services. Centurion also coordinates with third-party operators to provide management and administration services for the US portfolio for the entire year of 2022. In total, we had 168 outsourced workers working on our premises in 2022.

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.

During the year, Centurion engaged 1,337 suppliers to procure products and services across our businesses. With a wide footprint spanning multiple countries and the complex nature of our supply chain, we recognise the importance of sourcing responsibly to minimise negative impact on the environment while contributing positively to the markets we operate in.

SUSTAINABILITY REPORT

SUPPLIERS BY CONTINENTS



We will integrate sustainability considerations into our sourcing requirements, especially for critical spending areas with significant environmental impact. Our operations team is responsible for ensuring quality standards on the selection and performance of our suppliers. New suppliers are evaluated and approved by the dormitory manager as well as the finance officer before they are added to the approved vendor list. Our suppliers are scored based on their track record on similar scale or capacity projects, financial capabilities, pricing, and quality of service.

We conduct due diligence on 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; as well as the background and eligibility of the suppliers, including their latest business licence and other relevant operation permits. Meanwhile, our property management team monitors the performance of our suppliers.

We have also begun pilot reviews for establishing a framework in the new year to incorporate a comprehensive end-to-end sustainability criterion in our infrastructure and technology, as well as operations and maintenance, which are benchmarked against global standards. We will also evaluate the possibility of expanding the framework to incorporate shadow carbon pricing in our sourcing evaluation and decision-making process.

vii. HUMAN RIGHTS

We are committed to protecting and upholding internationally-accepted human rights principles set by reputable 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 all markets that we operate in. We strive 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 is overseen by our Audit Committee. This policy provides an avenue for our officers, employees, suppliers/contractors, consultants, and customers to report any unsafe, unlawful, unethical, fraudulent, or wasteful practices within or involving the organisation. Individuals can raise their concerns about possible improprieties without fear of reprisals or adverse personal consequences.

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. All employees will have to attend mandatory anti-corruption training at least once every year starting from 2023. 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 ensure legal compliance in all aspects of our business and uphold 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, human rights, advertising, labelling, as well as 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.

v. PERSONAL DATA PROTECTION POLICY

Centurion is committed to ensuring compliance with our obligations under the Personal Data Protection Act 2012 ("PDPA") in Singapore and equivalent personal data protection regulations in the countries we operate in, and has put in place reasonable data protection policies, robust cybersecurity framework, personal and procedures.

Our Personal Data Protection Policy covers customers, residents, suppliers, and employees and is available to the public on our corporate website at https://centurioncorp.com.sg/contact-us/personal-data-protection-policy/. Customers and business partners can get in touch with our Data Protection Officer by mail, email and phone on matters concerning their personal data with Centurion.

In FY 2022, there were no substantiated complaints concerning breaches of personal data privacy, theft, leak and loss of personal data.

SUSTAINABILITY REPORT

3. ECONOMIC CONTRIBUTIONS

Centurion seeks to achieve sustainable economic growth and to 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 and 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 engage and participate in 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 55.

i. FINANCIAL PERFORMANCE

Centurion's Singapore operations contributed strongly to FY 2022 group revenue as the level of migrant workers coming to Singapore recovered towards pre-pandemic levels and both PBDs as well as QBDs came close to full financial occupancy as at 31 December 2022. Meanwhile, Centurion's operations across Malaysia saw a slower recovery than other operations in the region, as employers experienced delays in bringing migrant workers back to the workplace.

In the PBSA segment, financial occupancies have improved significantly across the markets in tandem with the lifting of travel restrictions particularly in the UK and Australia. The momentum in the recovery across the markets in which the Group operates is expected to grow even stronger in the next 12 months, due to a decision by China in January 2023 to stop recognising online degrees from overseas universities, resulting in a wave of Chinese students wanting to return to campus.

Administrative and distribution expenses increased by S$7.7 million mainly due to the recovery and increase in business activities across the Group as well as a higher legal and professional fee incurred in relation to the strategic review exercise for student accommodation and asset due diligence cost incurred during the year. Finance expenses increased by S$5.6 million due to the higher interest rate environment which was partially offset against reduced loan balances.

The Group recognised a net fair value gain of S$19.0 million in FY 2022 due mainly to the Group's investment properties in UK, Malaysia and Australia, offset against the fair value loss of investment properties in Singapore as well as against the adjustment of fair value of the right-of-use ("ROU") investment properties.

TOTAL ECONOMIC VALUE GENERATED FOR FY 2022[1] S$188.7 MILLION	TOTAL ECONOMIC VALUE GENERATED FOR FY 2021[1] S$156.2 MILLION
OPERATING COSTS FOR FY 2022 S$45.6 MILLION	OPERATING COSTS FOR FY 2021 S$36.4 MILLION
EMPLOYEE WAGES AND BENEFITS FOR FY 2022 S$32.3 MILLION	EMPLOYEE WAGES AND BENEFITS FOR FY 2021 S$25.5 MILLION
PAYMENTS TO PROVIDERS OF CAPITAL FOR FY 2022 S$36.8 MILLION	PAYMENTS TO PROVIDERS OF CAPITAL FOR FY 2021 S$26.9 MILLION
PAYMENTS TO GOVERNMENTS INCLUDING ROYALTIES AND TAXES FOR FY 2022 S$15.3 MILLION	PAYMENTS TO GOVERNMENTS INCLUDING ROYALTIES AND TAXES FOR FY 2021 S$12.9 MILLION
COMMUNITY INVESTMENT FOR FY 2022 S$417 THOUSAND	COMMUNITY INVESTMENT FOR FY 2021 S$344 THOUSAND
TOTAL ECONOMIC VALUE DISTRIBUTED FOR FY 2022[2] S$130.0 MILLION	TOTAL ECONOMIC VALUE DISTRIBUTED FOR FY 2021[2] S$101.8 MILLION
TOTAL ECONOMIC VALUE RETAINED FOR FY 2022[3] S$58.7 MILLION	TOTAL ECONOMIC VALUE RETAINED FOR FY 2021[3] S$54.4 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

As a result, the Group's net profit attributable to equity holders of the Company, including the impact of valuation changes increased S$18.7 million or 36% from S$52.7 million to S$71.4 million in FY 2022. Excluding the impact of valuation changes, core business profit attributable to equity holders increased 23% from S$46.5 million to S$57.1 million in FY 2022.

For more details, on the Group's financial performance and business risk, please refer to the Group's "Financial Review" found on pages 30 to 33. For challenges and opportunities, please refer to our "Letter to Shareholders" by Joint Chairmen and CEO's statement from pages 4 to 7 in the Annual Report 2022.

4. CARING FOR RESIDENTS AND THE COMMUNITY

As a leading player in the workers' and students' accommodation business, our core business philosophy is to provide a safe and conducive housing environment. We strive to go beyond the housing needs of workers and students by providing an inclusive community and home-away-from-home for our residents who are living abroad and away from their family and friends.

i. ENGAGING OUR RESIDENTS

In FY 2022, there was further easing of COVID-19 movement restrictions where mask wearing became optional and large group gatherings resumed. The Group seized on the opportunity and expanded efforts in ramping up leisure and social activities back to pre-COVID levels within and outside of its dormitories, with focus on promoting active living and to uplift the social wellbeing of its migrant worker residents. The number of events organised increased by 120% as COVID-19 restrictions were lifted. Average number of attendees per event had also increased by 6% with proactive engagement and event participation across properties. Through 2022, our residents participated in activities such as HIIT workout sessions, kayaking, terrarium workshops, futsal tournaments, English language classes, mental wellness sessions and talks, health screenings, and community service projects such as home improvement and park cleanup.

Resident engagement was carried out through 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 within our dormitories;
- And organising excursions and events for our residents, in public venues and attractions outside the dormitories, such as our seventh annual Westlite Inter-dormitory Cricket Tournament held at the Ceylon Sports Club in 2022 and visits to iconic Singapore destinations like Gardens by the Bay.

ACTIVITIES FOR RESIDENTS IN 2022

No. of programmes/events organised for Workers	**385 (▲ 120%)**
No. of worker residents benefitting from programmes/events (workers)	**234,955 (▲ 135%)**
No. of programmes/events organised for Students	**982 (▲ 8%)**
No. of student residents benefitting from programmes/events (students)	**17,287 (▲ 113%)**

ii. HIGHLIGHTS OF PROGRAMMES CONDUCTED FOR OUR WORKERS RESIDENTS

- **WESTLITE INTEGRATION CUP 2022**

In 2022, Westlite Accommodation held an expanded and integrated edition of the Westlite Inter-Dormitory Cricket Tournament ("Tournament"), in partnership with SPH Media Limited. Held on the ground of the Indian Association and Ceylon Sports Club, the 7th edition brought together 130 migrant workers across nine Westlite Accommodation dormitories (ASPRI-Westlite Papan, Westlite Jalan Tukang, Westlite Juniper, Westlite Kranji Way, Westlite Mandai, Westlite Toh Guan, Westlite Tuas Avenue 2, Westlite Tuas South Boulevard, and Westlite Woodlands) to compete in their favourite sport.

The Westlite Integration Cup also featured a simultaneous field of play where a corporate teams tournament was played, consisting of 60 players in six corporate sponsors' teams, each comprised of migrant workers, national-level players and under-19 talents. A total of S$11,000 in prize monies and trophies was given away in team and best player prizes across the two parallel tournaments.

Through this event, Westlite aims to deliver a more exciting tournament for our residents and further help our migrant worker community to integrate, live, learn and play, with local communities.

- **BANQUET OF FRIENDSHIP AT GARDENS BY THE BAY**

Kicking off the International Migrants' Day activities, over 120 migrant workers residing in ASPRI-Westlite Papan enjoyed a fun-filled day that saw them riding on open-top bus, vintage or sports car to see some of Singapore's most iconic buildings, such as Singapore Flyer and Marina Bay Sands followed by a tour of the Flower Dome and an Avatar-theme Cloud Forest at the Gardens by the Bay on 3 December 2022. 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 event also marked the 1st anniversary of "Blossoms of Friendship" since its launch in December 2022. Conceived to strengthen the mental wellbeing of migrant workers living in dormitories as well as to forge friendships among migrant workers and local volunteers, Blossoms of Friendship is a continuing effort by the partners who conduct monthly guided tours for the migrant workers throughout FY 2022.

- **IN-DORMITORY & VIRTUAL GAMES FOR INTERNATIONAL MIGRANTS DAY**

In FY 2022, Westlite Accommodation resumed a slew of dormitory events and outings for our residents, with emphasis on celebrating the various festivals of our multi-cultural resident community. This includes pasar malams, movie screenings, carnival games and festive giveaways conducted within the nine Westlite dormitories, as well as excursions to attractions such as Wild Wild Wet, augmented by virtual events and games.

With these programmes, and continuing efforts in providing for the leisure needs of its resident community, Centurion is committed to the provision of a holistic home-away-from-home life experience to our migrant worker residents. The Group's dedicated Westlite Resi-Life managers work closely with government agencies, NGOs, corporates and employers, local institutions and neighbouring communities to deliver an active calendar of social and leisure programmes, promoting the well-being and social integration of our migrant worker resident community.

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, supplemented with virtual yoga, meditation and cooking classes to enhance the resident's overall wellbeing. Workshops to assist residents in resume writing and acing job interviews, breakfast Grab & Go's during examination periods, and cultural awareness programmes were also rostered in to uplift the student residents health and wellbeing.

- **PARTNERING WITH ORGANISATIONS AND WELFARE GROUPS**

In the UK, dwell partners with Health Assured UK dwell to offer a Mental Health support programme for its student residents to join and learn. In Australia, dwell properties and communities participated in the "R U OK" programme.

5. ENVIRONMENTAL PERFORMANCE

As a responsible company, Centurion is committed to take part in the collective effort by governments, companies, and individuals in combating climate change and ensure efficient usage of resources as well as to protect the environment for future generations.

Centurion recognises the importance of disclosing information to stakeholders transparently and is aware of the updates to SGX and HKEX reporting regulations to incorporate Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations in sustainability reports. The Group has engaged external consultants to advise on opportunities for enhancing our monitoring and reporting practices, in accordance with the evolving SGX, HKEX, GRI and TCFD frameworks and requirements.

As such, we will be progressively phasing in climate-related disclosures within the next two years, in line with the recommendations of TCFD, and disclose our approach in the reporting period FY 2024.

The main sources of environmental impact from our operations come from the use of energy and water, greenhouse gas emissions as well as the generation of waste. Centurion is committed to building the climate resiliency of our portfolio by setting targets towards carbon mitigation and environmental protection.

Through the adoption of Climate Change Scenario Analysis based on the TCFD recommendations, we will gain greater insight into climate-related risks and their potential impact on our business and financial bottom line under different climate-related scenarios, including a 2°C scenario. We will conduct our first climate change scenario analysis study in 2023 and benchmark our climate-related targets against global standards and best practices.

The group complies with all applicable environmental laws and regulations in the markets that we operate, and strives to exceed standards whenever possible. In FY 2022, there were no significant incidents of non-compliance with environmental laws and regulations resulting in significant fines or non-monetary sanctions.

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

i. ENERGY & GHG EMISSIONS

The main source of energy we use in our properties is purchased electricity. Reducing the use of non-renewable energy helps mitigate climate change and lowers our operational cost. Centurion is 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 further identify opportunities for 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 costs. To reduce reliance on electricity, we create naturally ventilated circulation spaces within confined spaces, such as covered car parks, common corridors, and accommodation units. 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 the 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.

In 2022, Centurion recorded an overall 23.36% increase in energy usage to 34,316MWh, mainly due to the increase in occupancy across the PBWA segment. The increase was offset by lower energy consumption in the PBSA segment due to improved energy consumption efficiency in 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 the active implementation of energy conservation efforts, emissions intensity per person increased by 0.03% to 344.21 kg per person from 334.1 kg in 2021 despite the cold snap in the UK and the extreme heatwave in Australia.

SUSTAINABILITY REPORT

ii. ELECTRICITY CONSUMPTION AND SCOPE 2 EMISSIONS

	FY 2022	FY 2021	FY 2020	FY 2019
Electricity consumption (MWh)	**34,316**	27,817	27,344	28,389
Energy used from electricity consumption (GJ)	**122,003**	99,944	99,062	101,999
Average MWh electricity consumption per person (employees and residents)*	**0.66**	0.64	0.67	0.69
Indirect GHG Emission (Scope 2) – tCO_2	**17,730**	14,465	13,68	12,694
Average tCO_2 emission per person (employees and residents)**	**0.344**	0.334	0.334	0.289
Water consumption (m^3)^	**3,624,000**	3,165,218	3,016,914	2,909,650
Water intensity (m^3/person-employees and residents)	**70**	73	74	66

Note: Emission factors used for the calculation of 2022 emissions are 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.

* *To comply with the reporting standard of SGX, the unit of measure for average electricity consumption per person (employees and residents) has been changed from kWh to MWh, and figures for 2021, 2020 and 2019 have been changed.*

** *To comply with the reporting standard of SGX the unit of measure for average emission per person (employees and residents) has been changed from kgCO2 to tCO2, and figures for 2021, 2020 and 2019 have been changed.*

^ *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 and scarce resource that needs to be conserved. Centurion aims to reduce or maintain its current average water consumption per person for both employees and residents. We source our water 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 through preventive maintenance of water fittings and pipes. We have also installed thimbles on taps to improve water flow efficiency. Our PBWA properties are compliant with the Public Utilities Board's (PUB) Water Efficient Building (Basic) Certification.

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 12.9% to 70m^3 despite an increase of 6.6% in overall water consumption to 3,624,000m^3.

IV. WASTE

Our operations do not generate hazardous waste, whereas the general waste generated at our assets is disposed of in accordance with local regulations by licensed contractors. The Group has implemented an internal recyclables programme to encourage students to separate containers, papers and cardboard materials that can be recycled.

In FY 2022, overall paper consumption had a decrease across the PBWA and PBSA segments due to the shift of communication to digital apps from physical printouts. Our corporate office in Singapore had also shifted to digital administration processes, thus reducing use of paper.

In Australia, residents are encouraged to separate recyclables (bottles, cans, plastics) and cardboard from general waste to assist in the reduction of waste that goes to landfills.

6. TALENT ATTRACTION, DEVELOPMENT AND RETENTION

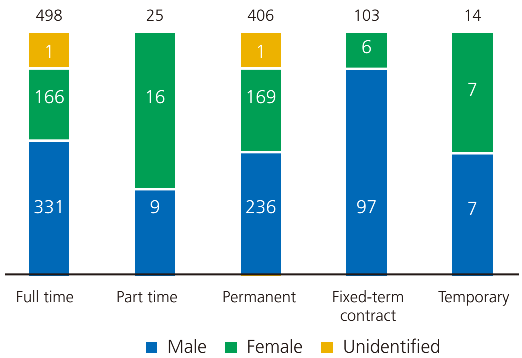
People are the core of our business. Our employees are our most valuable resource and they play an important role in our goal to provide a home away from home for our student and workers residents. We recognise that a motivated, engaged and committed workforce will convey a positive and powerful message to all our key stakeholders. The Group is committed to promoting a cohesive, diverse, skilled and high-performing workforce by nurturing, empowering, and rewarding our employees. We create an environment conducive to innovation and creativity, and promote a culture of passion, quality, excellence and trust within the organization which reflects our ability to create value for our stakeholders and to further boost our competitiveness.

SUSTAINABILITY REPORT

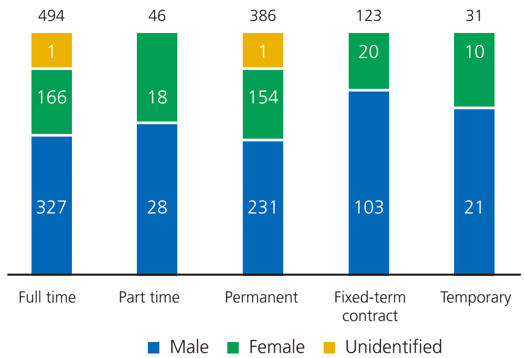
i. EMPLOYEE PROFILE

At the end of FY 2022, the Group had a total headcount of 523. Approximately half of our workforce was based in Singapore. We prefer to hire local talent in the markets where we operate. In Singapore where Centurion is headquartered, all our senior management were hired from the local community.

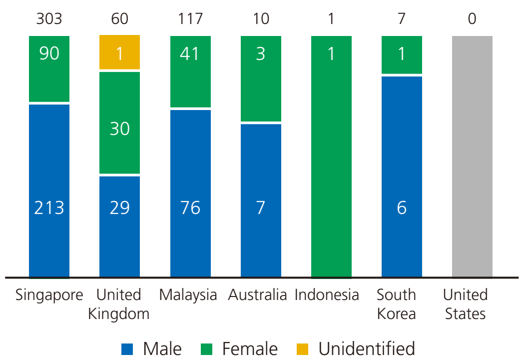
TOTAL NUMBER OF EMPLOYEES BY CONTRACT TYPE AND GENDER – 2022



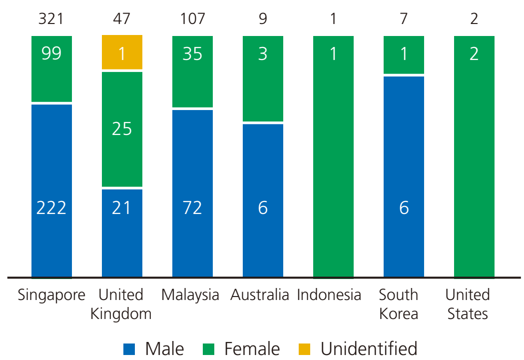
TOTAL NUMBER OF EMPLOYEES BY CONTRACT TYPE AND GENDER – 2021



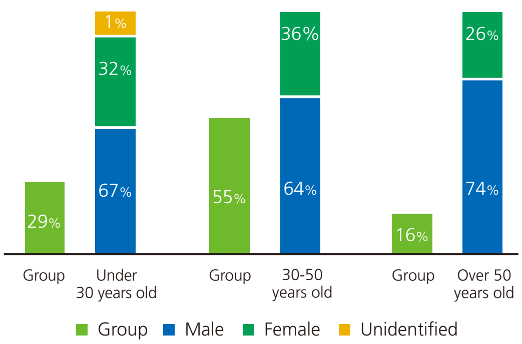
TOTAL NUMBER OF FULL-TIME EMPLOYEES BY GEOGRAPHY AND GENDER – 2022



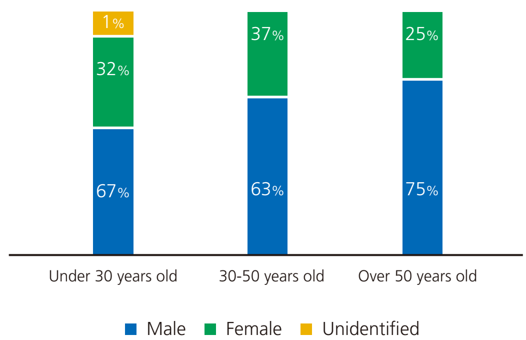
TOTAL NUMBER OF FULL-TIME EMPLOYEES BY GEOGRAPHY AND GENDER – 2021



PERCENTAGE OF FULL-TIME EMPLOYEES BY AGE GROUP AND GENDER – 2022

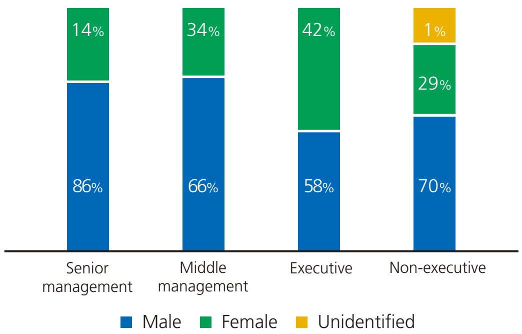


PERCENTAGE OF FULL-TIME EMPLOYEES BY AGE GROUP AND GENDER – 2021

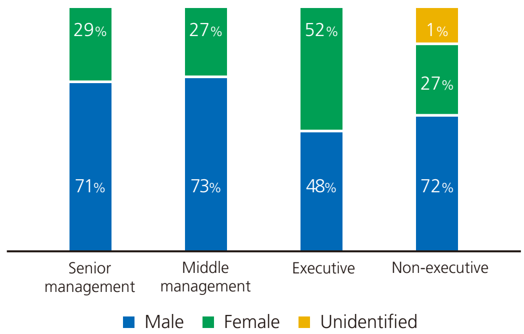


SUSTAINABILITY REPORT

PERCENTAGE OF FULL-TIME EMPLOYEES BY EMPLOYEE CATEGORY AND GENDER – 2022



PERCENTAGE OF FULL-TIME EMPLOYEES BY EMPLOYEE CATEGORY AND GENDER – 2021



2022 NUMBER AND RATE OF NEW EMPLOYEE TURNOVER

	Number of New Hires	Rate of New Hires	Number of Turnover	Rate of Turnover
Age Group				
Under 30 Years Old	57	10%	36	6%
30 – 50 Years Old	75	15%	51	10%
Over 50 Years Old	8	1%	12	2%
By Gender				
Male	91	17%	59	11%
Female	49	9%	40	8%
By Geography				
Australia	5	21%	4	40%
Indonesia	–	–	–	–
Malaysia	26	22%	26	22%
Singapore	80	26%	50	17%
South Korea	1	14%	1	14%
United Kingdom	28	40%	18	30%
Total	140	26%	99	19%

In the UK[1] and Australia[2], Centurion saw impact from the global post-pandemic phenomenon of high staff turnover in 2022, which has been widely reported by media. Despite the challenges, we have been able to attract new talent and maintain staff strength, with minimal disruptions to operations.

1 *https://www.statista.com/statistics/1283657/uk-job-to-job-resignations/*

2 *https://www.abs.gov.au/statistics/labour/jobs/job-mobility*

SUSTAINABILITY REPORT

ii. HUMAN RESOURCE POLICIES

Our Human Resource (HR) management principles and policies have been developed and established based on fair employment practices with the goal of attracting, developing and retaining a robust motivated workforce. Our HR 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 policies are implemented across the organisation within the principles with pragmatism, taking into consideration the prevailing laws and regulations as well as local culture, norms and racial sensitivity.

Our HR policies are communicated to all employees through our comprehensive Employee Handbook which is reviewed periodically. Employee opinion surveys are conducted to gather feedback from our staff to ensure that our decisions are aligned as much as possible with their needs.

Centurion adheres to the Tripartite Guidelines on Fair Employment Practices (TGFEP) issued by the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) in Singapore. Our employment practices focus on maximising the strength of our employees by providing equal opportunities based on merits and helping our employees to develop strength through our learning and development programme.

iii. DIVERSITY AND INCLUSION

Our business thrives on diversity. As such, we leverage on a host of strengths and skills that can only come from a diverse workforce embracing employees from various ethnic groups, religion, age and gender. Operating across several geographies with residents from many backgrounds, having a diverse workforce allows us to better understand cultural sensitivities and eventually deliver better services to our residents. In line with our diversity and inclusion approach, Centurion also supports the hiring of employees with disabilities.

iv. LEARNING AND DEVELOPMENT

We understand the importance of continuous improvement and we encourage our employees to update their skills through learning opportunities that are relevant to their area of work.

The Group has put in place a learning and development programme to facilitate upgrading of skills and knowledge for our employees. This is done through in-house training, external courses, seminars, workshops and on-the-job training. Employees' feedback were also regularly gathered via employee opinion surveys.

In FY 2022, average employee training hours increased 10% year on year. Training sessions were conducted to instill a safety-first mindset, broaden employees' knowledge, and improve their ability for work-life balance such as, business ethics, data analytics, managing personal resilience, conflict management, first aid, and fire safety. Employees are granted paid time off if they are attending external courses or workshops to develop their skills.

Our total training expenditure in FY 2022 was about S$106,700.

v. LEADERSHIP DEVELOPMENT AND SUCCESSION

The Group has a talent development plan in place to identify and nurture future leaders. Having a pipeline of well-developed leaders reduces the risk of disruption and enhances the group's overall resiliency. We develop high-potential employees by sharpening their leadership and management skills to enable them to become more effective leaders.

1. Centurion staff enjoying a movie night in support of local film production (Singapore)

2. Centurion staff facilitating a Chinese calligraphy class for underprivileged kids, in partnership with Glyph (Singapore)

3. Centurion Corporation's 10th Anniversary celebrations (Singapore)

SUSTAINABILITY REPORT

	Male	Female	Unidentified
Average training hours per employee by gender	15 Hours	15 Hours	14 Hours

2022									
Average training hours per employee by employee category by gender	Senior Management		Middle Management		Executive		Non-Executive		
	9 Hours		19 Hours		20 Hours		10 Hours		
	Male	Female	Male	Female	Male	Female	Male	Female	Unidentified
	7 Hours	22 Hours	20 Hours	17 Hours	19 Hours	21 Hours	11 Hours	8 Hours	14 Hours

2022														
Percentage of employees trained by gender	Male					Female					Unidentified			
	54.21%					26.39%					0.20%			
	Singapore		Malaysia		Australia		UK			Indonesia		Korea		
	Male	Female	Male	Female	Male	Female	Male	Female	Unidentified	Male	Female	Male	Female	
	54.78%	22.77%	58.97%	22.22%	54.17%	45.83%	48.33%	50%	1.66%	0.00%	100%	85.71%	14.28%	

	Singapore	Malaysia	Australia	UK	South Korea	Indonesia
Total Training Expenditure by country	67.82% S$72,330	23.48% S$25,044	0.45% S$485	7.93% S$8,459	0.32% S$347	–

vi. TALENT MANAGEMENT AND RETENTION

We regularly review the competency gap and development of our employees to effectively match their strengths to their job specifications. We value performance and reward our employees based on individual contribution as well as teamwork, our performance-based appraisal scheme provides guidance and motivation to our employees to perform to their potential in alignment with the objectives of the company.

For Centurion, we focus on building our talent pipeline and employees' career progression, while investing in their long-term development, this will bolster both retention and overall development of the organisation. We believe in cultivating a growth mindset across the Group, we invest in our people and provide ample opportunities for their professional and personal development.

vii. ANTI-BULLYING AND ANTI-HARASSMENT

The Centurion Workplace Anti-Harassment and Anti-Bullying Policy communicates our stance for all employees to be treated with respect and dignity. No employee shall be subject to any physical, psychological, verbal or sexual abuse. Our employees should be culturally sensitive, tolerant and respectful towards one another at all times.

viii. BENEFITS AND WELFARE

We care for our employees through comprehensive welfare and benefits schemes, including, but not limited to, insurance coverage, flexi-benefit, medical and dental benefits for our full-time and part-time employees. Our Happy Committee organises company-wide activities such as sports and recreational activities, festive celebrations, and wellness activities to foster work-life balance and reinforce team spirit.

We provide benefits and adopt welfare practices in line with the country's legislation where we operate in. Our friendly family policies include flexible work schedules, telecommuting and various forms of family leave arrangements. We also offer preventive care such as mandatory health screenings for employees whose work may include work hazards.

Employees who require emotional support can tap on Centurion's Employee Assistance Programme (EAP), which provides support for issues concerning work, family matters, and interpersonal relationships. Employees can be assured of confidentiality when they call the EAP hotline, which is manned by a third-party psychologist.

SUSTAINABILITY REPORT

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 as well as implementation. Each site 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 2022, 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 to conduct digital meetings to reduce exposure and physical interactions.

ii. CUSTOMER HEALTH AND SAFETY

Health and safety of our employees and residents remain a priority for the Group.

We have put in place measures to mitigate the risk of accidents. 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 employees and residents. There were no incidents of non-compliance concerning the health and safety of our accommodation and services in 2022.

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 and 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 of 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 of our global properties, in our accommodation and dormitories. This includes preventive control measures, travel restrictions, facilities preparation, pandemic response control and process, as well as personnel and residents monitoring processes.

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

Please refer below to our occupational health & safety statistics.

	Singapore		UK		Malaysia		Australia		Korea		Indonesia	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Fatalities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2021	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2020	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2019	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Injury Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Occupational Disease Rate	0.00%	0.00%	0.00%	0.00%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Lost Day Rate[1]	0.00%	0.00%	0.00%	0.00%	0.41%	0.44%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Absentee Rate[2]	4.20%	3.32%	0.00%	0.00%	0.88%	0.66%	1.81%	3.14%	0.00%	0.00%	0.00%	0.00%

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.

GRI CONTENT INDEX

For the GRI Content Index – Essentials Service, GRI reviewed that Disclosures 2- 1, 2- 2, 2- 3, 2- 4, 2- 5, 3- 1 and 3- 2 are correctly located in both the GRI Content Index and in the text of the final report when it is published.

Staement of use Centurion Corporation Limited has reported in accordance with the GRI Standards for the period 1 January 2022 to 31 December 2022.

GRI 1 used GRI 1: Foundation 2021

GRI Standard/ Other Source		Disclosure	Location	Omission			Mapped to SDGs	Externally Assured (Y/N)
				Requirement(s) Omitted	Reason	Explanation		
General disclosures								
GRI 2: General Disclosures 2021	2-1	Organizational details	47					N
	2-2	Entities included in the organization's sustainability reporting	47					N
	2-3	Reporting period, frequency and contact point	47					N
	2-4	Restatements of information	47					N
	2-5	External assurance	47					N
	2-6	Activities, value chain and other business relationships	52-53					N
	2-7	Employees	58-59					N
	2-8	Workers who are not employees	52					N
	2-9	Governance structure and composition	49, 71-80					N
	2-10	Nomination and selection of the highest governance body	71-80					N
	2-11	Chair of the highest governance body	71-77					N
	2-12	Role of the highest governance body in overseeing the management of impacts	49, 71-80					N
	2-13	Delegation of responsibility for managing impacts	49					N
	2-14	Role of the highest governance body in sustainability reporting	71					N
	2-15	Conflicts of interest	71-90					N
	2-16	Communication of critical concerns	53					N
	2-17	Collective knowledge of the highest governance body	8-12, 49, 72-73, 80					N
	2-18	Evaluation of the performance of the highest governance body	82-82					N
	2-19	Remuneration policies	83-86					N

SUSTAINABILITY REPORT

GRI Standard/ Other Source		Disclosure	Location	Omission			Mapped to SDGs	Externally Assured (Y/N)
				Requirement(s) Omitted	Reason	Explanation		
General disclosures								
	2-20	Process to determine remuneration	83-86					N
	2-21	Annual total compensation ratio		a,b,c	Confidentiality constraints	Intense competition for talent in the real estate industry		N
	2-22	Statement on sustainable development strategy	48					N
	2-23	Policy commitments	53					N
	2-24	Embedding policy commitments	53					N
	2-25	Processes to remediate negative impacts	53, 60					N
	2-26	Mechanisms for seeking advice and raising concerns	53					N
	2-27	Compliance with laws and regulations	53					N
	2-28	Membership associations	52					N
	2-29	Approach to stakeholder engagement	51-52					N
	2-30	Collective bargaining agreements		a,b	Not applicable	Centurion respects all employees' fundamental rights to freedom of association and the right to be members of trade unions. Centurion does not have any collective bargaining agreements.		N
GRI 3: Material Topics 2021	3-1	Process to determine material topics	49					N
	3-2	List of material topics	50					N
ECONOMIC							**5, 8, 9, 11, 13, 16**	
GRI 3: Material Topics 2021	3-3	Management of material topics	49, 54					N
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	55				8, 9	N
	201-2	Financial implications and other risks and opportunities due to climate change	56				13	N
	201-3	Defined benefit plan obligations and other retirement plans		a,b,c,d,e	Not applicable	Centurion also adheres to the respective social security contributions or pension plan obligations of the countries we operate in.		N
	201-4	Financial assistance received from government		a,b,c	Confidentiality constraints	Centurion is not at the liberty to disclose this information as the Company is bound by confidentiality.		N

SUSTAINABILITY REPORT

GRI Standard/ Other Source		Disclosure	Location	Omission			Mapped to SDGs	Externally Assured (Y/N)
				Requirement(s) Omitted	Reason	Explanation		
General disclosures								
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage		a,b,c,d	Information unavailable/ incomplete	Disclosure is unavailable as there is no minimum wage system in Singapore.	5, 8	N
	202-2	Proportion of senior management hired from the local community	58				8	N
GRI 203: Indirct Economic Impacts 2016	203-1	Infrastructure investments and services supported	38-41, 55-56				5, 9	N
	203-2	Significant indirect economic impacts	55-56, 62				8, 11	N
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	53				16	N
	205-2	Communication and training about anti-corruption policies and procedures	53				16	N
	205-3	Confirmed incidents of corruption and actions taken	53				16	N
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	62					N
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	62				16	N
ENVIRONMENTAL							**3, 6, 7, 8, 11, 12, 13, 14, 15**	
GRI 3: Material Topics 2021	3-3	Management of material topics	49, 56					N
GRI 302: Energy 2016	302-1	Energy consumption within the organization	56-57				7, 8, 12, 13	N
	302- 2	Energy consumption outside of the organization	56-57				7, 8, 12, 13	N
	302-3	Energy intensity	56-57				7, 8, 12, 13	N
	302-4	Reduction of energy consumption	56-57				7, 8, 12, 13	N
	302-5	Reductions in energy requirements of products and services	56-57				7, 8, 12, 13	N

SUSTAINABILITY REPORT

GRI Standard/ Other Source		Disclosure	Location	Omission			Mapped to SDGs	Externally Assured (Y/N)
				Requirement(s) Omitted	Reason	Explanation		
General disclosures								
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource		a,b,c,d	Not applicable	Water stress areas are not applicable as the Centurion does not contribute to the country's ability, or lack thereof, to meet the human and ecological demand for water.	6, 12	N
	303-2	Management of water discharge-related impacts		a	Not applicable	Centurion does not discharge water that contains Total Dissolved Solids (TDS) and Total Suspended Solids (TSS) that exceed the legal limits of the country.	6	N
	303-3	Water withdrawal	57	b	Not applicable	Centurion does not operate in countries under water stress.	6	N
	303-4	Water discharge		a,b,c,d,e,f,g	Information unavailable/ incomplete	Daily water discharged into the public sewerage system and open drains, canals and rivers is negligible.	6	N
	303-5	Water consumption	57	b	Not applicable	Centurion does not operate in countries under water stress.	6	N
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions		a,b,c,d,e,f,g	Information unavailable/ incomplete	Disclosure is unavailable as the framework for data collection is in development. Screening exercise in 2023 to establish our Scope 1 inventory.	3, 12, 13, 14, 15	N
	305-2	Energy indirect (Scope 2) GHG emissions	56-57				3, 12, 13, 14, 15	N
	305-3	Other indirect (Scope 3) GHG emissions		a,b,c,d,e,f,g	Information unavailable/ incomplete	Disclosure is unavailable as the framework for data collection is in development. Screening exercise in 2023 to establish our Scope 3 inventory.	3, 12, 13, 14, 15	N
	305-4	GHG emissions intensity	56-57				13, 14, 15	N
	305-5	Reduction of GHG emissions	56-57				13, 14, 15	N

SUSTAINABILITY REPORT

GRI Standard/ Other Source		Disclosure	Location	Omission: Requirement(s) Omitted	Omission: Reason	Omission: Explanation	Mapped to SDGs	Externally Assured (Y/N)
General disclosures								
	305-6	Emissions of ozone-depleting substances (ODS)		a,b,c,d	Not applicable	Disclosure is not applicable as Centurion does not emit a material amount of these emissions through our managed services and production activites.	12	N
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		a,b,c,d	Not applicable	Disclosure is not applicable as Centurion does not emit a material amount of these emissions through our managed services and production activites.	12, 14, 15	N
SOCIAL							**3, 4, 5, 8, 10, 15, 16, 17**	
GRI 3: Material Topics 2021	3-3	Management of material topics	49, 57					N
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	59				5, 8, 10	N
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	61				5, 8	N
	401-3	Parental leave	61				5, 8	N
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	62				8	N
	403-2	Hazard identification, risk assessment, and incident investigation	62				8	N
	403-3	Occupational health services	62				8	N
	403-4	Worker participation, consultation, and communication on occupational health and safety	62				8, 16	N
	403-5	Worker training on occupational health and safety	62				8	N
	403-6	Promotion of worker health	62				3	N
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	62				8	N

SUSTAINABILITY REPORT

GRI Standard/ Other Source	Disclosure		Location	Omission			Mapped to SDGs	Externally Assured (Y/N)
				Requirement(s) Omitted	Reason	Explanation		
General disclosures								
	403-8	Workers covered by an occupational health and safety management system	62				8	N
	403-9	Work-related injuries	62				3, 8, 16	N
	403-10	Work-related ill health	62				3, 8, 16	N
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	61				4, 8, 10	N
	404-2	Programs for upgrading employee skills and transition assistance programs	60				8	N
	404-3	Percentage of employees receiving regular performance and career development reviews	60				5, 8, 10	N
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	58-59, 80				5	N
	405-2	Ratio of basic salary and remuneration of women to men		a,b	Confidentiality constraints	Intense competition for talent in the real estate industry	5	N
GRI 406: Non-Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	53, 60				5, 8	N
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	54-56				3, 4, 15, 17	N
	413-2	Operations with significant actual and potential negative impacts on local communities	54-56				3, 4, 15, 17	N

SUSTAINABILITY REPORT

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	50-53
KPI A1.1	The types of emissions and respective emissions data	50-53, 56-57
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility)	56-57
KPI A1.3	Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility)	56-57
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	56-57
KPI A1.5	Description of measures to mitigate emissions and results achieved	56-57
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	56-57
A2. Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	56-57
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)	56-57
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	56-57
KPI A2.3	Description of energy use efficiency initiatives and results achieved	56-57
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	56-57
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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 (last amended 11 January 2023) (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.

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 the financial year ended 31 December 2022 ("**FY 2022**"). 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.

CORPORATE GOVERNANCE CULTURE

The Company upholds high standards of integrity, transparency, and accountability in its business. It strives to foster a culture of compliance, good corporate governance, and ethical behaviour with its stakeholders to build trust and credibility.

The Board has set "Respect", "Integrity", "Creativity" and "Excellence" as the Group's core values which reflect its passion to meet the Group's customers' objectives and provide services that promote the wellbeing of its stakeholders. The Board is committed to developing a positive culture that is built on its core values to provide guidance on employees' conduct and behaviours as well as the business activities, and to ensure they are embedded throughout the Group's vision, mission, policies and business strategies.

The Group's core values are set out in the section entitled "Our Core Values" on page 2 in this Annual 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 meets 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)*. In FY 2022, the Company has set up a sustainability steering committee (the "**SSC**") which reports to the Audit Committee, which will accordingly review and report/make its recommendations to the Board. The purpose of the SSC is to assist the Audit Committee and the Board to fulfill their oversight responsibilities for the Company's environmental, social and governance and sustainability vision, mission, strategies, policies, practices, and initiatives.

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)*.

CORPORATE GOVERNANCE

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, except for matters where a substantial shareholder or a Director has a conflict of interest which the Board has determined to be material in compliance with the Code Provision C.5.7 of the HK CG Code. Independent Non-Executive Directors who, and whose close associates, have no material interest in the transaction should be present at that Board meeting.

Directors' Attendance

Details of Directors' attendance at Board and Board Committee meetings and general meeting(s) held in FY 2022 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	Executive Committee Meeting	Annual General Meeting
Number of meetings held in FY 2022	6	5	1	1	2	1
Loh Kim Kang David	6	*5	*1	*1	2	1
Han Seng Juan	6	*5	*1	*1	2	1
Wong Kok Hoe	6	*5	*1	*1	2	1
Teo Peng Kwang	6	*5	*1	*1	2	–
Chandra Mohan s/o Rethnam	6	5	*1	1	N/A	1
Gn Hiang Meng	6	5	1	*1	N/A	1
Owi Kek Hean	6	5	1	*1	N/A	1
Tan Poh Hong	6	*5	1	1	N/A	1
Lee Wei Loon	6	*5	*1	1	N/A	1

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

Notes:
N/A means Not Applicable.
a) 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 FY 2022.
b) Mr Kong is a member of the Executive Committee and he attended all the two (2) meetings of the Executive Committee held in FY 2022.

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 FY 2022, a meeting was held between the Joint Chairmen of the Board and the Independent Non-Executive Directors without the presence of other Directors.

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 with a formal letter of appointment setting out the key terms of their appointments, duties and obligations.

CORPORATE GOVERNANCE

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, all Board members had attended relevant training programmes, seminars and courses with attendance hours totalling 92 hours, as follows *(Provision 1.2 of 2018 Code):*

– ACRA-SGX-SID Audit Committee Seminar 2022 jointly organised by ACRA, SGX and SID, attended by Gn Hiang Meng ("**Mr Gn**"), Chandra Mohan s/o Rethnam ("**Mr Mohan**"), Tan Poh Hong ("**Ms Tan**") and Owi Kek Hean ("**Mr Owi**")

– ESG In Practice: Understanding Metrics and Approaches to Achieve Net-Zero Building, conducted by uHoo, attended by Lee Wei Loon ("**Mr Lee**"), Loh Kim Kang David ("**Mr Loh**"), Han Seng Juan ("**Mr Han**"), Mr Mohan, Mr Owi, Teo Peng Kwang ("**Mr Teo**"), Ms Tan, Mr Gn and Wong Kok Hoe ("**Mr Wong**")

– Global Virtual Roundtable 1: Evaluating the Impact of ESG, conducted by SID, attended by Ms Tan

– LED – Environmental, Social and Governance Essentials (Core), conducted by SID, attended by Mr Lee, Ms Tan, Mr Loh, Mr Han, Mr Mohan, Mr Owi, Mr Teo, Mr Gn and Mr Wong

– MD2: Stakeholder Engagement in the Era of Scrutiny, conducted by SID, attended by Ms Tan

– SID Directors Conference 2022, conducted by SID, attended by Mr Mohan and Mr Owi

– The 'S' in ESG: Addressing Social Factors For Your Sustainability Agenda, conducted by uHoo, attended by Mr Lee, Mr Loh, Mr Han, Mr Mohan, Mr Owi, Mr Teo, Ms Tan, Mr Gn and Mr Wong

– Trends in the IT Space and Cybersecurity, conducted by an external cybersecurity consultant, Inspira, attended by Mr Lee, Mr Loh, Mr Han, Mr Mohan, Mr Owi, Mr Teo, Ms Tan, Mr Gn and Mr Wong.

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 provided with updates on key changes to the SGX-ST Listing Rules effective on 11 January 2023 by the Company Secretaries 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)*.

CORPORATE GOVERNANCE

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 accompanying papers and to facilitate productive discussions during the meetings. Notice of at least 14 days are given to Directors for a regular Board meeting to give all Directors an opportunity to attend, whereas for other Board meetings, reasonable notice is given. 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)*.

Minutes of the Board meetings and the Board Committee meetings shall be kept by Company Secretary(ies) with copies circulated to the Directors for information and records. Minutes of meetings are recorded in sufficient detail on the matters considered by the Board and the Board Committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each Board meeting and Board Committee meeting are/will be sent to the Directors for comments within a reasonable time after the date on which the meeting is held. The minutes of the Board meetings are open for inspection by the Directors.

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

CORPORATE GOVERNANCE

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)*.

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-election/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 8 to 12 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 101 of this Annual Report.

The Company has established mechanism to ensure the Board has sufficient independent views input and judgment being brought in by the Independent Non-Executive Directors which allows the Board effectively exercises independent judgment to better safeguard shareholders' interests. There is formal process of evaluating the Board independence in place, which involves annual review and completion of Board performance evaluation questionnaires by Board members, to ensure a strong independent element on the Board. A summary of findings is prepared by the Company Secretary based on the completed questionnaires and is reviewed and deliberated by the Nominating Committee, with comparisons from prior year's findings, before submitting to the Board for review. During FY 2022, the Board reviewed the implementation and effectiveness of the Board independence evaluation mechanism and the results were satisfactory.

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 the SGX-ST, 2018 Code and Rule 3.13 of the HK Listing Rules.

The Nominating Committee had reviewed the independence of Director for FY 2022 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 possess 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.

CORPORATE GOVERNANCE

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 by shareholders at the Company's AGM held on 27 April 2021 ("**2021 AGM**"), via the two-tier vote mechanism, 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.

The SGX-ST had on 11 January 2023 announced *inter alia* that it will limit the tenure of independent directors serving on the boards of issuers listed on the SGX-ST to nine (9) years (the "**New Requirement**"), and the SGX-ST Listing Rules have been amended to reflect the New Requirement. The nine (9) year limit will be implemented at issuers' annual general meetings for the financial year ending on or after 31 December 2023. The amended SGX-ST Listing Rules provide for certain transitional arrangements in respect of the period between 11 January 2023 and the date of the issuer's annual general meeting for the financial year ending on or after 31 December 2023 (the "**Transitional Period**"). During the Transitional Period, independent directors who have served for more than nine (9) years may remain as independent directors, until the conclusion of the next annual general meeting of the issuer for the financial year ending on or after 31 December 2023.

The Nominating Committee had noted the New Requirement and 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.

(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 had discussed and will start the search process for new Independent Directors as part of Board renewal process and to be in line with the New Requirement.

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)*.

CORPORATE GOVERNANCE

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, 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)*.

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 of the Board, CEO or CFO are inappropriate or inadequate *(Provision 3.3 of 2018 Code)*. The Independent Directors have met without the presence of other Directors during FY 2022, 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;

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- 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 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 FY 2022, the Non-Executive Director 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.

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 and are eligible for re-election at the AGM. 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 and the HK CG Code. 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) Wong Kok Hoe

(ii) Lee Wei Loon

(iii) Owi Kek Hean

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 Mr Wong, Mr Lee and Mr Owi, 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) and review of his independence, as appropriate, and having considered the Board's 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.

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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 8 to 12 of this Annual Report and also in the Circular to Shareholders dated 24 March 2023 ("**Circular**") accompanying the Notice of the forthcoming AGM.

Each of Mr Wong (being a Board member), Mr Lee (being a Board member) and Mr Owi (being Chairman of the Nominating Committee and a Board member) had recused himself from deliberation and voting in respect of his own nomination for re-election at the forthcoming AGM.

Having regard to the New Requirement and that each of Mr Gn and Mr Mohan have served as Independent Non-Executive Directors for more than nine (9) years and as part of the Board Committees renewal process, the Board has decided that, assuming that the re-election of each of Mr Lee and Mr Owi are approved by shareholders at the Company's forthcoming AGM to be held on 27 April 2023 ("**2023 AGM**"), the composition of the Audit Committee, Remuneration Committee and Nominating Committee with effect from 28 April 2023, be changed as set out below (the "**Proposed Changes in Board Committees**").

Audit Committee:

Current composition	New composition
Mr Gn *(Chairman)*	Mr Owi *(Chairman)*
Mr Mohan	Mr Gn
Mr Owi	Mr Mohan

Remuneration Committee:

Current composition	New composition
Mr Mohan *(Chairman)*	Ms Tan *(Chairman)*
Ms Tan	Mr Mohan
Mr Lee	Mr Lee

Nominating Committee:

Current composition	New composition
Mr Owi *(Chairman)*	Mr Lee *(Chairman)*
Mr Gn	Mr Owi
Ms Tan	Mr Gn
	Ms Tan

The Company will update shareholders on the new composition of the Audit Committee, Nominating Committee and Remuneration Committee via publication of announcements on the websites of the SGX-ST, via SGXNet, and the SEHK after the 2023 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).

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 fellow member of The Hong Kong Chartered Governance Institute (formerly known as 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.

CORPORATE GOVERNANCE

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 16 in this Annual Report.

During FY 2022, 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

As at the date of this Annual Report, 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 LID, 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.

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

- Directors' area of expertise

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

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- 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	1
60s	6
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	1	2
Served more than three (3) years and up to six (6) years	2	1

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 Company values gender diversity across all levels of the Group. As at the end of FY 2022, around 34.8% of the Group's workforce were female. Details on the gender ratio of the workforce of the Group together with relevant data as at the end of FY 2022 can be found in the Sustainability Report on pages 46 to 70 of this Annual Report. The NC and the Board consider that the current gender diversity is satisfactory.

The NC is responsible for making recommendations to the Board on all appointments and re-election/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;

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- 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 2023, the NC has recommended the Proposed Changes in Board Committees as part of the Board succession plans for Independent Non-Executive Directors, which were approved by the Board.

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)*. The NC and Board had, in the course of their review, discussed talent management and succession planning for the Group.

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.

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. As the Board members have through the Board performance evaluation considered/assessed the functioning of Executive Committee, no separate performance evaluation of the Executive Committee was carried out.

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 FY 2022 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, amongst others. 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.

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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

As at the date of this Annual Report, 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. In 2022, the Company had engaged an external remuneration consultant, HR Guru Pte Ltd ("**HR Guru**"), to conduct a remuneration review for the key management personnel and a review on Directors' fees/remuneration, amongst other remuneration related matters. The RC and Board confirmed that the Company has no existing relationships with the external remuneration consultants and HR Guru that would affect their independence and objectivity *(Provision 6.4 of 2018 Code)*.

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 FY 2022, 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.

CORPORATE GOVERNANCE

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 Board will table the Directors' fees in respect of the financial year ending 31 December 2023, to be paid quarterly in arrears, for shareholders' approval at the 2023 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. The total amount of Directors' fee paid to the Directors for FY 2022 was S$492,000.

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 two (2) Executive Directors, the CEO and key management personnel, which contain incentive components of remuneration, 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 these 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.

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Details of remuneration of the Directors and CEO (who is not Director) for FY 2022 are set out below *(Provisions 8.1(a) and 8.3 of 2018 code)*:

Name	Director's fees (S$'000)	Salary* (S$'000)	Bonus (S$'000)	Other Benefits (S$'000)	Total (S$'000)
Executive Directors					
Loh Kim Kang David	31	14	300	–	345
Wong Kok Hoe	10	525	582	19	1,136
Teo Peng Kwang Kelvin	10	441	582	16	1,049
Non-Executive Director					
Han Seng Juan	65	–	–	–	65
Independent Non-Executive Directors					
Chandra Mohan s/o Rethnam	81	–	–	–	81
Gn Hiang Meng	102	–	–	–	102
Owi Kek Hean	78	–	–	–	78
Tan Poh Hong	62	–	–	–	62
Lee Wei Loon	53	–	–	–	53
CEO (who is not Director)					
Kong Chee Min	–	489	582	16	1,087

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

Note: The Company does not have any long-term incentives, share-based incentives/awards and share option schemes in place. Save as disclosed above, there are no other forms of remuneration and other payments paid by the Company and its subsidiaries to the Directors and CEO.

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.

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The Group only has four (4) key management personnel (who are not Directors or the CEO). The aggregate remuneration paid to the four (4) key management personnel (who are not Directors or the CEO) for FY 2022 was S$1,429,000. Breakdown (in percentage terms) of the remuneration paid to each of the four (4) key management personnel (who are not Directors or the CEO) for FY 2022 is set out below *(Provisions 8.1(b) and 8.3 of 2018 Code)*:

Name	Salary* (%)	Bonus (%)	Other Benefits (%)	Total (%)
S$500,000 to below S$750,000				
Ho Lip Chin	57	41	2	100
S$250,000 to below S$500,000				
Foo Ai Huey	69	29	2	100
Leong Siew Fatt	70	28	2	100
Below S$250,000				
Lee Geok Ing Janice(1)	99	–	1	100

* Include employers' CPF contributions

Note:
(1) Lee Geok Ing Jance retired as Human Resources & Administration Manager, with effect from 1 July 2022.

As at the date of this Annual 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 FY 2022 are hereinbefore disclosed *(Provision 8.2 of 2018 Code)*.

Anthony Craig Bolger (who was re-designated from Director, Investments to Head, Private Equity Market with effect from 1 July 2022) is brother-in-law of Mr Loh (Executive Director, Joint Chairman of the Board and a controlling shareholder). For FY 2022, 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 FY 2022, 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 FY 2022. 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 Annual 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 FY 2022, 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 FY 2022 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 FY 2022 *(Provision 10.1(b) of 2018 Code)*. No material weaknesses of internal controls and risk management systems were identified in respect of FY 2022.

Audit Committee – *Principle 10*
The Board has an Audit Committee which discharges its duties objectively

As at the date of this Annual Report, 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

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)*.

Under the terms of reference of the AC, a former partner or director of the Company's existing auditing firm or auditing corporation should be prohibited from acting as a member of the AC within a period of two (2) years commencing on the date of his/her ceasing (i) to be a partner of the auditing firm (or a director of the auditing corporation); or (ii) to have any financial interest in the auditing firm or auditing corporation, whichever is later.

None of the members of the AC is a partner or director of the Group's existing auditing firms or auditing corporations or was a former partner or former director of the Group's existing auditing firms or auditing corporations. None of the AC members has any financial interest in the Group's existing auditing firms or auditing corporations *(Provision 10.3 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;

CORPORATE GOVERNANCE

- 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;
- 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

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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.

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. The Company's WB Policy had been updated to be in line with the requirements of the SGX-ST's Listing Manual.

Details of the updated 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 five (5) 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 the existing WB Policy *(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 FY 2022 does not affect their independence.

The aggregate amount of fees paid/payable to the external auditors for FY 2022 are as follows:

	S$'000
Audit fees paid/payable by the Company and its subsidiaries[(2)]	584
Non-audit fees[(1)] paid/payable by the Company and its subsidiaries[(2)]	109
Total fees	693

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 2023 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.

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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.

Key findings by internal auditors with Management responses are presented to and discussed with the AC who will submit its findings and recommendations to the Board. The recommendations also serve as further inputs for the next cycle of internal audit and enterprise risk management reviews. For the Group's FY 2022 internal audit, the Board has not identified any material weakness of controls and risk management systems based on the findings by the internal auditors.

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**") 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.

As at the date of this Annual Report, 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;

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- 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.

During the year, the EXCO held two (2) meetings to review/consider and recommend to the Board, where appropriate, investment opportunities, proposed acquisition/disposal transactions, capital expenditures, financial results and performance of the Group's businesses *(Provision 1.4 of 2018 Code)*.

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, despite 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.

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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.

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 AGM held in 2022, the Directors' and the CEO's attendance can be found on page 72 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. In relation to the 2023 AGM, shareholders should note that the 2023 AGM is being convened, and will be held (a) in Singapore, in a wholly physical format (for shareholders in Singapore); and (b) in Hong Kong, via video-conferencing at a physical venue (for shareholders in Hong Kong). There will be no option for shareholders to participate virtually.

Please refer to the Notice of 2023 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. Since the second quarter of FY 2015, the Company had paid dividend on a half-yearly basis, except for FY 2020 and the first half of FY 2021 for which no dividend was declared/recommended by the Board as the Company would like to conserve its cash resources in view of the unprecedented economic condition and uncertainty amidst the COVID-19 pandemic *(Provision 11.6 of 2018 Code)*.

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To reward shareholders and in line with the Company's performance for FY 2022, the Board has recommended a final dividend of 0.5 Singapore cent per ordinary share, subject to approval of shareholders at the 2023 AGM *(Provision 11.6 of 2018 Code)*. Together with the interim dividend payment of 0.5 Singapore cent per ordinary share during the year, this brings the total dividend payment for FY 2022 to 1.0 Singapore cent per ordinary share.

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.

Details on the channels established by the Company for maintaining an on-going dialogue with its shareholders are set out in this section entitled "Shareholder Rights and Engagement" on pages 92 to 93 of this Annual Report, and in the sections entitled "Investor Relations" on pages 44 to 45 of this Annual Report and entitled "Stakeholder Engagement" on page 51 of this Annual Report.

The Board reviewed the implementation and effectiveness of the shareholder's communication policy of the Company and the results were satisfactory.

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)*.

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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

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 page 51 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 FY 2022 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$1,929,120
Teo Peng Kwang Please see Note (ii) and Note (iii) for further details	Executive Director of the Company	S$165,931

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:

•	03.01.2022:	Cost Sharing Reimbursement Agreements with Centurion Properties Pte. Ltd.	S$50,159
•	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 of which the entire aggregate principal amount of S$500,000 were entirely disposed in November 2022 pursuant to an exchange offer exercise	S$26,073

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•	28.11.2022:	Interest paid to Mr Loh Kim Kang David in respect of an aggregate principal amount of S$500,000 of fixed rate notes due 2026 issued by the Company (Series 006) on 28 November 2022 held by Mr Loh Kim Kang David, at the interest rate of 6.5% per annum	S$4,277
•	14.12.2022:	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$60,229)	S$1,455,306
•	01.01.2022:	CSL Student Living Benikea KP Ltd – Management fee charged by Dwell Student Living Korea Ltd to CSL Student Living Benikea KP Ltd	S$393,305

(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 of which S$1,000,000 were disposed in November 2022 pursuant to an exchange offer exercise. The remaining S$2,000,000 were subsequently disposed in December 2022 pursuant to a conditional tender offer exercise	S$157,376
(iii)	Interest paid to Mr Teo Peng Kwang in respect of an aggregate principal amount of S$1,000,000 of fixed rate notes due 2026 issued by the Company (Series 006) on 28 November 2022 held by Mr Teo Peng Kwang, at the interest rate of 6.5% per annum	S$8,555

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 FY 2022. 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 FY 2022.

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 FY 2022, 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 FY 2022.

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 107 to 110.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 2022 and the balance sheet of the Company as at 31 December 2022.

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 111 to 200 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 2022 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 joint ventures 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 38 to 40 of the annual report, the section entitled "Financial Review" on pages 30 to 33 of the annual report and the section entitled "Market Outlook" on pages 41 to 43 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 201 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 111 to 112 of the annual report.

An interim tax exempt dividend of 0.5 Singapore cent (2021: S$nil) per ordinary share amounting to S$4,209,000 (2021: S$nil) has been paid during the financial year.

The Board has recommended a final tax exempt dividend of 0.5 Singapore cent (2021: 0.5 Singapore cent) per ordinary share amounting to a total of S$4,204,000 (2021: S$4,213,000) for the financial year ended 31 December 2022, subject to approval by shareholders of the Company at the forthcoming Annual General Meeting.

PRINCIPAL PROPERTIES

Details of the principal properties held for investment purposes are set out in Note 22 to the consolidated financial statements.

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.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

BORROWINGS

Particulars of bank loans and other borrowings of the Group as at 31 December 2022 are set out in Note 28 to the consolidated financial statements.

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 31 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 2022 except for S$53,000,000 fixed rate notes due 2026 (the "Series 006 Notes") were issued by the Company on 28 November 2022 and listed in the Bonds Market of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 29 November 2022 comprising:

(i) S$38,500,000 Series 006 Notes in exchange for S$38,500,000 fixed rate notes due 2024 (the "Series 005 Notes"), which were cancelled on 28 November 2022 pursuant to the exchange offer exercise; and

(ii) S$14,500,000 additional Series 006 Notes.

On 1 December 2022, S$10,250,000 Series 005 Notes were cancelled pursuant to a conditional tender offer exercise. Following the cancellation of such Series 005 Notes, the aggregate outstanding principal amount of the Series 005 Notes was S$6,250,000.

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 2022, the retained profits of the Group are distributable except for the accumulated retained profits of associated companies and a joint venture amounting to S$84,445,000 (2021: S$79,329,000) which are included in the Group's retained profits.

Movement in the distributable reserves of the Company as at 31 December 2022 are set out in Note 33 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$115,000 (2021: S$111,000).

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

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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, Code of Corporate Governance 2018 of Singapore and Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "SEHK") (the "HK Listing Rules"). The Company considers all of the independent non-executive directors as independent.

BIOGRAPHICAL DETAILS OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

Brief biographical details of directors and key management personnel of the Company are set out in the annual report under the section entitled "Board of Directors" on pages 8 to 12 and section entitled "Key Management Personnel" on pages 13 to 15, 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 2022

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 31.12.2022	At 1.1.2022 or date of appointment, if later	At 31.12.2022	At 1.1.2022 or date of appointment, if later
Centurion Corporation Limited				
(No. of ordinary shares)				
Gn Hiang Meng	**–**	–	**247,500**	247,500
Loh Kim Kang David[(i)]	**44,380,350**	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				
(No. of ordinary shares)				
Loh Kim Kang David	**8,086**	8,086	**–**	–
Han Seng Juan	**8,086**	8,086	**–**	–
Immediate Holding Corporation – Centurion Properties Pte. Ltd.				
(No. of ordinary shares)				
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 2022, Loh Kim Kang David also has a direct interest in the Fixed Rate Notes due 2026 issued by the Company on 28 November 2022 ("Fixed Rate Notes due 2026") for an aggregate principal amount of S$500,000 (as at 1 January 2022: 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, which were entirely disposed in November 2022 pursuant to an exchange offer exercise).

(ii) As at 31 December 2022, Teo Peng Kwang also has a direct interest in the Fixed Rate Notes due 2026 for an aggregate principal amount of S$1,000,000 (as at 1 January 2022: Direct interest in the Fixed Rate Notes due 2024 for an aggregate principal amount of S$3,000,000, S$1,000,000 of which were disposed in November 2022 pursuant to an exchange offer exercise and the remaining S$2,000,000 of which were disposed in December 2022 pursuant to a conditional tender offer exercise).

(iii) As at 31 December 2022, Kong Chee Min also has a direct interest in the Fixed Rate Notes due 2026 for an aggregate principal amount of S$1,500,000 (as at 1 January 2022: Direct interest in the Fixed Rate Notes due 2024 for an aggregate principal amount of S$1,500,000, which were entirely disposed in November 2022 pursuant to an exchange offer exercise).

(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 2023 were the same as those as at 31 December 2022.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Under Section 352 of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) ("SFO")

As at 31 December 2022, 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 HK Listing Rules, are as follows:

Long positions in the Shares and underlying shares of the Company

	Direct Interest			Deemed Interest			Total Interest	
	Capacity/ Nature of interest	No. of Shares	%[2]	Capacity/ Nature of interest	No. of Shares	%[2]	No. of Shares	%[2]
Loh Kim Kang David	Beneficial owner	44,380,350[(L)(4)]	5.28	Interest of controlled corporation	425,756,126[(L)(3)]	50.64	470,336,476[(L)(10)]	55.94
				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 2022.

(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 44,380,350 Shares held by Mr Loh, 19,681,650 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, 2,549,800 Shares are registered in the name of UOB Kay Hian (Hong Kong) Limited 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 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, 41,135,350 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, 16,000,000 Shares are registered in the name of DB Nominees (Singapore) Pte Ltd and 96,250 Shares are registered in his own name.

(13) The 10,000,000 Shares held by Wong Kok Hoe are registered in his own name.

Interest in debentures of the Company

S$53,000,000 aggregate principal amount of the Fixed Rate Notes due 2026

	Nature of interest	Principal amount of the Fixed Rate Notes due 2026 held	Approximate percentage of the interest in the Fixed Rate Notes due 2026
Loh Kim Kang David	Beneficial owner	S$500,000	0.94%
Teo Peng Kwang	Beneficial owner	S$1,000,000	1.89%
Kong Chee Min	Beneficial owner	S$1,500,000	2.83%

Note:
(1) The percentage of the interest in the Fixed Rate Notes due 2026 is calculated based on the aggregate principal amount of S$53,000,000.

Save as disclosed above, as at 31 December 2022, 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.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 2022, 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 2022.

(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 2022, 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' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Other than those disclosed above and under "Interested Person Transactions" on pages 95 to 96 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 95 to 96 under "Interested Person Transactions" in the section entitled "Corporate Governance" in this annual report. During the year ended 31 December 2022, 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.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 2022 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 203 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.

RELATED PARTY TRANSACTIONS

Our Group entered into certain related party transactions with its related parties during the financial year ended 31 December 2022.

Details of the related party transactions are set out in Note 37 to the consolidated financial statements. Except as disclosed above, 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 2022, 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 2022 Interim Report are set out below:

(a) Mr Chandra Mohan s/o Rethnam has been appointed as a Member of the Board of Visiting Justices (BOVJ) & Board of Inspection (BOI) for the term from 1 March 2023 to 26 February 2026.

(b) Ms Tan Poh Hong has been appointed as a Director of Vanguard Healthcare Pte Ltd since 1 November 2022.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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 were independent non-executive directors.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967, the Listing Manual of the SGX-ST 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 2022 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	Loh Kim Kang David Director

17 March 2023

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 2022 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 2022 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 2022;
- 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 2022;
- 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 2022. 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
Valuation of investment properties As at 31 December 2022, the carrying value of the Group's investment properties of S$1,314,097,000 accounted for 85% of the Group's total assets (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 investments in associated companies and joint venture (Note 19 and Note 20). 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 and cost to complete, and are dependent on the nature of each investment property and the prevailing market conditions. The key inputs are disclosed in Note 3 and Note 22 to the accompanying financial statements.	Our procedures included the following: • 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 and cost to complete by benchmarking these against prior year inputs and those of comparable properties based on information available as at 31 December 2022. 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. We have also assessed the adequacy of the disclosures relating to the key inputs 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTURION CORPORATION LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.

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 Yeow Chee Keong.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 17 March 2023

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	2022 S$'000	2021 S$'000
Revenue	4	**180,450**	143,017
Cost of sales	5	**(56,895)**	(48,701)
Gross profit		**123,555**	94,316
Other income	6	**2,652**	4,715
Other (losses)/gains – net			
– Loss on derecognition of financial assets	7	**(89)**	(666)
– Write back of impairment of trade and other receivables	7	**316**	112
– Others	7	**(1,244)**	1,937
Net fair value gain/(loss) on investment properties	22	**18,982**	(3,076)
Expenses			
– Distribution expenses	5	**(1,594)**	(1,158)
– Administrative expenses	5	**(27,891)**	(20,629)
– Finance expenses	8	**(28,341)**	(22,734)
Share of profit of associated companies and joint venture	19,20	**8,919**	15,077
Profit before income tax		**95,265**	67,894
Income tax expense	10(a)	**(18,985)**	(12,097)
Total profit		**76,280**	55,797
Profit attributable to:			
Equity holders of the Company		**71,425**	52,679
Non-controlling interests		**4,855**	3,118
		76,280	55,797
Earnings per share for profit attributable to equity holders of the Company			
Basic earnings per share (cents)	11(a)	**8.50**	6.27
Diluted earnings per share (cents)	11(b)	**8.50**	6.27

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	2022 S$'000	2021 S$'000
Total profit		**76,280**	55,797
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
Financial assets, at FVOCI – debt instruments			
– Fair value (losses)/gains	32(b)(i)	**(487)**	618
– Reclassification	32(b)(i)	**6**	2
Cash flow hedges			
– Fair value gains	32(b)(ii)	**5,433**	2,311
– Reclassification	32(b)(ii)	**165**	2,109
Share of other comprehensive (losses)/gains of associated companies and joint venture	19, 20	**(721)**	140
Currency translation losses arising from consolidation	32(b)(iii)	**(40,105)**	(3,672)
Other comprehensive (loss)/income, net of tax		**(35,709)**	1,508
Total comprehensive income		**40,571**	57,305
Total comprehensive income attributable to:			
Equity holders of the Company		**35,638**	54,118
Non-controlling interests		**4,933**	3,187
		40,571	57,305

The accompanying notes form an integral part of these financial statements.

BALANCE SHEETS

AS AT 31 DECEMBER 2022

	Note	Group 2022 S$'000	Group 2021 S$'000	Company 2022 S$'000	Company 2021 S$'000
ASSETS					
Current assets					
Cash and bank balances	12	**68,274**	67,493	**19,913**	20,310
Trade and other receivables	13	**12,886**	17,996	**19,708**	17,726
Inventories	14	**334**	164	**–**	–
Other assets	15	**3,797**	4,524	**241**	338
Financial assets, at fair value through other comprehensive income	16	**6,466**	6,453	**6,466**	6,453
		91,757	96,630	**46,328**	44,827
Non-current assets					
Trade and other receivables	13	**–**	–	**391,198**	375,141
Other assets	15	**4,243**	896	**137**	–
Financial assets, at fair value through profit or loss	17	**51**	57	**–**	–
Derivative financial instruments	18	**3,811**	–	**–**	–
Investments in associated companies	19	**120,280**	117,071	**1,298**	1,298
Investment in a joint venture	20	**6,040**	4,732	**–**	–
Investments in subsidiaries	21	**–**	–	**16,846**	16,897
Investment properties	22	**1,314,097**	1,354,593	**–**	–
Property, plant and equipment	23	**7,476**	8,735	**1,660**	560
		1,455,998	1,486,084	**411,139**	393,896
Total assets		**1,547,755**	1,582,714	**457,467**	438,723
LIABILITIES					
Current liabilities					
Trade and other payables	26	**55,105**	46,182	**21,153**	11,789
Other liabilities	27	**430**	–	**–**	–
Current income tax liabilities	10	**12,309**	9,336	**1,372**	2,019
Derivative financial instruments	18	**–**	122	**–**	122
Borrowings	28	**80,016**	63,258	**2,137**	12,404
Lease liabilities	29	**17,739**	17,946	**493**	426
		165,599	136,844	**25,155**	26,760
Non-current liabilities					
Other liabilities	27	**684**	1,489	**–**	–
Deferred income tax liabilities	30	**20,684**	13,295	**35**	40
Derivative financial instruments	18	**–**	2,113	**–**	–
Borrowings	28	**583,087**	664,432	**131,989**	111,662
Lease liabilities	29	**69,213**	87,222	**965**	–
		673,668	768,551	**132,989**	111,702
Total liabilities		**839,267**	905,395	**158,144**	138,462
NET ASSETS		**708,488**	677,319	**299,323**	300,261
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	31	**142,242**	142,242	**253,553**	253,553
Other reserves	32	**(60,836)**	(25,049)	**(534)**	(176)
Retained profits	33	**605,524**	542,521	**46,304**	46,884
		686,930	659,714	**299,323**	300,261
Non-controlling interests		**21,558**	17,605	**–**	–
Total equity		**708,488**	677,319	**299,323**	300,261

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Share capital S$'000	Other reserves S$'000	Retained profits S$'000	Total S$'000	Non-controlling interests S$'000	Total equity S$'000
		← Attributable to equity holders of the Company →					
2022							
Beginning of financial year		142,242	(25,049)	542,521	659,714	17,605	677,319
Profit for the year		–	–	71,425	71,425	4,855	76,280
Other comprehensive (loss)/income for the year		–	(35,787)	–	(35,787)	78	(35,709)
Total comprehensive (loss)/income for the year		–	(35,787)	71,425	35,638	4,933	40,571
Dividends paid	34	–	–	(8,422)	(8,422)	(980)	(9,402)
Total transactions with owners, recognised directly in equity		–	–	(8,422)	(8,422)	(980)	(9,402)
End of financial year		**142,242**	**(60,836)**	**605,524**	**686,930**	**21,558**	**708,488**
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**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	2022 S$'000	2021 S$'000
Cash flows from operating activities			
Total profit		**76,280**	55,797
Adjustments for:			
– Income tax expense	10(a)	**18,985**	12,097
– Depreciation	5	**3,663**	3,581
– Write back of impairment of trade and other receivables	7	**(316)**	(112)
– Net (gain)/loss on disposal of plant and equipment	7	**(10)**	13
– Gain on disposal of asset held for sale	7	**–**	(2,019)
– Net fair value (gain)/loss on investment properties	22	**(18,982)**	3,076
– Interest income	6	**(808)**	(520)
– Finance expenses	8	**28,341**	22,734
– Share of profit of associated companies and joint venture	19,20	**(8,919)**	(15,077)
– Loss on disposal of financial assets, at FVOCI	7	**6**	2
– Fair value loss/(gain) on financial assets at fair value through profit or loss	7	**6**	(33)
– Unrealised currency translation differences		**(51)**	(30)
Operating cash flow before working capital changes		**98,195**	79,509
Change in working capital:			
– Inventories		**(170)**	(99)
– Trade and other receivables		**4,854**	(7,058)
– Other assets		**(2,694)**	653
– Trade and other payables		**11,183**	9,177
Cash generated from operations		**111,368**	82,182
Income tax paid	10(b)	**(7,186)**	(7,833)
Net cash provided by operating activities		**104,182**	74,349
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		**72**	71
Additions to investment properties		**(4,548)**	(31,006)
Purchases of property, plant and equipment		**(1,319)**	(4,093)
Interest received		**779**	475
Dividends received from associated companies	19	**3,803**	9,675
Purchase of financial assets, at FVOCI	16	**(1,000)**	(2,750)
Proceeds from disposal of financial assets, at FVOCI	16	**500**	3,730
Proceeds from disposal of asset held for sale		**–**	3,905
Net cash used in investing activities		**(1,713)**	(19,993)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	2022 S$'000	2021 S$'000
Cash flows from financing activities			
Proceeds from borrowings		**63,698**	48,327
Loan from non-controlling interests		**92**	115
Repayment of loan from associated company		**(3,600)**	(2,160)
Repayment of borrowings		**(103,953)**	(71,269)
Interest paid on borrowings		**(24,796)**	(19,410)
Interest paid on lease liabilities		**(3,228)**	(3,538)
Repayment of principal portion of lease liabilities		**(17,950)**	(13,948)
Restricted cash charged as security to bank		**(534)**	(1,184)
Dividends paid to equity holders of the company		**(8,422)**	–
Dividends paid to non-controlling interests		**(980)**	(8,771)
Premium paid for purchase of interest rate cap		**(523)**	–
Net cash used in financing activities		**(100,196)**	(71,838)
Net increase/(decrease) in cash and cash equivalents held		**2,273**	(17,482)
Cash and cash equivalents			
Beginning of financial year		**66,309**	83,868
Effects of currency translation on cash and cash equivalents		**(2,026)**	(77)
End of financial year	12	**66,556**	66,309

Please refer to reconciliation of liabilities arising from financing activities in Note 12.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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. 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 (S$'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 2022, the Group is in a net current liability position of S$73,842,000. 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 S$129,185,000 (of which S$121,660,000 relates to unutilised committed credit facilities expiring more than 12 months after balance sheet date) as at 31 December 2022, which enables the Group to pay its debts as and when they fall due within the next twelve months from the balance sheet date.

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.

Interpretations and amendments to published standards effective in 2022

On 1 January 2022, 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.

Interest Rate Benchmark Reform – Phase 2

In the previous year, 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

***Interest Rate Benchmark Reform – Phase 2** (continued)*

Hedge relationships

The Phase 2 amendments address issues arising during interest rate benchmark reform ("IBOR reform"), including specifying when hedge designations and documentation should be updated, and when amounts accumulated in cash flow hedge reserve should be recognised in profit or loss.

Note 18 provides further information about the reliefs applied by the Group and the hedging relationships for which the Group has applied the reliefs. No changes were required to any of the amounts recognised in the current or prior period as a result of these amendments.

The Group has applied the following hedge accounting reliefs provided by the 'Phase 2' amendments to existing cash flow hedges (notional amount of S$71,483,000) that have transited to alternative benchmark rates required by IBOR reform during the current financial year:

- Hedge designation: When the 'Phase 1' amendments cease to apply, the Group will amend its hedge designation to reflect changes which are required by IBOR reform. These amendments to the hedge documentation do not require the Group to discontinue its hedge relationships.
- Amounts accumulated in the cash flow hedge reserve: When the interest rate benchmark on which the hedged future cash flows were based is changed as required by IBOR reform, the accumulated amount outstanding in the cash flow hedge reserve is deemed to be based on the alternative benchmark rate.

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.

The Group has applied the practical expedients provided under Phase 2 of the amendments to S$110,161,000 of its bank borrowings which has transited to alternative benchmark rates required by IBOR reform during the current financial year.

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") and Singapore Swap Offer Rate ("SOR"). 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 36(a)(iii). The expected transition from SOR to SORA had no effect on the amounts reported for the current and prior financial years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

Interest rate benchmark reform – Phase 2 *(continued)*

Effect of IBOR reform (continued)

The Group has completed the transition for some of its affected SOR-linked borrowings and SOR-linked interest rate swaps to SORA, and the Group has applied the Phase 2 amendments for amortised cost measurement and hedge accounting. The transition from SOR to SORA had no material effect on the amounts reported for the current and prior financial year.

The following table contains details of all the financial instruments that the Group and Company holds as at 31 December 2022 which are referenced to SIBOR and SOR and have not yet transited to the new SORA:

	SIBOR		SOR	
	Carrying amount S$'000	Of which: Not yet transited to an alternative benchmark rate S$'000	Carrying amount S$'000	Of which: Not yet transited to an alternative benchmark rate S$'000
Group:				
31 December 2022				
Asset				
– Derivative financial instruments	**–**	**–**	**3,231**	**1,297**
Liabilities				
– Borrowings	**57,895**	**48,895**	**277,800**	**167,639**

Included in the Group's variable rate borrowings are floating-rate debt of S$40,323,000 (2021: S$126,976,000) 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

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(a) *Subsidiaries (continued)*

(iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Group accounting (continued)

(c) Associated companies and joint ventures (continued)

(ii) Equity method of accounting (continued)

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.

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

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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:

	Useful lives
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	1 – 10 years
Motor vehicles	4 – 5 years
Office equipment and computers	3 – 10 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other (losses)/gains – net".

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Impairment of non-financial assets (continued)

Property, plant and equipment
Right-of-use assets
Investments in subsidiaries, associated companies and joint ventures (continued)

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.11 Financial assets

(a) Classification 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Financial assets (continued)

(a) Classification and measurement (continued)

At subsequent measurement (continued)

(i) Debt instruments (continued)

- 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 (losses)/ gains – 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 (losses)/gain – 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".

(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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 18. 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.

Interest rate swaps and interest rate caps

The Group has entered into interest rate swaps and interest rate caps that are designated as cash flow hedges for the Group's exposure to interest rate risk on its borrowings. The interest rate swap 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 interest rate cap contracts allow the Group to raise borrowings at floating rates and limit the interest exposure up to the strike rate.

The fair value changes on the effective portion of interest rate swaps and interest rate caps 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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Leases (continued)

(i) When the Group is the lessee: (continued)

- *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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Leases (continued)

(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.

- *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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provide a better prediction of the resolution of the uncertainty.

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

(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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

All foreign exchange gains and losses impacting profit or loss are presented in the income statement within "Other (losses)/gains – 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Currency translation (continued)

(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.

2.27 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 2022, the carrying value of the Group's investment properties of S$1,314,097,000 (2021: S$1,354,593,000) accounted for 85% (2021: 86%) 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 and cost to complete, 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 2022, the carrying value of the Group's investment in associated companies and joint venture accounted for using the equity method of accounting amounted to S$120,280,000 (2021: S$117,071,000) (Note 19) and S$6,040,000 (2021: S$4,732,000) (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.

4. REVENUE

	Group	
	2022 S$'000	2021 S$'000
Rental income from investment properties (Note 22)	**159,173**	124,559
Revenue from contracts with customers (IFRS 15)		
Other revenue from accommodation business	**12,817**	10,569
Sale of optical storage media and other trading goods	**1,544**	1,525
Management services	**6,916**	6,364
	21,277	18,458
	180,450	143,017

As permitted under SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods one year or less is not disclosed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

5. COST OF SALES AND EXPENSES

	Group	
	2022 S$'000	2021 S$'000
Purchase of raw materials and consumables	**693**	799
Changes in inventories	**(170)**	(99)
Depreciation of property, plant and equipment (Note 23)	**3,663**	3,581
Property tax	**4,803**	4,946
Employee compensation (Note 9)	**32,332**	25,540
Rental expense (Note 24 (d))	**1,315**	748
Utilities	**13,006**	9,253
Repairs and maintenance	**3,743**	3,124
Cleaning expenses	**2,154**	2,439
Insurance	**1,208**	1,096
Security and card system expenses	**4,520**	4,299
Legal and professional fees	**4,431**	3,147
Transportation expenses	**655**	360
Advertising and promotion expenses	**1,060**	750
Fees on audit services paid/payable to:		
– auditor of the Company	**382**	361
– other member firms of PricewaterhouseCoopers International Limited	**202**	214
– other auditors	**64**	52
Fees on non-audit services paid/payable to:		
– auditor of the Company	**72**	18
– other member firms of PricewaterhouseCoopers International Limited	**37**	33
Others	**12,210**	9,827
Total cost of sales, distribution and administrative expenses	**86,380**	70,488

6. OTHER INCOME

	Group	
	2022 S$'000	2021 S$'000
Interest income		
– Financial assets measured at amortised cost	**378**	164
– Debt investments measured at FVOCI	**430**	356
	808	520
Government grant income[(a)]	**1,001**	4,001
Less: Government grant expense – rent concessions	**–**	(46)
	1,001	3,955
Others	**843**	240
	2,652	4,715

(a) Included in government grant income are grants which the Group has received amounting to S$883,000 (2021: S$3,772,000) 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 S$nil (2021: S$2,235,000) to help businesses deal with the impact from COVID-19.

(ii) Grant income of S$498,000 (2021: S$578,000) 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.

(iii) Grant income amounting to S$364,000 (2021: S$711,000) to support dormitory operators with higher cost of operation due to COVID-19.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

7. OTHER (LOSSES)/GAINS – NET

	Group	
	2022 S$'000	**2021 S$'000**
Loss on derecognition of financial assets	**(89)**	(666)
Write back of impairment of trade and other receivables	**316**	112
Currency exchange loss – net	**(1,533)**	(106)
Net gain/(loss) on disposal of plant and equipment	**10**	(13)
Net gain on disposal of asset held for sale	**–**	2,019
Financial assets at FVOCI		
– reclassification from other comprehensive income on disposal (Note 32(b)(i))	**(6)**	(2)
Fair value (loss)/gain on financial assets at fair value through profit or loss (Note 17)	**(6)**	33
Others	**291**	6
	(1,244)	1,937
	(1,017)	1,383

8. FINANCE EXPENSES

	Group	
	2022 S$'000	**2021 S$'000**
Interest expense:		
– bank borrowings and notes payables	**23,654**	16,561
– lease liabilities	**3,228**	3,538
– associated company	**1,107**	631
– non-controlling interest	**187**	97
Cash flow hedges, reclassified from hedging reserve (Note 32(b)(ii))	**165**	2,109
Less: Borrowing costs capitalised in investment properties	**–**	(202)
Finance expenses recognised in profit or loss	**28,341**	22,734

9. EMPLOYEE COMPENSATION – INCLUDING DIRECTORS' REMUNERATIONS

(a) Employee benefit expenses during the years are as follows:

	Group	
	2022 S$'000	**2021 S$'000**
Wages, salaries and other benefits	**28,879**	23,099
Employer's contribution to defined contribution plans, including Central Provident Fund	**3,453**	2,441
Total employee compensation (Note 5)	**32,332**	25,540

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9. EMPLOYEE COMPENSATION – INCLUDING DIRECTORS' REMUNERATIONS (CONTINUED)

(a) Employee benefit expenses during the years are as follows: (continued)

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 2022 is set out below:

Name of director	Fees S$'000	Salaries, allowances and benefits in kind S$'000	Discretionary bonuses S$'000	Employer's contribution to defined contribution plan S$'000	Other benefits S$'000	Total S$'000
Executive directors						
Loh Kim Kang David	31	–	300	14	–	**345**
Wong Kok Hoe	10	511	582	14	19	**1,136**
Teo Peng Kwang	10	431	582	10	16	**1,049**
	51	942	1,464	38	35	**2,530**
Non-executive director						
Han Seng Juan	65	–	–	–	–	**65**
	65	–	–	–	–	**65**
Independent non-executive directors						
Chandra Mohan s/o Rethnam	81	–	–	–	–	**81**
Gn Hiang Meng	102	–	–	–	–	**102**
Owi Kek Hean	78	–	–	–	–	**78**
Tan Poh Hong	62	–	–	–	–	**62**
Lee Wei Loon	53	–	–	–	–	**53**
	376	–	–	–	–	**376**
Chief executive officer						
Kong Chee Min	–	475	582	14	16	**1,087**
	–	475	582	14	16	**1,087**
	492	1,417	2,046	52	51	**4,058**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 2021 is set out below:

Name of director	Fees S$'000	Salaries, allowances and benefits in kind S$'000	Discretionary bonuses S$'000	Employer's contribution to defined contribution plan S$'000	Other benefits S$'000	Total S$'000
Executive directors						
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
Non-executive director						
Han Seng Juan	55	–	–	–	–	55
	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
	319	–	–	–	–	319
Chief executive officer						
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.

(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

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 (2021: two)) whose remunerations were the highest in the Company are reflected in the analysis presented below.

	Group	
	2022	**2021**
	S$'000	**S$'000**
Wages, salaries and allowances	**4,280**	3,480
Employer's contribution		
– defined contribution plan	**70**	68
	4,350	3,548

The remunerations of above individuals are within the following bands:

	Number of individuals	
	2022	**2021**
Remunerations band		
HK$2,000,001 – HK$2,500,000	**1**	–
HK$2,500,001 – HK$3,000,000	**–**	2
HK$3,000,001 – HK$3,500,000	**1**	–
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	**1**	–
HK$6,000,001 – HK$6,500,000	**2**	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

10. INCOME TAXES

(a) Income tax expense

	Group 2022 S$'000	Group 2021 S$'000
Tax expense attributable to the profit is made up of:		
– Profit for the financial year		
Current income tax		
– Singapore	**7,144**	6,124
– Foreign	**2,711**	1,606
	9,855	7,730
Deferred income tax (Note 30)	**8,619**	4,344
	18,474	12,074
– Under provision in prior financial years		
Current income tax	**230**	23
Deferred income tax (Note 30)	**281**	–
	18,985	12,097

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group 2022 S$'000	Group 2021 S$'000
Profit before tax	**95,265**	67,894
Share of profit of associated companies and joint venture, net of tax	**(8,919)**	(15,077)
Profit before tax and share of profit of associated companies and joint venture	**86,346**	52,817
Tax calculated at a tax rate of 17% (2021: 17%)	**14,679**	8,979
Effects of:		
– different tax rates in other countries	**2,839**	1,303
– different tax rates arising on capital gains from investment properties	**(588)**	(529)
– change in capital gains tax rate	**–**	863
– statutory stepped income exemption	**(176)**	(176)
– expenses not deductible for tax purposes	**5,008**	5,858
– income not subject to tax	**(3,482)**	(4,302)
– utilisation of previously unrecognised tax losses	**(71)**	(44)
– utilisation of previously unrecognised capital allowances	**(160)**	(205)
– unrecognised deferred tax assets	**216**	199
– Under provision of tax in prior years	**511**	23
– others	**209**	128
Tax charge	**18,985**	12,097

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

10. INCOME TAXES (CONTINUED)

(b) Movements in current income tax liabilities

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Beginning of financial year	**8,737**	8,841	**2,019**	753
Currency translation differences	**(95)**	(24)	**–**	–
Income tax paid – net	**(7,186)**	(7,833)	**(254)**	–
Tax expense	**9,855**	7,730	**–**	648
Under/(over) provision in prior financial years	**230**	23	**(393)**	618
End of financial year	**11,541**	8,737	**1,372**	2,019

The current income tax account comprises the following:

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Current income tax recoverable (Included in Other assets – Note 15)	**(768)**	(599)	**–**	–
Current income tax liabilities	**12,309**	9,336	**1,372**	2,019
	11,541	8,737	**1,372**	2,019

(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.

	2022	2021
Net profit attributable to equity holders of the Company (S$'000)	**71,425**	52,679
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**840,779**	840,779
Basic earnings per share (cents)	**8.50**	6.27

(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 2022 and 2021, 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 2022

12. CASH AND BANK BALANCES

	Group 2022 S$'000	Group 2021 S$'000	Company 2022 S$'000	Company 2021 S$'000
Cash at bank and on hand	**31,794**	27,333	**1,482**	1,195
Short-term bank deposits	**36,480**	40,160	**18,431**	19,115
	68,274	67,493	**19,913**	20,310

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group 2022 S$'000	Group 2021 S$'000
Cash and bank balances (as above)	**68,274**	67,493
Less: Restricted cash charged as security to bank	**(1,718)**	(1,184)
Cash and cash equivalents per consolidated statement of cash flows	**66,556**	66,309

As at 31 December 2022, restricted cash of the Group amounting to S$1,718,000 was charged as security to the banks as a guarantee for security deposit of bank facilities.

As at 31 December 2021, restricted cash of the Group amounting to S$1,184,000 were charged as security to the banks as a guarantee for security deposit of a management service contract.

The reconciliation of liabilities arising from financing activities as at 31 December 2022 and 2021 are as follows:

	1 January S$'000	Cash flows S$'000	Non-cash items S$'000	Interest expense S$'000	Currency translation differences S$'000	31 December S$'000
2022						
Bank borrowings (Note 28)	624,838	(43,932)	–	16	(20,932)	**559,990**
Notes payables (Note 28)	54,624	3,677	–	388	–	**58,689**
Lease liabilities (Note 29)	105,168	(21,178)	1,594	3,228	(1,860)	**86,952**
Loan from non-controlling interests (Note 28)	7,368	92	–	–	(4)	**7,456**
Loan from associated company (Note 28)	40,168	(3,600)	–	–	–	**36,568**
Interest payable (Note 28)	692	(3,916)	–	3,624	–	**400**
Derivative financial instruments (net) – liabilities/(assets) (Note 18)	2,235	(688)	(5,558)	165	35	**(3,811)**
Accrued interest expense within accruals for operating expenses (Note 26)	305	(20,715)	–	20,920	–	**510**
	835,398	(90,260)	(3,964)	28,341	(22,761)	**746,754**
2021						
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 18)	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

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

13. TRADE AND OTHER RECEIVABLES

(a) Current

	Group 2022 S$'000	Group 2021 S$'000	Company 2022 S$'000	Company 2021 S$'000
Trade receivables				
– non-related parties	**6,911**	12,130	–	23
Less: Allowance for impairment	**(796)**	(1,338)	**–**	–
	6,115	10,792	**–**	23
Receivables from subsidiaries				
– trade	**–**	–	**4,910**	4,546
– non-trade	**–**	–	**14,187**	12,815
Receivables from associated companies				
– trade	**1,697**	824	**–**	–
– non-trade	**2,196**	1,987	**5**	28
	3,893	2,811	**19,102**	17,389
Other receivables	**2,680**	4,169	**606**	168
Government grant receivable	**198**	224	**–**	38
Finance lease receivables	**–**	–	**–**	108
	12,886	17,996	**19,708**	17,726

The non-trade receivables from subsidiaries and associated companies are unsecured, interest-free and repayable on demand.

The majority of the Group's sales are on cash terms. The remaining amounts are with credit terms of 30 to 60 days. At 31 December 2022 and 2021, the ageing analysis of the trade receivables based on invoice date is as follows:

	Group 2022 S$'000	Group 2021 S$'000
Up to 3 months	**5,387**	9,469
3 to 6 months	**1,088**	2,124
Over 6 months	**436**	537
	6,911	12,130

(b) Non-current

	Company 2022 S$'000	Company 2021 S$'000
Loans to subsidiaries	**396,432**	380,546
Less: Allowance for impairment	**(5,234)**	(5,405)
	391,198	375,141

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 S$91,805,000 (2021: S$90,573,000) which bears interest at 5.5% (2021: 5.5%) per annum and S$6,630,000 (2021: S$6,630,000) which bears floating interest rates. The remaining loans to subsidiaries are interest free.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

14. INVENTORIES

	Group	
	2022 S$'000	2021 S$'000
Finished goods	**273**	83
Raw materials	**61**	81
	334	164

The cost of inventories recognised as expense and included in "cost of sales" amounted to S$523,000 (2021: S$700,000).

15. OTHER ASSETS

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Current				
Deposits	**1,136**	2,647	**67**	196
Prepayments	**1,222**	1,188	**174**	56
Tax recoverable (Note 10(b))	**768**	599	**–**	–
Others	**671**	90	**–**	86
	3,797	4,524	**241**	338
Non-current				
Deposits	**4,236**	855	**137**	–
Others	**7**	41	**–**	–
	4,243	896	**137**	–

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	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Beginning of financial year	**6,453**	6,779	**6,453**	6,779
Currency translation differences	**–**	36	**–**	36
Addition	**1,000**	2,750	**1,000**	2,750
Disposal	**(500)**	(3,730)	**(500)**	(3,730)
Fair value (losses)/gains recognised in other comprehensive income (Note 32(b)(i))	**(487)**	618	**(487)**	618
End of financial year	**6,466**	6,453	**6,466**	6,453

Financial assets, at fair value through other comprehensive income are analysed as follows:

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Listed debt securities – Singapore	**6,466**	6,453	**6,466**	6,453

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.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

17. FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	2022 S$'000	2021 S$'000
Beginning of financial year	**57**	24
Fair value (loss)/gain recognised in profit or loss (Note 7)	**(6)**	33
End of financial year	**51**	57

Financial assets, at fair value through profit or loss are analysed as follows:

	Group	
	2022 S$'000	2021 S$'000
Designated at fair value on initial recognition		
– Unquoted equity investment – Singapore	**51**	57

As at 31 December 2022 and 2021, 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.

18. DERIVATIVE FINANCIAL INSTRUMENTS

	Group			Company		
	Contractual notional amount	Fair value		Contractual notional amount	Fair value	
		Asset	Liability		Asset	Liability
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
31 December 2022						
Derivatives held for hedging:						
Cash-flow hedges						
– Interest rate swaps	**111,806**	**3,231**	**–**	**–**	**–**	**–**
– Interest rate caps	**9,911**	**580**	**–**	**–**	**–**	**–**
Total	**121,717**	**3,811**	**–**	**–**	**–**	**–**
– Non-current		**3,811**	**–**		**–**	**–**
31 December 2021						
Derivatives held for hedging:						
Cash-flow hedges						
– Interest rate swaps	126,976	–	(2,235)	10,000	–	(122)
– Current		–	(122)		–	(122)
– Non-current		–	(2,113)		–	–
Total		–	(2,235)		–	(122)

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

18. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The contractual notional amount of interest rate swaps held for hedging which is based on SOR and is directly impacted by IBOR reform is S$40,323,000 (2021: S$126,976,000).

Hedging instruments used in Group's hedging strategy in 2022

		Carrying Amount		Changes in fair value used for calculating hedge ineffectiveness				
	Contractual notional amount S$'000	Assets/ (Liabilities) S$'000	Financial statement line item	Hedging instrument S$'000	Hedged item S$'000	Hedge ineffectiveness recognised in P&L* S$'000	Weighted average hedged rate	Maturity date
Group								
Cash flow hedge								
Interest rate risk								
– Interest rate swap to hedge floating rate borrowings	**111,806**	**3,231**	**Derivative financial instrument**	**5,341**	**(5,341)**	**–**	**1.71%**	**February 2024 to March 2025**
– Interest rate cap to hedge floating rate borrowings	**9,911**	**580**	**Derivative financial instrument**	**92**	**(92)**	**–**	**3.00%**	**June 2027**

* All hedge ineffectiveness and costs of hedging are recognised in profit and loss within "Other (losses)/gains – net".

Hedging instruments used in Group's hedging strategy in 2021

		Carrying Amount		Changes in fair value used for calculating hedge ineffectiveness				
	Contractual notional amount S$'000	Assets/ (Liabilities) S$'000	Financial statement line item	Hedging instrument S$'000	Hedged item S$'000	Hedge ineffectiveness recognised in P&L* S$'000	Weighted average hedged rate	Maturity date
Group								
Cash flow hedge								
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								
Cash flow hedge								
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 (losses)/gains – net".

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

19. INVESTMENTS IN ASSOCIATED COMPANIES

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Equity investment, at cost			**1,668**	1,668
Less: Accumulated impairment			**(370)**	(370)
			1,298	1,298
Beginning of financial year	**117,071**	111,462		
Currency translation differences	**(413)**	424		
Share of fair value gains from cash flow hedges (Note 32(b)(ii))	**53**	53		
Share of profit	**7,250**	14,766		
Dividends received	**(3,803)**	(9,675)		
Share of loss in excess of investment in an associated company	**122**	41		
End of financial year	**120,280**	117,071		

(a) As at 31 December 2022, the Group has outstanding capital commitments amounting to S$8,743,000 (2021: S$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	
	2022 S$'000	2021 S$'000
Profit after tax	**13**	122
Other comprehensive (loss)/income	**(221)**	35
Total comprehensive (loss)/income	**(208)**	157

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

19. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

(d) Set out below are the associated companies of the Group as at 31 December 2022, which in the opinion of the directors, are not material to the Group. The associated companies as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group, the country of incorporation is also their principal place of business.

Name of entity	Principal activities	Place of business/country of incorporation	% of effective ownership interest 2022 %	2021 %
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],[h]	Investment holding	Singapore	**14.3**	14.3
Held by Centurion Accommodation (I) Holdings Pte. Ltd.				
Centurion Investments (JS IX) Ltd[d],[g],[h]	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.

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19. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

(e) Set out below are the associated companies of the Group as at 31 December 2022, which in the opinion of the directors, are material to the Group. The associated companies as listed below have share capital consisting solely of ordinary shares which are held directly by the Group. The country of incorporation is also their principal place of business.

Name of entity	Principal activities	Place of business/country of incorporation	% of effective ownership interest 2022 %	2021 %
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 2022

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 As at 31 December		Lian Beng-Centurion (Mandai) Pte. Ltd.[1] As at 31 December		Lian Beng-Centurion (Dormitory) Pte. Ltd.[1] As at 31 December	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
ASSETS						
Current assets	**11,263**	10,637	**8,198**	3,569	**12,490**	8,519
Non-current assets	**123,361**	130,622	**300,966**	303,168	**184**	198
Includes:						
– Investment properties	**–**	–	**268,000**	263,000	**–**	–
– Financial assets, at fair value through profit or loss	**67,005**	73,994	**–**	–	**–**	–
LIABILITIES						
Current liabilities	**(1,970)**	(782)	**(8,694)**	(8,121)	**(7,633)**	(6,700)
Non-current liabilities	**–**	–	**(128,576)**	(136,232)	**(28)**	(20)
NET ASSETS	**132,654**	140,477	**171,894**	162,384	**5,013**	1,997

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, adjusted for elimination of cost of investment in Lian Beng-Centurion (Dormitory) Pte Ltd within Lian Beng-Centurion (Mandai) Pte Ltd's financial information.

If the actual fair values of the investment properties held by the material associates increase/decrease by 3% (2021: 3%), the share of profit and net assets attributable to the Group, taking into account tax impact, will increase/decrease by S$3,618,000 (2021: S$3,551,000).

Summarised statement of comprehensive income

	Centurion US Student Housing Fund Group For the year ended 31 December		Lian Beng-Centurion (Mandai) Pte. Ltd.[1] For the year ended 31 December		Lian Beng-Centurion (Dormitory) Pte. Ltd. For the year ended 31 December	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Revenue	**–**	–	**–**	–	**23,848**	20,303
(Loss)/profit before tax	**(3,206)**	35,414	**15,508**	19,560	**15,209**	11,931
Income tax expense	**–**	–	**(398)**	(217)	**(2,537)**	(1,794)
Other comprehensive (loss)/income	**(481)**	1,539	**–**	–	**–**	–
Total comprehensive (loss)/income	**(3,687)**	36,953	**15,110**	19,343	**12,672**	10,137

1 Lian Beng-Centurion (Mandai) Pte Ltd's total comprehensive income of S$15,110,000 (2021: S$19,343,000) includes dividend income of S$9,656,000 (2021: S$19,556,000) received from its wholly owned subsidiary Lian Beng-Centurion (Dormitory) Pte Ltd during the financial year.

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.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

19. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

Summarised financial information for associated companies (continued)

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 As at 31 December		Lian Beng-Centurion (Mandai) Pte. Ltd. As at 31 December		Lian Beng-Centurion (Dormitory) Pte. Ltd. As at 31 December		Total As at 31 December	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Net assets								
At 1 January	**140,477**	103,524	**162,384**	164,541	**1,997**	11,416		
(Loss)/profit for the year	**(3,206)**	35,414	**15,110**	19,343	**12,672**	10,137		
Other comprehensive (loss)/income	**(481)**	1,539	**–**	–	**–**	–		
Dividends paid	**(4,136)**	–	**(5,600)**	(21,500)	**(9,656)**	(19,556)		
At 31 December	**132,654**	140,477	**171,894**	162,384	**5,013**	1,997		
Interest in the associated companies (28.7%; 45%; 45%)	**38,129**	40,377	**77,352**	73,073	**2,256**	899	**117,737**	114,349
Add:								
Carrying value of individually immaterial associated companies, in aggregate							**2,543**	2,722
Carrying value of Group's interest in associated companies							**120,280**	117,071
Dividends received from associated companies	**1,160**	NA	**2,520**	9,675	**NA**	NA	**3,680**	9,675

20. INVESTMENT IN A JOINT VENTURE

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Equity investment, at cost			**–**	–
Beginning of financial year	**4,732**	4,758		
Currency translation differences	**(361)**	(337)		
Share of profit	**1,669**	311		
End of financial year	**6,040**	4,732		

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20. INVESTMENT IN A JOINT VENTURE (CONTINUED)

Set out below is the joint venture of the Group as at 31 December 2022:

Name of entity	Principal activity	Place of business/country of incorporation	% of effective ownership interest 2022 %	2021 %
Held by subsidiary				
IGIS Centurion No. 238 Professional Investors Private Real Estate Investment, LLC[(a),(b),(c)]	Property investment	South Korea	**55.0**	55.0

(a) Holdings through Centurion Overseas Investments Pte. Ltd.
(b) Audited by Ejung-Gyul Accounting Corporation, Korea.
(c) Not consolidated as the entity is not controlled by the Group and deemed to be a joint venture as the Group shares control of the entity.

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 2022 S$'000	2021 S$'000
ASSETS		
Current assets	**303**	327
Includes:		
– Cash and cash equivalents	**175**	293
Non-current asset	**22,513**	20,942
Includes:		
– Investment property	**22,513**	20,942
LIABILITIES		
Current liabilities	**(193)**	(150)
Non-current liabilities	**(11,642)**	(12,516)
Includes:		
– Borrowings	**(11,642)**	(12,516)
NET ASSETS	**10,981**	8,603

If the actual fair value of the investment property held by the joint venture increase/decrease by 3% (2021: 3%), the share of profit and net assets attributable to the Group, taking into account tax impact, will increase/decrease by S$371,000 (2021: S$346,000).

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20. INVESTMENT IN A JOINT VENTURE (CONTINUED)

Summarised financial information for joint venture (continued)

Summarised statement of comprehensive income

	IGIS Centurion No. 238 Professional Investors Private Real Estate Investment, LLC For the year ended 31 December	
	2022 S$'000	2021 S$'000
Revenue	**658**	721
Expenses		
Includes:		
– Interest expense	**(498)**	(344)
Profit after tax	**3,035**	565
Other comprehensive loss	**(657)**	(613)
Total comprehensive income/(loss)	**2,378**	(48)

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	
	2022 S$'000	2021 S$'000
Net assets		
At 1 January	**8,603**	8,651
Profit for the year	**3,035**	565
Other comprehensive loss	**(657)**	(613)
At 31 December	**10,981**	8,603
Interest in the joint venture (55%)	**6,040**	4,732

21. INVESTMENTS IN SUBSIDIARIES

	Company	
	2022 S$'000	2021 S$'000
Equity investment, at cost	**22,394**	22,394
Less: Accumulated impairment	**(5,548)**	(5,497)
	16,846	16,897

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21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(a) The carrying amount of investments in subsidiaries and the movement in the related allowance for impairment are as follows:

	Company 2022 S$'000	Company 2021 S$'000
Beginning of financial year	**16,897**	16,697
Addition	**–**	200
Impairment of a subsidiary	**(51)**	–
End of financial year	**16,846**	16,897

(b) The Group has the following subsidiaries as at 31 December 2022 and 2021:

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	Proportion of ordinary shares directly held by the Company 2022 %	2021 %	Proportion of ordinary shares held by the Group 2022 %	2021 %	Proportion of ordinary shares held by non-controlling interests 2022 %	2021 %
Advance Technology Investment Ltd[(b),(f)]	Deregistered	Hong Kong	–	**–**	–	**–**	100	**–**	–
Summit CD Manufacture (HK) Ltd[(b)]	Dormant	Hong Kong	HKD3,000,000	**100**	100	**100**	100	**–**	–
PT Westlite Accommodation Cibitung[(b),(l)]	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.[(a)]	Manufacture and sale of optical storage media and other trading goods	Singapore	SGD2,000,000	**100**	100	**100**	100	**–**	–
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	SGD2,000,000	**–**	–	**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

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21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group has the following subsidiaries as at 31 December 2022 and 2021: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	Proportion of ordinary shares directly held by the Company 2022 %	2021 %	Proportion of ordinary shares held by the Group 2022 %	2021 %	Proportion of ordinary shares held by non-controlling interests 2022 %	2021 %
Westlite Juniper (Mandai) Pte. Ltd.[(a),(k)]	Provision of dormitory accommodation services	Singapore	SGD800,000	**–**	–	**100**	100	**–**	–
Centurion – Lian Beng (Ubi) Pte. Ltd.[(b),(m)]	Property investments and provision of dormitory accommodation services	Singapore	SGD100	**–**	–	**51**	–	**49**	–
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	**–**	–
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	**–**	–

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group has the following subsidiaries as at 31 December 2022 and 2021: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	Proportion of ordinary shares directly held by the Company 2022 %	Proportion of ordinary shares directly held by the Company 2021 %	Proportion of ordinary shares held by the Group 2022 %	Proportion of ordinary shares held by the Group 2021 %	Proportion of ordinary shares held by non-controlling interests 2022 %	Proportion of ordinary shares held by non-controlling interests 2021 %
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)]	Dormant	Singapore	SGD4,500,000	**–**	–	**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	**–**	–
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	**–**	–

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group has the following subsidiaries as at 31 December 2022 and 2021: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	Proportion of ordinary shares directly held by the Company 2022 %	2021 %	Proportion of ordinary shares held by the Group 2022 %	2021 %	Proportion of ordinary shares held by non-controlling interests 2022 %	2021 %
Westlite Dormitory (SN II) Sdn. Bhd.[(d),(n)]	Property investments and provision of dormitory accommodation services	Malaysia	MYR100,000	**–**	–	**100**	100	**–**	–
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	**–**	–
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	**–**	–
Westlite Services Sdn. Bhd.(formerly known as First Megalink Sdn. Bhd.)[(d),(n)]	Dormant	Malaysia	MYR2	**–**	–	**100**	100	**–**	–
Centurion Overseas Ventures Ltd[(b),(o)]	Investment holding	Malaysia	AUD33,600,000	**–**	–	**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	**–**	–
Centurion Melbourne Apartment Trust[(c),(p)]	Trust	Australia	AUD7,700,000	**–**	–	**100**	100	**–**	–

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group has the following subsidiaries as at 31 December 2022 and 2021: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	Proportion of ordinary shares directly held by the Company 2022 %	2021 %	Proportion of ordinary shares held by the Group 2022 %	2021 %	Proportion of ordinary shares held by non-controlling interests 2022 %	2021 %
Centurion Australia Investments Pty Ltd[(b),(o)]	Trustees for 2 trusts in Australia	Australia	AUD10,000	–	–	**100**	100	–	–
Centurion SA Investments Pty Ltd[(b),(q)]	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),(q)]	Investment holding	Jersey	AUD19,500,000	–	–	**100**	100	–	–
Centurion Investments (JS) Ltd[(b),(o)]	Property investments and provision of student accommodation	Jersey	GBP700,000	–	–	**100**	100	–	–
Centurion Investments (JS I) Ltd[(b),(o)]	Property investments and provision of student accommodation	Jersey	GBP100,000	–	–	**100**	100	–	–
Centurion Investments (JS II) Ltd[(b),(o)]	Property investments and provision of student accommodation	Jersey	GBP200,000	–	–	**100**	100	–	–
Centurion Investments (JS III) Ltd[(b),(o)]	Property investments and provision of student accommodation	Jersey	GBP100,000	–	–	**100**	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	–	–

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group has the following subsidiaries as at 31 December 2022 and 2021: (continued)

Name	Principal activities	Country of business/ incorporation	Issued and fully paid up capital	Proportion of ordinary shares directly held by the Company 2022 %	2021 %	Proportion of ordinary shares held by the Group 2022 %	2021 %	Proportion of ordinary shares held by non-controlling interests 2022 %	2021 %
Centurion Investments JS VII (UK) Ltd[u]	Property investment	United Kingdom	GBP10,000	**–**	–	**100**	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	**–**	–
Centurion Investments (BV) Ltd[b),(o]	Property investment and provision of student accommodations	British Virgin Islands	GBP10,000	**–**	–	**100**	100	**–**	–
Centurion Investments (BV I) Ltd[o]	Property investment and provision of student accommodations	British Virgin Islands	GBP10,000	**–**	–	**100**	–	**–**	–
Centurion Investments (BV II) Ltd[o]	Property investment and provision of student accommodations	British Virgin Islands	GBP10,000	**–**	–	**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

21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) The Group has the following subsidiaries as at 31 December 2022 and 2021: (continued)

(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.

(c) Changes in the Group's ownership interest in subsidiaries

During the current financial year, the Group has subscribed for an additional 1,000,000 and 3,500,000 shares of its wholly owned subsidiary, Westlite Dormitory (Woodlands) Pte. Ltd. and Westlite Dormitory (Tuas) Pte. Ltd., for a cash consideration of S$1,000,000 and S$3,500,000 respectively. After the subscription, the issued and paid-up share capital of Westlite Dormitory (Woodlands) Pte. Ltd. and Westlite Dormitory (Tuas) Pte. Ltd. have increased to S$2,000,000 and S$4,500,000 respectively.

(d) Incorporation of a subsidiary

During the current financial year, the Group established two wholly owned subsidiaries known as Centurion Investments (BV I) Ltd and Centurion Investments (BV II) Ltd in British Virgin Islands through its wholly owned subsidiary, Centurion Overseas Investments Pte. Ltd., with an issued share capital of GBP10,000 each.

During the current financial year, the Group established one partially owned subsidiary known as Centurion-Lian Beng (Ubi) Pte. Ltd. through its wholly owned subsidiary, Centurion Dormitory Venture Pte. Ltd., with an issued share capital of SGD100.

(e) Striking-off/dissolution of subsidiaries

An indirectly wholly owned subsidiary, Advance Technology Investment Ltd was dissolved upon deregistration 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 was struck off in January 2023.

(f) Carrying value of non-controlling interests

	Group	
	2022 S$'000	2021 S$'000
Centurion-Lian Beng (Papan) Pte. Ltd.	**22,739**	18,672
CSL Student Living Benikea KP Ltd	**(1,178)**	(1,067)
Centurion-Lian Beng (Ubi) Pte. Ltd.	**(3)**	–
	21,558	17,605

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

21. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(f) Carrying value of non-controlling interests (continued)

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.	
	2022 S$'000	2021 S$'000
Current		
Assets	**7,485**	10,360
Liabilities	**(24,644)**	(23,484)
Total current net liabilities	**(17,159)**	(13,124)
Non-current		
Assets	**205,233**	208,420
Liabilities	**(141,667)**	(157,189)
Total non-current net assets	**63,566**	51,231
Net assets	**46,407**	38,107

Summarised statement of comprehensive income

	Centurion-Lian Beng (Papan) Pte. Ltd.	
	2022 S$'000	2021 S$'000
Revenue	**27,841**	25,459
Profit before income tax	**12,765**	9,427
Income tax expense	**(2,466)**	(2,457)
Profit after tax and total comprehensive income	**10,299**	6,970
Total comprehensive income allocated to non-controlling interests	**5,046**	3,415
Dividends paid to non-controlling interests	**980**	8,771

Summarised cash flows

	Centurion-Lian Beng (Papan) Pte. Ltd.	
	2022 S$'000	2021 S$'000
Net cash provided by operating activities	**19,668**	17,372
Net cash provided by/(used in) investing activities	**15**	(61)
Net cash used in financing activities	**(22,471)**	(30,713)

22. INVESTMENT PROPERTIES

	Group 2022 S$'000	Group 2021 S$'000
Beginning of financial year	**1,354,593**	1,307,770
Currency translation differences	**(64,309)**	(6,215)
Additions	**4,886**	56,114
Modification of lease liability in relation to the right-of-use assets	**(55)**	–
Net fair value gain in relation to owned investment properties	**36,442**	4,890
Net fair value loss in relation to right-of-use assets classified as investment properties	**(17,460)**	(7,966)
Net fair value gain/(loss) recognised in profit or loss	**18,982**	(3,076)
End of financial year	**1,314,097**	1,354,593

Investment properties are leased to non-related parties under operating leases.

Included in additions are acquisition of an investment property of S$nil (2021: S$9,812,000), capitalised expenditure of S$4,886,000 (2021: S$21,134,000) and right-of-use assets of S$nil (2021: S$25,168,000) (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 S$1,213,555,000 (2021: S$1,234,471,000).

Reconciliation of fair value of investment properties

	Group 2022 S$'000	Group 2021 S$'000
Fair value of investment properties	**1,228,603**	1,249,851
Add: Carrying amount of lease liabilities	**85,494**	104,742
Carrying amount of investment properties	**1,314,097**	1,354,593

The following amounts are recognised in profit or loss:

	Group 2022 S$'000	Group 2021 S$'000
Rental income (Note 4)	**159,173**	124,559
Direct operating expenses arising from:		
– Investment properties that generated rental income	**(54,644)**	(46,238)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

22. INVESTMENT PROPERTIES (CONTINUED)

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	7 blocks of workers dormitory	Commercial dormitory	Leasehold	35 years
2 Woodlands Sector 2, Singapore	Two 13-storey blocks of workers dormitory	Commercial dormitory	Leasehold	21 years
5, 5C & 5D Jalan Papan, Singapore	2 blocks of workers dormitory	Commercial dormitory	Leasehold	15 years
23 Mandai Estate, Singapore	2 blocks of 6-storey block of workers dormitory under lease	Commercial dormitory	Leasehold	6.5 years
18A Kranji Way, Singapore	20 blocks of workers dormitory and 1 amenity block	Commercial dormitory	Leasehold	1 year
1A Tuas Avenue 2, Singapore	14 blocks of workers dormitory and 1 amenity block	Commercial dormitory	Leasehold	1 year
11A Jalan Tukang, Singapore	40 blocks of worker dormitory and 1 amenity block	Commercial dormitory	Leasehold	2 years
11A Tuas South Boulevard, Singapore	5 blocks of worker dormitory and 1 amenity block	Commercial dormitory	Leasehold	2 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	89 years
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	37 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	63 years
Block No. 78, Off Jalan Tembusu, Taman Air Biru, 81700 Pasir Gudang, Johor, Malaysia	1 block of workers dormitory	Commercial dormitory	Leasehold	2 years
Lot 2051, No. 6, Jalan Bayu, Taman Perindustrian Tampoi Jaya, 81200 Johor Bahru, Malaysia	6 blocks of 5-storey block of workers dormitory	Commercial dormitory	Freehold	–
Lot No. 6212, Jalan Perindustrian 2, Kawasan Perindustrian Senai ll, 81400 Senai Johor, Malaysia	2 blocks of workers dormitory	Commercial dormitory	Freehold	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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
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	19 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	–
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	234 years
Garth Heads, Melbourne Street, Newcastle-Upon-Tyne, NE1 2JE, United Kingdom	4 blocks consisting of 34 flats with 181 beds	Student accommodation	Leasehold	98 years
Hotwells House, 192-216 Hotwell Road Bristol, BS8 4UR, United Kingdom	4 blocks consisting of 40 flats with 157 beds	Student accommodation	Leasehold	111 years
Weston Court, 45-47 Cromwell Range, Fallowfield, Manchester, M14 6HH, United Kingdom	4 blocks consisting of flats with 140 beds	Student accommodation	Leasehold	111 years

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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
121 Princess Street, Manchester, M1 7AG United Kingdom	1 block consisting of 126 flats with 126 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 within 69 self-contained studios and 64 cluster bedrooms	Student accommodation	Leasehold	2 years
dwell Village Melbourne City, 5-17 Flemington Road, North Melbourne VIC 3051 Australia	Accommodation with 616 beds	Student accommodation	Freehold	–
dwell Village Melbourne City Car Park, 5-17 Flemington Road, North Melbourne VIC 3051 Australia	Commercial car park	Commercial car park	Freehold	–
12-18 Synagogue Place Adelaide, South Australia	260 apartments	Student accommodation	Freehold	–
44-46 Anderson Street, Port Healand WA 6721 Australia	Land	Industrial	Freehold	–
Jl. Wareng Kalijambe, Lambang Sari Village, Subdistrict of Tambun Selatan, Bekasi, West Java, Indonesia	Land	Residential	Leasehold	21 years

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

22. INVESTMENT PROPERTIES (CONTINUED)

Fair value hierarchy – Recurring fair value measurements

Description	Fair value measurements using		
	Quoted prices in active markets for identical assets (Level 1) S$'000	Significant other observable inputs (Level 2) S$'000	Significant unobservable inputs (Level 3) S$'000
31 December 2022			
Investment properties:			
– Land	**–**	**–**	**1,946**
– Commercial dormitories	**–**	**–**	**803,992**
– Student accommodation	**–**	**–**	**508,159**
31 December 2021			
Investment properties:			
– Land	–	–	2,020
– Commercial dormitories	–	–	819,217
– Student accommodation	–	–	533,356

Reconciliation of movements in Level 3 fair value measurement

	Land and commercial dormitories S$'000	Land and student accommodation S$'000
2022		
Beginning of financial year	**820,355**	**534,238**
Currency translation differences	**(9,648)**	**(54,661)**
Fair value (losses)/gains recognised in profit or loss	**(7,936)**	**26,918**
Additions	**2,332**	**2,554**
Modification of lease liability in relation to the right-of-use asset	**(55)**	**–**
End of financial year	**805,048**	**509,049**
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

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 2022 and 2021.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

22. INVESTMENT PROPERTIES (CONTINUED)

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 2022 (S$'000)	Valuation technique	Unobservable inputs[(a)]	Range of unobservable inputs	Relationship of unobservable inputs to fair value
United Kingdom	Student accommodation	352,103 (2021: 371,207)	Income capitalisation approach	Rental rate per room per week	S$129 – S$481 (2021: S$133 – S$480)	The higher the rental rate per room per week, the higher the valuation
				Capitalisation rate	5.5% – 6.8% (2021: 5.5% – 7.1%)	The higher the capitalisation rate, the lower the valuation
Singapore	Commercial dormitories	585,950 (2021: 591,950)	Income capitalisation approach	Rental rate per room per month	S$2,600 – S$12,480 (2021: S$2,500 – S$9,120)	The higher the rental rate per room per month, the higher the valuation
				Capitalisation rate	6.8% – 7.0% (2021: 6.8% – 7.0%)	The higher the capitalisation rate, the lower the valuation
				Cost to complete	S$13,286,000 (2021: S$13,398,000)	The higher the cost to complete, the lower the valuation
Indonesia	Land	1,056 (2021: 1,138)	Sales comparison approach	Market value per square metre	S$146 (2021: S$158)	The higher the market value per square metre, the higher the valuation
Malaysia	Commercial dormitories	133,781 (2021: 124,673)	Income capitalisation approach	Rental rate per room per month	S$547 – S$1,109 (2021: S$548 – S$898)	The higher the rental rate per room per month, the higher the valuation
				Capitalisation rate	7.0% – 8.5% (2021: 7.0% – 9.0%)	The higher the capitalisation rate, the lower the valuation
			Sales comparison approach	Market value per square metre	S$nil (2021: S$209 – S$251)	The higher the market value per square metre, the higher the valuation
			Cost approach	Cost per square metre	S$nil (2021: S$448)	The higher the cost per square metre, the higher the valuation

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

22. INVESTMENT PROPERTIES (CONTINUED)

Valuation techniques and inputs used in Level 3 fair value measurement (continued)

Country	Description	Fair value at 31 December 2022 (S$'000)	Valuation technique	Unobservable inputs[(a)]	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Australia	Student accommodation	154,823 (2021: 160,001)	Discounted cash flow approach	Discount rate	8.7% (2021: 8.8%)	The higher the discount rate, the lower the valuation
			Income capitalisation approach	Rental rate per room per week	S$214 – S$490 (2021: S$190 – S$453)	The higher the rental rate per room per week, the higher the valuation
				Capitalisation rate	6.3% (2021: 6.2%)	The higher the capitalisation rate, the lower the valuation
			Sales comparison approach	Market value per square metre	S$4,585 – S$18,713 (2021: S$5,343 – S$24,554)	The higher the market value per square metre, the higher the valuation
	Land	890 (2021: 882)	Sales comparison approach	Market price per square metre	S$192 – S$210 (2021: S$186 – S$206)	The higher the market price per square metre, the higher the valuation

(a) There were no significant inter-relationships between unobservable inputs.

Valuation processes of the Group

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties at the end of every financial year based on the properties' highest and best use. As at 31 December 2022, 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, CBRE WTW Valuation & Advisory Sdn Bhd (formerly known as 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

22. INVESTMENT PROPERTIES (CONTINUED)

Valuation processes of the Group (continued)

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.

23. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and building S$'000	Leased office space and leasehold improvements S$'000	Plant machinery and equipment S$'000	Renovation, furniture and fittings S$'000	Motor vehicles S$'000	Office equipment and computers S$'000	Capital work-in-progress S$'000	Total S$'000
Group								
2022								
Cost								
Beginning of financial year	671	1,697	4,337	14,302	366	2,234	92	23,699
Currency translation differences	(41)	(20)	(129)	(547)	(3)	(48)	(7)	(795)
Additions	–	–	272	517	–	313	79	1,181
Modification of lease liability	–	1,538	–	–	–	–	–	1,538
Disposals	–	–	(168)	(458)	(101)	(88)	–	(815)
Derecognition of ROU asset	–	(1,477)	–	–	–	–	–	(1,477)
Reclassification	–	–	38	6	–	28	(72)	–
End of financial year	630	1,738	4,350	13,820	262	2,439	92	23,331
Accumulated depreciation								
Beginning of financial year	25	875	1,860	9,109	265	1,731	–	13,865
Currency translation differences	(2)	(8)	(127)	(365)	(3)	(37)	–	(542)
Disposals	–	–	(146)	(440)	(101)	(66)	–	(753)
Depreciation charge (Note 5)	4	773	540	2,013	24	309	–	3,663
Derecognition of ROU asset	–	(1,477)	–	–	–	–	–	(1,477)
End of financial year	27	163	2,127	10,317	185	1,937	–	14,756
Accumulated impairment								
Beginning and end of financial year	–	–	1,057	–	42	–	–	1,099
Net book value								
End of financial year	**603**	**1,575**	**1,166**	**3,503**	**35**	**502**	**92**	**7,476**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

23. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land and building S$'000	Leased office space and leasehold improvements S$'000	Plant machinery and equipment S$'000	Renovation, furniture and fittings S$'000	Motor vehicles S$'000	Office equipment and computers S$'000	Capital work-in-progress S$'000	Total S$'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

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

23. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leased office space S$'000	Plant, machinery and equipment S$'000	Renovation, furniture and fittings S$'000	Motor vehicles S$'000	Office equipment and computers S$'000	Total S$'000
Company						
2022						
Cost						
Beginning of financial year	1,103	6	1,492	171	1,137	3,909
Additions	–	–	4	–	138	142
Modification of lease liability	1,538	–	–	–	–	1,538
Derecognition of ROU asset	(1,103)	–	–	–	–	(1,103)
Disposal	–	–	–	–	(9)	(9)
End of financial year	1,538	6	1,496	171	1,266	4,477
Accumulated depreciation						
Beginning of financial year	797	6	1,346	161	1,039	3,349
Depreciation charge	391	–	106	10	73	580
Derecognition of ROU asset	(1,103)	–	–	–	–	(1,103)
Disposal	–	–	–	–	(9)	(9)
End of financial year	85	6	1,452	171	1,103	2,817
Net book value						
End of financial year	**1,453**	**–**	**44**	**–**	**163**	**1,660**

	Leased office space S$'000	Plant, machinery and equipment S$'000	Renovation, furniture and fittings S$'000	Motor vehicles S$'000	Office equipment and computers S$'000	Total S$'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**

(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).

During the current financial year, the Group renegotiated and modified an existing lease contract for office space by extending the lease term by another 3 years at revised lease payments. As this extension is not part of the terms and conditions of the original lease contract, it is accounted for as a lease modification with an addition of S$1,538,000 to the ROU, classified under 'Property, plant and equipment'. The corresponding remeasurement to lease liability is recorded on balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

23. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) The freehold land and building of the Group as at 31 December 2022 comprise:

Location	Use of property
Malaysia No. 17, Jalan Ekoperniagaan 1/23 Taman Ekoperniagaan 81100 Johor Bahru, Johor	Office

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

	2022 S$'000	2021 S$'000
Leased office space	**1,453**	680

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 S$91,718,000 (2021: S$111,315,000).

(b) Depreciation charge during the year

	2022 S$'000	2021 S$'000
Leased office space	**765**	368

(c) Interest expense

	2022 S$'000	2021 S$'000
Interest expense on lease liabilities	**3,228**	3,538

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

24. LEASES – THE GROUP AS A LESSEE (CONTINUED)

(d) Lease expense not capitalised in lease liabilities

	2022 S$'000	2021 S$'000
Lease expense – short-term leases	**958**	300
Lease expense – low-value leases	**80**	104
Variable lease payments which do not depend on an index or rate	**277**	344
Total (Note 5)	**1,315**	748

(e) **Total cash outflow** for all the leases was S$22,493,000 (2021: S$18,234,000).

(f) **Addition to ROU assets** related to investment properties in the previous year was S$25,168,000.

(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 S$277,000 (2021: S$344,000) (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 2022, potential future (undiscounted) cash outflows capped at approximately S$39,434,000 (2021: S$40,816,000) 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 S$40,484,000 (2021: S$27,850,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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:

	2022 S$'000	2021 S$'000
Less than one year	**99,255**	90,171
One to two years	**5,216**	5,351
Two to three years	**1,011**	902
Three to four years	**935**	540
Four to five years	**732**	540
More than five years	**5,924**	5,985
Total undiscounted lease payment	**113,073**	103,489

26. TRADE AND OTHER PAYABLES

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Trade payables to:				
– non-related parties	**3,232**	3,923	**224**	60
Payables to subsidiaries				
– non-trade	**–**	–	**14,413**	8,706
Payables to associated companies				
– trade	**691**	404	**–**	–
– non-trade	**574**	58	**–**	–
	1,265	462	**–**	–
Advance rental	**8,277**	8,813	**–**	–
Deposits received	**24,218**	19,437	**–**	–
Accruals for operating expenses	**14,969**	10,195	**5,860**	2,527
Accrued construction costs payable	**47**	299	**–**	–
Other payables	**3,097**	3,053	**656**	496
Total trade and other payables	**55,105**	46,182	**21,153**	11,789

Non-trade payables to subsidiaries and associated companies are unsecured, interest free and repayable on demand.

At 31 December 2022 and 2021, the ageing analysis of the trade payables based on invoice date were as follows:

	Group	
	2022 S$'000	2021 S$'000
Up to 3 months	**2,904**	3,579
3 to 6 months	**113**	95
Over 6 months	**215**	249
	3,232	3,923

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

27. OTHER LIABILITIES

	Group	
	2022 S$'000	2021 S$'000
Current		
Provision for reinstatement costs	**430**	–
Non-current		
Provision for long service leave	**–**	53
Provision for reinstatement costs	**520**	950
Accrued capital expenditure	**164**	486
	684	1,489

At the balance sheet date, the carrying amounts of the other non-current liabilities approximate their fair values.

28. BORROWINGS

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Current				
Bank borrowings (Note (a))	**75,574**	58,966	**1,737**	11,712
Loan from non-controlling interests (Note (d))	**442**	–	**–**	–
Loan from an associated company (Note (c))	**3,600**	3,600	**–**	–
Interest payable	**400**	692	**400**	692
	80,016	63,258	**2,137**	12,404
Non-current				
Bank borrowings (Note (a))	**484,416**	565,872	**45,300**	37,038
Loan from non-controlling interests (Note (d))	**7,014**	7,368	**–**	–
Loan from an associated company (Note (c))	**32,968**	36,568	**–**	–
Loans from subsidiaries (Note (d))	**–**	–	**28,000**	20,000
Notes payables (Note (b))	**59,250**	55,000	**59,250**	55,000
Less: Transaction costs	**(561)**	(376)	**(561)**	(376)
	58,689	54,624	**58,689**	54,624
	583,087	664,432	**131,989**	111,662
Total borrowings	**663,103**	727,690	**134,126**	124,066

The exposure of the borrowings of the Group to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
– not later than one year	**80,016**	63,258	**2,137**	12,404
– between one to five years	**436,192**	461,250	**103,989**	91,662
– after five years	**146,895**	203,182	**28,000**	20,000
	663,103	727,690	**134,126**	124,066

28. BORROWINGS (CONTINUED)

At 31 December 2022 and 2021, the Group's and Company's bank borrowings are repayable as follows:

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Within one year	**75,574**	58,966	**1,737**	11,712
Between one and two years	**103,842**	109,851	**25,012**	10,738
Between two and five years	**258,617**	281,377	**20,288**	26,300
After five years	**121,957**	174,644	**–**	–
	559,990	624,838	**47,037**	48,750

At 31 December 2022 and 2021, the Group's and the Company's other loans are repayable as follows:

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Within one year	**4,442**	4,292	**400**	692
Between one and two years	**10,182**	4,045	**6,250**	–
Between two and five years	**63,551**	65,977	**52,439**	54,624
After five years	**24,938**	28,538	**28,000**	20,000
	103,113	102,852	**87,089**	75,316

(a) Bank borrowings

Bank borrowings amounting to S$534,881,000 (2021: S$594,173,000) are subject to floating interest rates, of which S$111,806,000 (2021: S$126,976,000) are managed with interest rate swaps where floating interest rates are swapped into fixed interest rates (Note 18) and S$9,911,000 (2021: S$nil) are managed with interest rate caps where floating rate are capped at fixed interest rate (Note 18). The remaining bank borrowings of S$25,109,000 (2021: S$30,665,000) are subject to fixed interest rates. The carrying amounts of the non-current borrowings approximate their fair values.

Total borrowings include secured liabilities of S$512,953,000 (2021: S$576,089,000) for the Group. These borrowings are secured over certain investment properties (Note 22).

(b) Notes payables

On 7 November 2022, the Company issued an Exchange Offer invitation ("Invitation"), offering the holders of its outstanding S$55,000,000 fixed rate notes due 2024 comprised in Series 005 (the "Existing Notes") to exchange any and all outstanding Existing Notes for a like principal amount of fixed rate notes due 2026 to be issued pursuant to its S$750,000,000 Multicurrency Debt Issuance programme (the "Programme").

On 28 November 2022, the Company issued S$53,000,000 fixed rate notes due 2026 (the "Series 006 Notes") under the Programme, comprising S$38,500,000 in aggregate principal amount issued pursuant to the Invitation and S$14,500,000 in aggregate principal amount of additional notes. The Series 006 Notes will bear interest as follows:

(i) for the period from, and including 28 November 2022 to, but excluding, 28 May 2025: 6.50% per annum; and

(ii) so long as the Series 006 Notes are not redeemed, for the period from, and including, 28 May 2025: 9.00% per annum payable semi-annually in arrears.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

28. BORROWINGS (CONTINUED)

(b) Notes payables (continued)

Unless previously redeemed or purchased and cancelled, the Series 006 Notes shall mature on 28 May 2026.

The net proceeds arising from the Series 006 Notes (after deducting for issue expenses) has been fully utilised to redeem Series 005 Notes. On 1 December 2022, the Group has redeemed parts of the Series 005 Notes due 2024 of S$10,250,000.

As at 31 December 2022 and 2021, 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) Loans from subsidiaries and loan from non-controlling interests

The loans from subsidiaries and non-controlling interests are unsecured and have fixed repayment terms, except for an amount of S$8,000,000 (2021: nil) which has no fixed term of repayment and the Company has the right to not make any repayment within the next 12 months from 31 December 2022. The loans are interest-bearing based on floating rates, except for part of the loans from subsidiaries amounting to S$8,000,000 (2021: nil) which is interest-free and part of the loan from non-controlling interests amounting to S$1,086,000 (2021: S$998,000) 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 borrowings

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Notes payables	**59,440**	55,380	**59,440**	55,380

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	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Current				
– not later than one year	**17,739**	17,946	**493**	426
Non-current				
– between one to five years	**26,273**	37,457	**965**	–
– after five years	**42,940**	49,765	**–**	–
	69,213	87,222	**965**	–
	86,952	105,168	**1,458**	426

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

30. 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	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Deferred income tax liabilities	**20,684**	13,295	**35**	40

Movement in the deferred income tax account is as follows:

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Beginning of financial year	**13,295**	9,168	**40**	83
Currency translation differences	**(1,511)**	(217)	**–**	–
Charged/(credited) to profit or loss (Note 10(a))	**8,619**	4,344	**(5)**	(43)
Under provision in prior year (Note 10(a))	**281**	–	**–**	–
End of financial year	**20,684**	13,295	**35**	40

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of S$8,500,000 (2021: S$7,810,000) and capital allowances of S$177,000 (2021: S$835,000) 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.

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 S$'000	Fair value gain – net S$'000	Total S$'000
2022			
Beginning of financial year	**1,583**	**11,712**	**13,295**
Currency translation differences	**(162)**	**(1,349)**	**(1,511)**
Charged to profit or loss	**458**	**8,442**	**8,900**
End of financial year	**1,879**	**18,805**	**20,684**
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

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30. DEFERRED INCOME TAXES (CONTINUED)

Company

Deferred income tax liabilities

	Accelerated tax depreciation S$'000
2022	
Beginning of financial year	**40**
Credited to profit or loss	**(5)**
End of financial year	**35**
2021	
Beginning of financial year	83
Credited to profit or loss	(43)
End of financial year	40

31. SHARE CAPITAL AND TREASURY SHARES

	Group and Company No. of ordinary shares Issued share capital '000	Group Share capital $'000	Company Share capital $'000
2022			
Beginning and end of financial year	**840,779**	**142,242**	**253,553**
2021			
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.

32. OTHER RESERVES

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
(a) Composition				
Fair value reserve	**(534)**	(53)	**(534)**	(53)
Hedging reserve	**3,404**	(2,247)	**–**	(123)
Currency translation reserve	**(80,599)**	(39,642)	**–**	–
Capital reserve	**16,893**	16,893	**–**	–
	(60,836)	(25,049)	**(534)**	(176)

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32. OTHER RESERVES (CONTINUED)

(b) Movements

	Group 2022 S$'000	Group 2021 S$'000	Company 2022 S$'000	Company 2021 S$'000
(i) Fair value reserve				
Beginning of financial year	**(53)**	(673)	**(53)**	(673)
Fair value (losses)/gains on financial assets, at FVOCI (Note 16)	**(487)**	618	**(487)**	618
Reclassification to profit or loss on disposal (Note 7)	**6**	2	**6**	2
End of financial year	**(534)**	(53)	**(534)**	(53)

	Group Interest rate risk 2022 S$'000	Group Interest rate risk 2021 S$'000	Company Interest rate risk 2022 S$'000	Company Interest rate risk 2021 S$'000
(ii) Hedging reserve				
Beginning of financial year	**(2,247)**	(6,720)	**(123)**	(515)
Fair value gains	**5,433**	2,311	**77**	61
Reclassification to profit or loss				
– Finance expense (Note 8)	**165**	2,109	**46**	331
Share of fair value gains from associates (Note 19)	**53**	53	**–**	–
End of financial year	**3,404**	(2,247)	**–**	(123)

	Group 2022 S$'000	Group 2021 S$'000	Company 2022 S$'000	Company 2021 S$'000
(iii) Currency translation reserve				
Beginning of financial year	**(39,642)**	(35,988)	**–**	–
Net exchange differences on translation of financial statements of:				
– subsidiaries	**(40,105)**	(3,672)	**–**	–
– associated companies (Note 19)	**(413)**	424	**–**	–
– a joint venture (Note 20)	**(361)**	(337)	**–**	–
Less: Non-controlling interests	**(78)**	(69)	**–**	–
End of financial year	**(80,599)**	(39,642)	**–**	–

	Group 2022 S$'000	Group 2021 S$'000	Company 2022 S$'000	Company 2021 S$'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) is accounted for as a capital contribution from a shareholder and is recorded in capital reserve within equity.

Other reserves are non-distributable.

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33. 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 S$84,445,000 (2021: S$79,329,000) which are included in the Group's retained profits.

(b) Movement in retained profits for the Company is as follows:

	Company 2022 S$'000	Company 2021 S$'000
Beginning of financial year	**46,884**	26,750
Net profit	**7,842**	20,134
Dividends paid (Note 34)	**(8,422)**	–
End of financial year	**46,304**	46,884

34. DIVIDENDS

	Group		Company	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Ordinary dividends paid				
Interim exempt dividend paid in respect of current financial year of 0.5 cent (2021: nil cent) per share	**4,209**	–	**4,209**	–
Final exempt dividend paid in respect of the previous financial year of 0.5 cent (2021: nil cent) per share	**4,213**	–	**4,213**	–
	8,422	–	**8,422**	–

At the Annual General Meeting on 27 April 2023, a final dividend of 0.5 cent per share amounting to a total of S$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 2023.

35. COMMITMENTS

(a) Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group 2022 S$'000	Group 2021 S$'000
Property, plant and equipment	**105**	55
Investment properties	**13,350**	13,408

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35. COMMITMENTS (CONTINUED)

(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 S$68,889,000 (2021: S$73,004,000). As at 31 December 2022, the amount of the guaranteed loans drawn down by associated companies and a joint venture amounted to S$68,522,000 (2021: S$72,609,000).

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 S$526,715,000 (2021: S$596,299,000). As at 31 December 2022, the amount of the guaranteed loans drawn down by the subsidiaries, associated companies and a joint venture amounted to S$512,156,000 (2021: S$586,368,000).

As at 31 December 2022 and 2021, the fair value of the corporate guarantees were S$nil.

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.

36. 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.

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36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's currency exposure based on the information provided to management is as follows:

	SGD S$'000	USD S$'000	MYR S$'000	AUD S$'000	GBP S$'000	HKD S$'000	KRW S$'000	Other S$'000	Total S$'000
2022									
Financial assets									
Cash and bank balances	44,573	657	4,361	4,725	11,803	–	305	1,850	68,274
Financial assets, at FVOCI	6,466	–	–	–	–	–	–	–	6,466
Financial assets through profit or loss	–	51	–	–	–	–	–	–	51
Trade and other receivables	5,485	1,635	3,997	1,539	209	–	21	–	12,886
Other financial assets	3,550	–	1,811	–	–	–	11	–	5,372
Derivative financial instruments	3,231	–	–	–	580	–	–	–	3,811
Inter-company balances	497,718	373	114,088	48,512	57,659	13	48	660	719,071
	561,023	2,716	124,257	54,776	70,251	13	385	2,510	815,931
Financial liabilities									
Trade and other payables, and other liabilities	35,472	106	5,060	1,470	4,259	72	358	195	46,992
Lease liabilities	61,341	–	24,377	–	1,234	–	–	–	86,952
Borrowings	472,503	–	21,410	56,805	112,342	–	43	–	663,103
Inter-company balances	497,718	373	114,088	48,512	57,659	13	48	660	719,071
	1,067,034	479	164,935	106,787	175,494	85	449	855	1,516,118
Net financial (liabilities)/assets	(506,011)	2,237	(40,678)	(52,011)	(105,243)	(72)	(64)	1,655	(700,187)
Less: Net financial assets denominated in the respective entities' functional currencies	504,964	(28)	40,677	52,193	105,447	–	64	(1,579)	
Currency risk exposures	**(1,047)**	**2,209**	**(1)**	**182**	**204**	**(72)**	**–**	**76**	

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36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

	SGD S$'000	USD S$'000	MYR S$'000	AUD S$'000	GBP S$'000	HKD S$'000	KRW S$'000	Other S$'000	Total S$'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	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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36. 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 S$'000	USD S$'000	AUD S$'000	GBP S$'000	HKD S$'000	Other S$'000	Total S$'000
2022							
Financial assets							
Cash and bank balances	19,607	94	130	12	–	70	19,913
Financial assets, at FVOCI	6,466	–	–	–	–	–	6,466
Trade and other receivables	19,504	–	11	181	12	–	19,708
Loans to subsidiaries	391,198	–	–	–	–	–	391,198
Other financial assets	204	–	–	–	–	–	204
	436,979	94	141	193	12	70	437,489
Financial liabilities							
Trade and other payables	21,074	–	4	–	72	3	21,153
Lease liabilities	1,458	–	–	–	–	–	1,458
Borrowings	134,126	–	–	–	–	–	134,126
	156,658	–	4	–	72	3	156,737
Net financial assets	280,321	94	137	193	(60)	67	280,752
Less: Net financial assets denominated in the entity's functional currency	(280,321)	–	–	–	–	–	
Currency risk exposures	**–**	**94**	**137**	**193**	**(60)**	**67**	

	SGD S$'000	USD S$'000	AUD S$'000	GBP S$'000	HKD S$'000	Other S$'000	Total S$'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**	

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36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) Currency risk (continued)

If the USD, MYR, AUD, and GBP change against SGD by 4% (2021: 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)			
	2022		2021	
	Profit after tax S$'000	Other comprehensive income S$'000	Profit after tax S$'000	Other comprehensive income S$'000
Group				
USD against SGD				
– strengthened	**73**	**14**	19	7
– weakened	**(73)**	**(14)**	(19)	(7)
MYR against SGD				
– strengthened	**–**	**4,571**	–	2,038
– weakened	**–**	**(4,571)**	–	(2,038)
AUD against SGD				
– strengthened	**6**	**7,283**	1	3,705
– weakened	**(6)**	**(7,283)**	(1)	(3,705)
GBP against SGD				
– strengthened	**7**	**10,081**	27	5,053
– weakened	**(7)**	**(10,081)**	(27)	(5,053)

The Group has insignificant exposure to currency risk arising from HKD, KRW and other currencies.

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 15% (2021: 11%) with all other variables including tax rate being held constant, the effects on other comprehensive income will be:

	Increase/(Decrease)	
	2022 Other comprehensive income S$'000	2021 Other comprehensive income S$'000
Group/Company		
Listed in Singapore		
– increased by	**970**	710
– decreased by	**(970)**	(710)

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36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(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 and interest rate cap.

The Group enters into interest rate swaps and interest rate cap as disclosed in Note 18 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 effectiveness assessments to ensure that an economic relationship continues to exist 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.

If the interest rates have increased/decreased by 3.0% (2021: 1.0%) with all other variables including tax rate being held constant, the Group's profit after tax would have been lower/higher by S$11,357,000 (2021: S$4,264,000).

If the interest rates have increased/decreased by 3.0% (2021: 1.0%) with all other variables including tax rate being held constant, the Company's profit after tax would have been lower/higher by S$1,077,000 (2021: S$280,000).

The Group is exposed mainly to SIBOR and SOR. The Group's finance function is managing the Group's SIBOR and 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.

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(iii) Cash flow and fair value interest rate risks (continued)

Hedging relationships for which 'Phase 1' amendments apply (continued)

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.

Hedging relationships for which 'Phase 2' amendments apply

The Group has judged that IBOR uncertainty is no longer present with respect to its cash flow hedges of SOR-linked borrowings, once both the hedging instrument and the hedged item have been amended to the alternative benchmark rate with fixed adjustment spreads.

In the current year, the Group has applied the following hedge accounting reliefs provided by the Phase 2 amendments for its hedging relationships that have already transited from SOR to SORA:

- Hedge designation: When the Phase 1 amendments cease to apply, the Group has amended its hedge designation to reflect the following changes which are required by IBOR reform:
    - designating SORA as a hedged risk;
    - the contractual benchmark rate of the hedged SGD borrowing has been amended from SOR to SORA plus an adjustment spread; and/or
    - the variable rate of the hedging interest rate swap has been amended from SOR to SORA, with an adjustment spread added to the fixed rate.

These amendments to the hedge documentation do not require the Group to discontinue its hedge relationships.

- Amounts accumulated in the cash flow hedge reserve: When the Group amended its hedge designation for changes to its SOR-linked borrowing that is required by IBOR reform, the accumulated amount outstanding in the cash low hedge reserve was deemed to be based on SORA. The amount is reclassified to profit or loss in the same periods during which the hedged SORA cash flows affect profit or loss.

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36. 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 53% (2021: 83%) of trade receivables in 2022. 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	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Corporate guarantees provided to banks on subsidiaries', associated companies' and a joint venture's loans	**68,522**	72,609	**512,156**	586,368

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	
	2022 S$'000	2021 S$'000
Group		
Beginning of financial year	**1,338**	1,748
Loss allowance recognised in profit or loss during the year on:		
– Assets acquired/originated	**460**	501
– Reversal of unutilised amounts	**(776)**	(613)
– Currency translation	**(53)**	2
Written-off	**(173)**	(300)
End of financial year (Note 13(a))	**796**	1,338

Cash and cash equivalents, receivables from associated company and other receivables are subject to immaterial credit loss.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(i) Trade receivables

The Group monitors and measures the expected credit loss allowance for trade receivables based on days past due.

In calculating the expected credit loss, the Group considers historical information for each customer and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

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 2022 and 31 December 2021 are set out as follows:

	Total	
	2022 S$'000	**2021 S$'000**
Group		
Sale of optical storage media and other trading goods		
Expected loss rate	**0%**	15%
Trade receivables	**120**	62
Loss allowance	**–**	9
Rental income from investment properties		
Expected loss rate	**12%**	11%
Trade receivables	**6,791**	12,068
Loss allowance	**796**	1,329

The loss allowance in relation to the trade receivables from rental income from investment properties relates to specific cases amounting to S$796,000 (2021: S$1,329,000) 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.

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36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(ii) Receivables from subsidiaries

	Receivables from subsidiaries S$'000	Loans to subsidiaries S$'000	Total S$'000
Company			
2022			
Beginning of financial year	**–**	**5,405**	**5,405**
Loss allowance recognised in profit or loss during the year on:			
– Assets acquired/originated	**–**	**28**	**28**
– Reversal of unutilised amounts	**–**	**(199)**	**(199)**
End of financial year	**–**	**5,234**	**5,234**
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

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

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 S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000	Over 5 years S$'000
Group				
2022				
Trade and other payables	**46,828**	**–**	**–**	**–**
Other liabilities	**–**	**164**	**–**	**–**
Lease liabilities	**20,463**	**12,440**	**21,771**	**52,588**
Borrowings	**110,326**	**140,632**	**364,342**	**155,665**
Financial guarantee contracts (Note 36(b))	**68,522**	**–**	**–**	**–**
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 36(b))	72,609	–	–	–

	Less than 1 year S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000	Over 5 years S$'000
Company				
2022				
Trade and other payables	**21,153**	**–**	**–**	**–**
Lease liabilities	**550**	**550**	**482**	**–**
Borrowings	**8,900**	**37,877**	**82,959**	**22,267**
Financial guarantee contracts (Note 36(b))	**512,156**	**–**	**–**	**–**
2021				
Trade and other payables	11,789	–	–	–
Lease liabilities	426	–	–	–
Borrowings	16,248	14,801	84,283	20,725
Financial guarantee contracts (Note 36(b))	586,368	–	–	–

Non-current loans from subsidiaries amounting to S$8,000,000 (2021: S$nil) are not included in the table above as there are no fixed terms of payment on the loan and settlement of the loan is neither planned nor likely to occur in the foreseeable future (Note 28(d)).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

The table below analyses the derivative financial liabilities 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 S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000
Group			
At 31 December 2021			
Net-settled interest rate swaps – cash flow hedges			
– Net cash outflows	(1,698)	(1,473)	(757)
Company			
At 31 December 2021			
Net-settled interest rate swaps – cash flow hedges			
– Net cash outflows	(131)	–	–

The Group and the Company have no derivative financial liabilities as at 31 December 2022.

(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	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Net debt	**594,829**	660,197	**114,213**	103,756
Total capital	**1,371,591**	1,405,009	**433,449**	424,327
Net gearing ratio	**43%**	47%	**26%**	24%

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 2022 and 2021.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurements

	Level 1 S$'000	Level 2 S$'000	Level 3 S$'000
Group			
As at 31 December 2022			
Financial assets, at FVOCI	**6,466**	**–**	**–**
Financial assets, at fair value through profit or loss	**–**	**–**	**51**
Derivative financial instruments – assets	**–**	**3,811**	**–**
As at 31 December 2021			
Financial assets, at FVOCI	6,453	–	–
Financial assets, at fair value through profit or loss	–	–	57
Derivative financial instruments – liabilities	–	2,235	–
Company			
As at 31 December 2022			
Financial assets, at FVOCI	**6,466**	**–**	**–**
As at 31 December 2021			
Financial assets, at FVOCI	6,453	–	–
Derivative financial instruments – liabilities	–	122	–

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 and interest rate cap 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

36. 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 17 and Note 18 to the financial statements, except for the following:

	Group S$'000	Company S$'000
2022		
Financial assets, at amortised cost	**86,532**	**431,023**
Financial liabilities at amortised cost	**797,047**	**156,737**
2021		
Financial assets, at amortised cost	88,991	413,373
Financial liabilities at amortised cost	870,713	136,281

37. 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	
	2022 S$'000	2021 S$'000
Services provided to immediate holding corporation	**153**	88
Services provided to associated companies	**2,228**	1,973
Purchases from a company which a director has an interest	**103**	66
Lease payments to associated companies	**916**	742
Interest charged by associated company (Note 8)	**1,107**	631
Interest charged by non-controlling interest (Note 8)	**187**	97

Outstanding balances at 31 December 2022 and 2021 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	
	2022 S$'000	2021 S$'000
Wages and salaries	**5,362**	4,704
Employer's contribution to defined contribution plans, including Central Provident Fund	**107**	118
	5,469	4,822

Included in above, total compensation to directors of the Company amounted to S$2,971,000 (2021: S$2,407,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

38. 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 S$'000	Student accommodation S$'000	Others S$'000	Total S$'000
Year ended 31 December 2022:				
Revenue:				
Sales to external parties	134,684	44,222	1,544	180,450
Timing of revenue recognition in relation to revenue from contracts with customers				
– Point in time	3,541	801	1,544	5,886
– Over time	13,168	2,223	–	15,391
Segment results	77,676	17,566	(345)	94,897
Finance expenses	(16,771)	(11,570)	–	(28,341)
Interest income				808
Fair value (losses)/gains on investment properties	(7,936)	26,918	–	18,982
Share of profit of associated companies and joint venture	8,034	859	26	8,919
Profit before tax				95,265
Income tax expense				(18,985)
Net profit				**76,280**
Included in segment results:				
Depreciation	2,974	672	17	3,663
As at 31 December 2022:				
Segment assets	843,764	533,190	767	1,377,721
Short-term bank deposits				36,480
Financial assets, at FVOCI				6,466
Tax recoverable				768
Investments in associated companies	79,609	39,623	1,048	120,280
Investment in a joint venture	–	6,040	–	6,040
Consolidated total assets				**1,547,755**
Segment liabilities	127,677	15,369	125	143,171
Borrowings	377,875	285,228	–	663,103
Current income tax liabilities				12,309
Deferred income tax liabilities				20,684
Consolidated total liabilities				**839,267**
Other segment items:				
Capital expenditure	3,263	2,804	–	6,067

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

38. SEGMENT INFORMATION (CONTINUED)

	Workers accommodation S$'000	Student accommodation S$'000	Others S$'000	Total S$'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 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

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 2022

38. 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 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	
	2022 S$'000	2021 S$'000
Singapore	**120,311**	98,255
Australia	**10,984**	4,537
Malaysia	**15,917**	13,468
United Kingdom	**30,591**	24,533
Other countries	**2,647**	2,224
	180,450	143,017

	Non-current assets	
	2022 S$'000	2021 S$'000
Singapore	**734,873**	746,790
Australia	**156,493**	161,919
Malaysia	**162,725**	155,082
United Kingdom	**356,538**	375,862
Other countries	**45,369**	46,431
	1,455,998	1,486,084

39. EVENT OCCURRING AFTER BALANCE SHEET DATE

On 13 January 2023, the Group has entered into a Sale and Purchase Agreement with a third party for the acquisition of a parcel of land located at Ubi Avenue 3 to be developed for use as a worker's dormitory for a cash consideration of S$40,169,000. As at 31 December 2022, a deposit of S$2,009,000 was paid by the Group and recorded as other assets. The acquisition was completed on 14 March 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2023 and which the Group has not early adopted.

<u>Amendments to SFRS(I) 1-12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual period beginning on or after 1 January 2023)</u>

The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

The Group does not expect any significant impact arising from applying these amendments.

<u>Amendments to SFRS(I) 1-1 Non-current Liabilities with Covenants (effective for annual period beginning on or after 1 January 2024)</u>

The amendments clarify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect the classification as current or non-current, even if the covenant is only assessed after the entity's reporting date.

The amendments also introduce additional disclosure requirements to enable users to understand the risk that the liability could be repayable within twelve months of the reporting period, when an entity classifies a liability arising from a loan arrangement as non-current and that liability is subject to the covenants which an entity is required to comply with within twelve months of the report date.

The Group does not expect any significant impact arising from applying these amendments.

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 2023.

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

	2018 S$'000	2019 S$'000	2020 S$'000	2021 S$'000	2022 S$'000
IFRS Financial Measures					
Revenue	120,070	133,353	128,355	143,017	**180,450**
Profit attributable to equity holders of the Company	79,326	99,951	17,171	52,679	**71,425**
Earnings per share (in SGD cents)	9.43	11.89	2.04	6.27	**8.50**
Non-IFRS Financial Measures					
Profit from Core Business Operations* attributable to equity holders of the Company	34,271	38,232	41,320	46,486	**57,090**
Earnings per share from Core Business Operations* (in SGD cents)	4.08	4.55	4.91	5.53	**6.79**

Assets and Liabilities

	2018 S$'000	2019 S$'000	2020 S$'000	2021 S$'000	2022 S$'000
Non-current assets	1,227,750	1,400,915	1,432,714	1,486,084	**1,455,998**
Current assets	93,990	78,052	108,998	96,630	**91,757**
Total assets	1,321,740	1,478,967	1,541,712	1,582,714	**1,547,755**
Total liabilities	796,789	865,102	912,927	905,395	**839,267**
Non-controlling interests	17,636	21,674	23,189	17,605	**21,558**
Total equity attributable to equity holders of the Company	507,315	592,191	605,596	659,714	**686,930**

* *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 and one-off capital gains/(losses).*

STATISTICS OF SHAREHOLDINGS

AS AT 3 MARCH 2023

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	151	3.24	6,930	0.00
100 – 1,000	761	16.35	329,320	0.04
1,001 – 10,000	2,195	47.16	11,201,882	1.33
10,001 – 1,000,000	1,517	32.60	85,844,742	10.21
1,000,001 and above	30	0.65	743,395,750	88.42
	4,654	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	69,435,675	8.26
3.	DBS Nominees Pte Ltd	62,201,958	7.40
4.	Raffles Nominees (Pte) Limited	41,080,475	4.89
5.	DB Nominees (Singapore) Pte Ltd	31,321,316	3.73
6.	UOB Kay Hian Pte Ltd	25,082,287	2.98
7.	Citibank Nominees Singapore Pte Ltd	24,337,350	2.89
8.	CGS-CIMB Securities (Singapore) Pte Ltd	20,418,800	2.43
9.	United Overseas Bank Nominees Pte Ltd	12,057,720	1.43
10.	Wong Kok Hoe	10,000,000	1.19
11.	OCBC Nominees Singapore Pte Ltd	5,099,343	0.61
12.	Goh Kai Kui	4,800,000	0.57
13.	Maybank Securities Pte. Ltd.	4,677,518	0.56
14.	Asdew Acquisitions Pte Ltd	4,315,100	0.51
15.	Pui Cheng Wui	2,963,100	0.35
16.	Jack Investment Pte Ltd	2,890,100	0.34
17.	Lee Joh Ern	2,275,625	0.27
18.	OCBC Securities Private Ltd	2,188,277	0.26
19.	Phillip Securities Pte Ltd	2,165,229	0.26
20.	Ho Han Khoon Alvin	2,010,000	0.24
	Total	735,075,999	87.43

STATISTICS OF SHAREHOLDINGS

AS AT 3 MARCH 2023

SUBSTANTIAL SHAREHOLDERS AS AT 3 MARCH 2023

(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)	44,380,350	5.28	425,956,126	50.66	470,336,476	55.94
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 3 March 2023.

(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 44,380,350 shares held by Mr. Loh, 19,681,650 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, 2,549,800 shares are registered in the name of UOB Kay Hian (Hong Kong) Limited 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 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, 16,000,000 shares are registered in the name of DB Nominees (Singapore) Pte Ltd and 96,250 shares are registered in his own name.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on information available to the Company as at 3 March 2023, approximately 30.24% of the total number of issued ordinary shares (excluding treasury shares) of the Company are held by the 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 Bras Basah Room, Raffles City Convention Centre (Level 4), 80 Bras Basah Road, Singapore 189560 (for Singapore shareholders); and (b) in Hong Kong, via video-conferencing at 5/F Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong (for Hong Kong shareholders) on 27 April 2023 (Thursday) at 10:15 am (or as soon as practicable immediately following the conclusion or adjournment of the extraordinary general meeting of the Company to be held at 10:00 am on the same day and at the same place) 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 2022 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 2022. **(Resolution 2)**

3. To re-elect the following Directors retiring by rotation pursuant to Regulation 89 of the Company's Constitution:

   (a) Mr. Wong Kok Hoe
   [See Explanatory Note (i)] **(Resolution 3)**

   (b) Mr. Lee Wei Loon
   [See Explanatory Note (ii)] **(Resolution 4)**

   (c) Mr. Owi Kek Hean
   [See Explanatory Note (iii)] **(Resolution 5)**

4. To approve the payment of Directors' fees of up to S$497,738 for the financial year ending 31 December 2023, to be paid quarterly in arrears (FY 2022: up to S$492,000).
   [See Explanatory Note (iv)] **(Resolution 6)**

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.

* *for identification purpose only*

NOTICE OF 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

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)**

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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**");

(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;

"**date of making an announcement for an offer**" means the date on which the Company announces its intention to make an offer for an Off-Market Share Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Share Purchase calculated on the foregoing basis) for each share and the relevant terms of the equal access scheme for effecting the Off-Market Share Purchase;

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(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, 24 March 2023

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

Explanatory Notes:

(i) Ordinary Resolution 3 is to re-elect Mr. Wong Kok Hoe ("**Mr. Wong**") as an Executive Director of the Company. Mr. Wong will, upon re-election, remain as Executive Director, Deputy Chairman of the Board and a member of the Executive Committee. Save as disclosed in the Company's Annual Report 2022 and the circular to shareholders accompanying this Notice of AGM (the "**Circular**"), there are no relationships (including immediate family relationships) between Mr. Wong and the other Directors, Chief Executive Officer ("**CEO**"), substantial shareholders of the Company or the Company.

(ii) Ordinary Resolution 4 is to re-elect Mr. Lee Wei Loon ("**Mr. Lee**") as an Independent Non-Executive Director of the Company. Mr. Lee will, upon re-election, remain as Independent Non-Executive Director and as per paragraph 2.9 of the Circular, Mr. Lee will, with effect from 28 April 2023, be appointed Chairman of the Nominating Committee and shall remain a member of the Remuneration Committee. He 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 Mr. Lee and the other Directors, CEO, substantial shareholders of the Company or the Company.

(iii) Ordinary Resolution 5 is to re-elect Mr. Owi Kek Hean ("**Mr. Owi**") as an Independent Non-Executive Director of the Company. Mr. Owi will, upon re-election, remain as Independent Non-Executive Director and as per paragraph 2.9 of the Circular, Mr. Owi will, with effect from 28 April 2023, be appointed Chairman of the Audit Committee and step down as Chairman of the Nominating Committee but shall remain a member of the Nominating Committee. He is considered independent for the purposes of Rule 210(5)(d) and Rule 704(8) 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 Mr. Owi and the other Directors, CEO, substantial shareholders of the Company or the Company.

(iv) Ordinary Resolution 6 is to seek approval for the payment of Directors' fees of up to S$497,738 for the financial year ending 31 December 2023 ("**FY 2023**"), to be paid quarterly in arrears. The amount of fees has been computed based on the same Directors' fee structure for the financial year ended 31 December 2022 and caters for additional fees which may be payable to an Independent Non-Executive Director as per paragraph 2.9 of the Circular.

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 FY 2023 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.

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(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 the financial year ended 31 December 2022 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 Company's Annual Report 2022 and also in the Circular.*

Notes:

1. The AGM is being convened, and will be held (a) in Singapore, at Bras Basah Room, Raffles City Convention Centre (Level 4), 80 Bras Basah Road, Singapore 189560 (for Singapore shareholders); and (b) in Hong Kong, via video-conferencing at 5/F Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong (for Hong Kong shareholders). **There will be no option for shareholders to participate virtually.**

2. (a) A member of the Company ("**Member**" or "**Shareholder**") 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.

   (b) 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.

   (c) "**Relevant Intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act.

   A Member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.

3. A proxy need not be a Member. The Chairman of the Meeting, as proxy, need not be a Member.

4. If the appointor is a corporation, the instrument appointing a proxy or proxies ("**Proxy Form**") must be executed under seal or the hand of its duly authorised officer or attorney.

5. 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.

   CPF/SRS investors should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies. CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **10:15 am on 18 April 2023**, being at least seven (7) working days before the date of the AGM.

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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.

6. The Proxy Form appointing a proxy or proxies, duly completed and signed, must be submitted to the Company no later than **10:15 am on 24 April 2023**, being not less than 72 hours before the time appointed for holding the AGM, in the following manner:

   (i) if sent personally or 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 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for Hong Kong Shareholders); or

   (ii) if submitted electronically, be submitted either by emailing a scanned PDF copy to agm@centurioncorp.com.sg, or by uploading a scanned PDF copy to https://www.centurioncorp.com.sg/2023EGM-AGM/submit-proxy-form,

   failing which the Proxy Form may be treated as invalid.

7. Completion and return of the Proxy Form by a Member will not preclude him/her from attending, speaking and voting at the AGM if he/she subsequently wishes to do so, and at any adjournment thereof. The relevant Proxy Form submitted by the Member 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.

8. Closure of Register of Members in Hong Kong

   The Hong Kong branch share register will be closed from 24 April 2023 to 27 April 2023, 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 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 pm on 21 April 2023.

9. Pursuant to Regulation 59 of the Company's Constitution, each of the 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 the SGX-ST and the Listing Rules of the SEHK.

10. 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 **10:15 am on 24 April 2023**, via any of the following options:

    (i) annex your questions to your Proxy Forms (if submitted personally or by post or electronically); or

    (ii) submit your questions on the Investor Relations section of the Company's website at https://www.centurioncorp.com.sg/2023EGM-AGM/submit-questions; or

    (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.

    The Company will endeavour to respond to substantial and relevant questions received from Shareholders during the AGM proceedings. Such questions from Shareholders and responses from the Company will be included in the minutes of the AGM and published on the Company's website and on the websites of the SGX-ST and the SEHK within one (1) month after the AGM. Where there are substantially similar questions, the Company will consolidate such questions; and consequently, not all questions may be individually addressed.

11. 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.

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(b) The Company's Annual Report 2022 and Circular to Shareholders dated 24 March 2023 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 Company's Annual Report 2022 and Circular to Shareholders dated 24 March 2023 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/ar2022_request_form.html and the website of the 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 11 April 2023.

12. 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, or (b) submitting any question prior to the AGM in accordance with this Notice of AGM, 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 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) 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;

(iii) preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and

(iv) 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 AGM 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.