



**Responses to
questions received
from SIAS**



Centurion responses to questions from SIAS

Q1.i With benefit of hindsight, how could the Pandemic Management Plans be further improved?

- Centurion's Pandemic Management Plan (PMP) is developed with close reference to
 - MOH Pandemic Readiness and Response Plan for Influenza and Other Acute Respiratory Diseases
 - then-Spring Singapore Business Continuity Guide: Contingency Planning for Infectious Disease Pandemics
 - MOM Foreign Employee Dormitory Act licensing requirements
- PMP provided planning guidance and various workflows to guide relevant staff on actions and measures to be adopted from pre to post pandemic
 - Helped mitigate risks by implementing precautionary measures, prepared us to respond quickly
- Covid-19 an unprecedented global pandemic and everyone, including foreign workers, are at risk of contracting coronavirus
- No PMP can prevent all possible infection, given virus is contagious even when asymptomatic
 - Has been actively managing Covid-19 situation with the best practices on precautionary measures
 - Has been actively implementing additional measures and establishing new unprecedented ones to respond to the Covid-19 situation
 - Have been working closely with government inter-agency taskforce to manage the situation
- Post Covid-19, we will do a review of our PMP, taking in account the new learnings such as wearing of mask whether sick or healthy, safe distancing, quarantine and isolation procedures with collective efforts between government, employers, operators and foreign worker residents during this period, and incorporate them into a more enhanced and robust PMP

Centurion responses to questions from SIAS

Q1.ii What is impact of COVID-19 outbreak on the planned redevelopment of Westlite Toh Guan?

- We are delaying implementation of asset enhancement initiative of Westlite Toh Guan until the Covid-19 situation in Singapore normalises
- Commencing the redevelopment as scheduled, while it is beneficial for shareholders and Centurion, it is not the appropriate thing to do at this point as it will displace approximately 400 beds from the market when these beds are most needed during Covid-19
- Despite being gazetted as an Isolation Area, there is no impact to its financial occupancy
- Currently, we are not able to determine the time frame for this AEI at Westlite Toh Guan as it is uncertain when the Covid-19 situation will return to normalcy
- For this redevelopment, we have the written permission from the URA, which is valid for 2 years from 10 February 2020 and will lapse automatically upon 10 February 2022 if the redevelopment is not completed by such time. We will monitor the situation post Covid-19 and will write in to the URA to request for an extension if necessary

Centurion responses to questions from SIAS

- Q1.iii** Will the group review its business model and the sustainability of its dormitory business once the pandemic is over? How does the group balance return on its investment and the living conditions for the foreign workers at its dormitory?
- Q1.iv** Specifically, would the Sustainability taskforce look at the fundamental issue of workers' living space and living conditions and make it a material topic and set appropriate targets?
- We believe Singapore will continue to rely on foreign workforce for the foreseeable future
 - the health, safety and well-being of the foreign workers (FW) are important to us
 - Centurion invests extensively in the welfare of our FW residents
 - We expect government and industry will conduct a review of the business model post Covid-19
 - any improvement of standards and conditions that results will be a good thing
 - likely to see shift towards purpose-built housing for FW
 - Each stakeholder play a part
 - **regulators** set the rules and requirements;
 - **employers** decide on which dormitory to house their workers in and how many per unit;
 - **dormitory operators** ensure overall security, cleanliness, hygiene and well-being; while
 - **FW residents** responsible for personal hygiene and cleanliness within their units
 - **Requires buy-in and contribution of all stakeholders**
 - will work with all stakeholders to improve the living space and conditions of all our residents

Centurion responses to questions from SIAS

Q2.i Can management help shareholders understand how its PBSA portfolio in the UK remains so resilient compared to other operators when the same set of laws to prevent the spread of COVID-19 apply to all operators?

- We are unable to comment about other operators but we are affected in terms of our UK PBSA portfolio
- Following a nationwide lockdown to contain the spread of Covid-19 in the UK, and while our student-residents are still contracted with us for the rest of AY19/20, after careful consideration and acting responsibly to all stakeholders, we have decided to offer our student-residents the option for early termination of their remaining contracted leases
 - students who choose to return home for the final semester of AY19/20 may terminate their tenancies early and will not have to pay rent from 1 May 2020
 - students who have paid for their leases in full in advance and choose to terminate their remaining leases will receive a refund for the lease period beginning 1 May 2020 until end of the contracted lease term
 - Group's properties remain operational for students who choose to continue to stay in their accommodations, retaining their leases during the period
- As such, we expect lower occupancies at our UK properties for the remainder of AY19-20
- The Group anticipates a reduction in revenue for the period May to Aug 2020, of between GBP3 - 5 million, depending on number of student-residents who terminate their leases

Centurion responses to questions from SIAS

Q2.ii Would the board/management re-evaluate its overall crisis management communication plan and disclose material information relating to its operations and businesses in a timely manner? Even as Westlite Toh Guan was gazetted as an isolation area by the Ministry of Health, the company has not provided any update to shareholders.

- We strive to ensure accurate and timely communication with our shareholders : since Covid-19 outbreak, we have communicated progressively with all affected stakeholders and will continue to do so
 - Previously outlined for shareholders and investment community, a Covid-19 impact assessment in FY2019 results announcement and Annual Report 2020
 - Through Westlite, we have been updating wider stakeholder public, including client-employers, residents and media, of the operational situation in our dormitories and the measures taken in line with government advisory
- When Westlite Toh Guan was gazetted as an Isolation Area, the effect is more on adapting our dormitory operations with some extra measures and added logistical provisions such as food catering. It has no material effects on our operations and business performance.
 - We will continue to monitor situation and make announcements on material developments to update shareholders in accordance with SGX listing rules
- We have previously also announced that, despite changes in reporting requirements from SGX, we will continue to provide quarterly business and operational updates to our shareholders
- Shareholders need not wait for the results release on a half-yearly to get an update

Centurion responses to questions from SIAS

Q3.i Given that the company's AGM is an important platform for directors to engage with shareholders, how can the company and the directors better ensure that directors attend the AGM?

- We recognise that the AGM is an important platform to engage shareholders
- All of our Board of Directors are committed to attend all AGMs
- Mr Loh and Mr Teo were unable to attend last year's AGM as they were unable to shift their other commitments on the same day

Q3.ii Would the company ensure that all directors attend the 2020 AGM given that this would be a virtual AGM where directors and shareholders can dial in remotely and participate via the live webcast?

- All our Directors as well as senior management are present at the 2020 AGM, either via webcast or physically