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ProsperCap maintains resilience with increased revenue and lowered normalised loss in FY2024

- Revenue increased by 1.9% YoY from S\$242.4M to S\$246.9M in FY2024
- Net finance costs reduced by 22.0% YoY to S\$44.4M
- FY2024 normalised loss before tax of S\$14.7M is 38.4% lower than the loss of S\$23.9M in FY2023
- ADR & RevPAR of portfolio hotels attained 2.1% and 2.3% increases YoY, continuing a positive industry trend

“The Group will capitalise on evolving hospitality consumer trends and optimize operational efficiencies to refine its hotel and F&B offerings, ultimately enhancing overall performance and achieving improved returns on investment in 2025.”

Iqbal Jumabhoy
Chief Executive Officer and Executive Director, ProsperCap

Singapore, 28 February 2025 – ProsperCap Corporation Limited (“**ProsperCap**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) today announced its unaudited consolidated financial results for its financial year ended 31 December 2024 (“**FY2024**”).

Overview

Revenue for the Group grew slightly in FY2024 at 1.9% year-on-year (“**YoY**”) to S\$246.9 million from S\$242.4 million in the financial year ended 31 December 2023 (“**FY2023**”), mainly due to foreign exchange effects following the strengthening of £ against S\$ in FY2024 (£1: S\$1.7073) as compared to FY2023 (£1: S\$1.6728). Gross profit dipped marginally at 0.2% YoY from S\$134.1 million in FY2023 to S\$133.8 million in FY2024 as a direct impact of the 4.5% YoY rise in the cost of sales, from S\$108.3 million in FY2023 to S\$113.1 million in FY2024, with higher payroll costs resulting from a statutory national minimum wage increase of 9.8% in the United Kingdom effective 1 April 2024 being the main contributor.

The Group experienced reduced revenues due to a fire incident at Crowne Plaza Stratford-Upon-Avon ("**CP Stratford**") which was closed from May to August 2024. The reduced capacity resulted in a revenue loss versus the previous year when CP Stratford recorded sales from an additional 26,547 rooms during the same period in FY2023. If the revenue in FY2023 was adjusted for the same period on a like-for-like basis, the Group would have achieved a 5.1% YoY increase in overall revenue, from S\$235.0 million in FY2023 to S\$246.9 million in FY2024. Similarly, gross profit for FY2024 would mark a 4.0% increment compared to FY2023 adjusted numbers, at S\$133.8 million in FY2024 and S\$128.7 million in FY2023 (see table below), both registering a considerable gross margin over 54.0%.

Financial Highlights

(S\$'000)	A FY2024 Actual	B FY2023 Actual	% Change (A-B)	C FY2023 (adjusted) ⁽ⁱ⁾	% Change (A-C)
Revenue	246,930	242,377	1.9	234,966	5.1
Gross profit	133,790	134,120	(0.2)	128,688	4.0
Net finance costs	(44,443)	(56,988)	22.0	NA	NA
(Loss)/profit before tax	(37,326)	46,479	N.M.	41,224	N.M.
Normalised loss before tax	(14,710) ⁽ⁱⁱ⁾	(23,893) ⁽ⁱⁱⁱ⁾	38.4	NA	NA

(i) Adjusted figures excluding the performance of CP Stratford from May to August 2023 for an analogous comparison to FY2024.

(ii) Excludes one-off deemed listing expenses, insurance claims, impairment loss on land and buildings, net and fair value loss on derivative financial assets, at fair value through profit or loss ("FVTPL") amounting to S\$22.6 million.

(iii) Excludes fair value loss on derivative financial assets, at FVTPL and reversal of impairment loss on land and buildings, net amounting to S\$70.4 million.

N.M.: Not meaningful

The following items, in particular, affected the results for FY2024:

- Other operating income of S\$17.5 million (FY2023: S\$94.7 million)
- Administrative expenses of S\$121.7 million (FY2023: S\$110.3 million)
- Other operating expenses of S\$12.4 million (FY2023: S\$15.0 million)
- One-off deemed listing expenses of S\$10.0 million (FY2023: S\$Nil)
- Net finance costs of S\$44.4 million (FY2023: S\$57.0 million)

As a consequence, ProsperCap reported a loss before tax of S\$37.3 million, compared to a profit of S\$46.5 million in FY2023.

Net finance costs reduced 22.0% YoY from S\$57.0 million in FY2023 to S\$44.4 million in FY2024 mainly due to the conversion of loans from the immediate holding company into equity. Likewise, other operating expenses lowered by 17.5% YoY, from S\$15.0 million in FY2023 to S\$12.4 million in FY2024. At the same time, other operating income decreased from S\$94.7 million in FY2023 to S\$17.5 million in FY2024 mainly due to a lower reversal of impairment loss for land and buildings, net of S\$88.8 million in FY2024 (FY2024: S\$4.6 million and FY2023: S\$93.4 million) which was partially offset by S\$12.5 million insurance income for CP Stratford in FY2024.

Lastly, the 10.3% YoY increase in administrative expenses, from S\$110.3 million in FY2023 to S\$121.7 million in FY2024, was mostly attributed to the increase in depreciation of property, plant and equipment by S\$4.5 million in FY2024 arising from the addition of capital expenditure and the costs incurred in setting up and maintaining the ProsperCap's Singapore head office in FY2024 of S\$5.2 million.

Normalised Loss Before Tax

The Company completed its Reverse-Take-Over ("**RTO**") transaction on 23 January 2024 and recognised one-off deemed listing expenses of S\$10.0 million in FY2024. The Group recorded a S\$12.7 million fair value loss on derivative financial assets, at fair value through profit or loss ("**FVTPL**"), in addition to a S\$5.9 million net impairment loss on land and buildings in FY2024. The Group also received a S\$6.0 million insurance claim for compensation of damages relating to buildings, machinery, inventory and claim preparation fees, concerning the fire incident at CP Stratford in FY2024.

Conversely in FY2023, the Group recognised a S\$9.0 million fair value loss on derivative financial assets, offset by the reversal of net impairment loss on land and buildings, at S\$79.4 million.

Excluding these exceptional income and expenses, the normalised loss before tax of S\$14.7 million for FY2024 is a 38.4% improvement over the loss of S\$23.9 million in FY2023.

Performance of Portfolio Hotels

– Summary of Key Performance Indicators

	A FY2024 Actual	B FY2023 Actual	% Change (A-B)	C FY2023 (Adjusted) ⁽ⁱ⁾	% Change (A-C)
Rooms Sold	960,896	981,339	(2.1)	954,792	0.6
Occupancy	79.7%	79.5%	0.2	79.4%	0.3
ADR (£)	101.50	99.44	2.1	99.34	2.2
RevPAR (£)	80.85	79.03	2.3	78.85	2.5
Revenue (£'000)	144,630	144,893	(0.2)	140,463	3.0
Gross Operating Income (£'000)	78,360	79,588	(1.5)	76,341	2.6

(i) Adjusted figures excluding the performance of CP Stratford from May to August 2023 for an analogous comparison to FY2024. Allowances for variable costs incurred during the same period were considered to obtain the gross operating income figures. The numbers are stated in £ to demonstrate performance rather than currency effects.

A total of 960,896 rooms were sold in FY2024 by the 17 UK hotels under ProsperCap's hospitality asset portfolio, compared to 981,339 rooms in FY2023. Nevertheless, if rooms sold at CP Stratford from May to August 2023 were excluded, to set the basis for an analogous comparison against FY2024 numbers, as seen in column C of the table above, the Group would have attained a modest growth of 0.6%. The overall occupancy rate in FY2024 was also mostly constant at 79.7%, gaining a slight improvement compared to 79.5% in FY2023.

Excluding the effect of CP Stratford's temporary closure, the Average Daily Rate ("**ADR**") and Revenue Per Available Room ("**RevPAR**") displayed greater growth in FY2024. Specifically, ADR increased by 2.2% YoY, reaching £101.50 in FY2024, compared to £99.34 in FY2023. RevPAR also gained a 2.5% YoY increment when it went up from £78.85 in FY2023 (column C) to £80.85 in FY2024. Total revenue and gross operating income both rose by 3.0% and 2.6%, from £140.5 million and £76.3 million in FY2023 to £144.6 million and £78.4 million in FY2024 respectively.

According to STR¹, a prominent provider of data analytics and benchmarking services for the hospitality industry, who did a competitive set² benchmarking analysis for ProsperCap's hospitality asset portfolio, the Group outperformed its competitive group of hotels which suffered a decline of 3.0% and 1.5% for occupancy rate and RevPAR, plus a mere 1.5% ADR increase, during the same period from FY2023 to FY2024.

Business Outlook 2025

In 2024, the UK is forecasted to have welcomed 41.2 million visitors, marking a 9% increase over 2023³. Leveraging the upward momentum, the nation's hospitality industry is expected to grow from US\$21.8 billion in 2025 to US\$24.1 billion in 2029, according to Statista⁴. GDP growth forecast for the UK is also expected to rise from 0.8% in 2024 to 1.7% in 2025, boosted by a more relaxed monetary and fiscal policy stance from the Bank of England⁵.

According to PricewaterhouseCoopers UK ("**PwC UK**")⁶, the 2025 outlook for the UK hotel market is cautiously positive, with a resilient global travel market offering some encouraging signs. The RevPAR and occupancy growths for UK regions where most of ProsperCap's hotels are located were forecasted to be 1.9% and 2.3% respectively for 2025. In addition, falling interest rates and a subsequent weaker pound sterling will make the UK a more attractive travel and business destination for foreign visitors.

Conversely, uncertainties from ongoing geopolitical tensions and trade wars, coupled with operational costs surge due to increases in employers' national insurance contributions and the national minimum wage, are expected to place strains on revenue and profits.

"Challenges aside, travellers in the UK are increasingly preferring unique, personalised, and sustainability-driven accommodation. The Group will capitalise on these evolving hospitality consumer trends and optimize operational efficiencies to refine its hotel and F&B offerings, ultimately enhancing overall performance and achieving improved returns on investment in 2025," Chief Executive Officer and Executive Director of ProsperCap, Mr Iqbal Jumabhoy, commented.

¹ STR.com: [About STR](#)

² Competitive set refers to a group of hotels that a hotel property competes against for business, typically located in the same geographic area and offering similar services and amenities.

³ Visit Britain, [Research Insights – Inbound Tourism Forecast](#)

⁴ Statista, [Market Insights – Travel & Tourism – Hotels in the United Kingdom](#)

⁵ KPMG UK, [UK economy could rebound by 1.7% in 2025 but geopolitical issues loom large](#)

⁶ PwC UK, [UK Hotels Forecast – Upbeat Outlook, But Downside Risks Remain](#)

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About ProsperCap Corporation Limited

ProsperCap Corporation Limited ("**ProsperCap**" or the "**Company**", and together with its subsidiaries, the "**Group**") is a real estate investment and management company listed on the Catalist of the Singapore Exchange (SGX). Headquartered in Singapore, the Group focuses on building a diversified real estate portfolio across various geographies, with an emphasis on the ownership and management of global hospitality and lodging assets.

ProsperCap currently owns a portfolio of 17 predominantly upscale hotels with a total of 3,383 keys located in key regional cities across the United Kingdom. The properties are managed by one of the leading hotel operators experienced with international and multi-brand hotel portfolios and operated under franchise agreements with well-known international hotel brands, namely Hilton, IHG and Marriott. Future strategic initiatives include portfolio expansion and hotel guest experience enhancements. The Group is committed to a long-term value-added investment strategy that focuses on innovation in keeping with its financial and societal objectives for sustainable operations.

This press release has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made, or reports contained in this press release.

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