

PROSPERCAP CORPORATION LIMITED
(Company Registration No. 197300314D)
(Incorporated in Republic of Singapore)

**ENTRY INTO FACILITY AGREEMENTS FOR AGGREGATE OF UP TO GBP 310 MILLION
TERM LOAN AND CAPEX LOAN FACILITIES**

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of ProsperCap Corporation Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 14 April 2024 in relation to the appointment of two international financial institutions as the mandated lead arrangers and bookrunners in respect of new term loan and capital expenditure loan facilities (the “**Mandate Announcement**”). Unless otherwise defined, all capitalised terms used herein shall bear the same meaning and construction as ascribed to them in the Mandate Announcement.

The Board of the Company is pleased to announce that on 13 September 2024, its wholly owned subsidiary, ProsperCap Subholdco Limited (formerly known as DTP Subholdco Limited) (the “**Senior Borrower**”) entered into a senior facility agreement (the “**Senior Facility Agreement**”) as borrower, and another wholly-owned subsidiary, PPC Regional Hospitality Group Company Limited (formerly known as DTP Regional Hospitality Group Limited) (the “**Mezzanine Borrower**”) entered into a mezzanine facility agreement (the “**Mezzanine Facility Agreement**”, and together with the Senior Facility Agreement, the “**Facility Agreements**”) as borrower, with a group of lenders pursuant to which the following credit facilities were granted:

1. Senior and mezzanine term loan facilities for a total amount of up to GBP 296.04¹ million; and
2. Senior and mezzanine capital expenditure (“**CAPEX**”) loan facilities for a total amount of up to GBP 13.96 million;

in each case, for a tenure of 24 months from the first utilisation date with three (3) extension options of 12 months each, subject to applicable terms and conditions.

¹ Unless otherwise specified, figures in this announcement have been rounded up or down to the nearest two decimal places.

Deutsche Bank AG, London Branch and Standard Chartered Bank are the mandated lead arrangers and bookrunners for these credit facilities.

2. SALIENT TERMS OF THE FACILITY AGREEMENTS

The salient terms of the Senior Facility Agreement and the Mezzanine Facility Agreement are set out below.

(a) Senior Loan and Mezzanine Loan

The senior loan financing (the "**Senior Loan**") from Deutsche Bank AG, London Branch and Standard Chartered Bank (Singapore) Limited (collectively, the "**Senior Lenders**" and each a "**Senior Lender**") pursuant to the Senior Facility Agreement entered into between (amongst others) the Senior Borrower and the Senior Lenders comprises:

- (i) a term facility in an aggregate amount of up to GBP 232.60 million; and
- (ii) a CAPEX facility in an aggregate amount of up to GBP 10.97 million.

The mezzanine loan financing (the "**Mezzanine Loan**"), which is jointly provided by investment entities of AllianceBernstein and Castl lake LP (collectively, the "**Mezzanine Lenders**" and each a "**Mezzanine Lender**"), pursuant to the Mezzanine Facility Agreement entered into between (amongst others) the Mezzanine Borrower and the Mezzanine Lenders, comprises:

- (i) a term facility in an aggregate amount of up to GBP 63.44 million; and
- (ii) a CAPEX facility in an aggregate amount of up to GBP 2.99 million.

Pursuant to the terms of the Facility Agreements and the intercreditor agreement entered into between (amongst others) the Senior Borrower, the Mezzanine Borrower, the Senior Lenders and the Mezzanine Lenders, the Mezzanine Loan is subordinated to the repayment of the Senior Loan.

(b) Use of Proceeds

The proceeds from the term facilities under the Senior Loan and Mezzanine Loan shall be used for: (i) refinancing of the Group's Existing Facilities; (ii) payment of the transaction costs in connection with the term facilities under the Senior Loan and the Mezzanine Loan; and (iii) general corporate purposes and working capital requirements of the Group.

The proceeds from the CAPEX facilities under the Senior Loan and Mezzanine Loan shall be used primarily for financing part of the budgeted capital expenditure of the Group.

(c) Interest

Floating rate, with the interest rate for each day during an interest period being the percentage rate per annum which is the aggregate of the applicable Sterling Overnight Index Average (SONIA) rate for that day and the margin agreed between the borrowers and lenders for each interest period and each facility agreement, taking into account, amongst others, the credit risk appetite and prevailing market conditions.

(d) Security / Guarantee

The Senior Loan and the Mezzanine Loan are secured by, among others, pledge, charge and assignment over shares, bank accounts and insurance proceeds in the Group's subsidiaries as well as mortgages over the 17 hotels owned by subsidiaries of the Group (the "**Hotels**").

Certain subsidiaries of the Group also provided a joint and several guarantee in respect of the obligations of the Senior Borrower and/or the Mezzanine Borrower (as the case may be).

(e) Mandatory Prepayment; Change of Control and Illegality / Alternative Investment Fund ("**AIF**")² Prepayment

Pursuant to Rule 704(33) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst ("**Catalist Rules**"), the Board wishes to announce that prepayment of each of the Senior Loan and the Mezzanine Loan is required in certain circumstances pursuant to the Facility Agreements, including upon the occurrence of a change of control. "change of control" includes, amongst other things, DTGO Corporation Limited, a controlling shareholder of the Company, ceasing to control PPC Holdco Limited (formerly known as DTP Holdco Limited) (the "**Holdco**"), a subsidiary of the Company.

In this context, "control" of a person includes, amongst other things, the (A) (whether directly or indirectly) the power to (i) cast, or control the casting of, more than one half of the maximum number of votes that might be cast at a general meeting (or equivalent meeting of stakeholders in any jurisdiction) of that person, (ii) appoint or remove the majority of the directors, managers, trustee or other equivalent officers of that person;

² AIF" is defined in the Facility Agreements as having the meaning given to it in article 4(1)(a) of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers

and (iii) give directions with respect to the operating and financial policies of that person with which the directors, managers, trustee or other equivalent officers of that person are obliged to comply; (B) the holding beneficially of more than 50 per cent. of the issued share capital of that person. Upon the occurrence of a change of control, if the Senior Lenders or the Mezzanine Lenders (as the case may be) so require, the facility agent for the relevant loans shall cancel the commitment of that lender, and declare the participation of that lender in the outstanding loan (together with accrued interest) to be immediately due and payable. Accordingly, the aggregate level of facilities that may be affected by the occurrence of a "change of control" is estimated to be, as at the date of this announcement, up to GBP 310 million (excluding any applicable interest and fees).

In addition, the Facility Agreements stipulate that a mandatory prepayment is required in the following circumstances, and subject to the terms set out in the Facility Agreements:

- (i) if in any applicable jurisdiction, it becomes unlawful for any lender to perform any of its obligations as contemplated by the Facility Agreements; or to fund or maintain its participation in a loan; or it becomes unlawful for any affiliate of the lender to do so; or
- (ii) if the facility agent of the relevant loans receives a notice from a lender under the Facility Agreements which is a Capital Requirements Regulation ("**CRR**") credit institution, or an undertaking that belongs to a group of institutions, a financial holding group, a mixed financial holding group or a financial conglomerate which includes a CRR credit institution (in each case within the meaning of the German Banking Act (Kreditwesengesetz), as amended from time to time) (such lender, an "**AIF Illegal Lender**") that, after the expiry of any applicable grace periods, that AIF Illegal Lender's participation in any Loan qualifies as a "prohibited business" (verbotenes Geschäft) pursuant to Sec. 3 para. 2 S. 2 No. 2 of the German Banking Act (Kreditwesengesetz).

(f) Restrictions on Payment of Dividends

Each of the Senior Facility Agreement and the Mezzanine Facility Agreement prohibits the obligors under the Senior Facility Agreement and Mezzanine Facility Agreement (as the case may be) from declaring, making or paying any dividends or other distributions in the nature or intended to act as a distribution to any of its shareholders (whether in cash or in kind), save in the context of specified permitted intra-group distributions or reorganisation.

(g) Financial and Restrictive Covenants; General Undertakings and Property Undertakings

Each obligor is required to comply with various financial covenants, including satisfying and maintaining specified financial ratios. These financial ratios include requirements such as maintaining a maximum loan to value ratio, maximum loan to budgeted CAPEX cost ratio and minimum interest coverage ratio.

The Facility Agreements also contain various covenants and undertakings that limit the ability of certain subsidiaries within the Group to engage in specified types of transactions (subject in some cases to certain exceptions), including, amongst others, to:

- (i) sell or transfer material assets;
- (ii) create liens or additional security;
- (iii) make certain investments or acquisitions;
- (iv) incur or to allow to remain outstanding any financial indebtedness which is not permitted;
- (v) substantially change the nature of its business;
- (vi) amalgamate, merge or undertake a reorganisation; and
- (vii) redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so.

In addition to general undertakings, including (amongst others) undertakings by each obligor not to use proceeds of the loans for purposes in breach of applicable sanctions and /or anti-corruption laws and undertakings by the applicable borrower not to take or fail to take any action within its control which will result in it becoming an AIF, the Facility Agreements contain various property-related undertakings by the obligors, including (amongst others) those relating to compliance with the agreed timeline for the capital expenditure projects and implementation of all recommendations set out in the fire inspection report to be delivered as a condition precedent to utilisation of the Senior Loan and the Mezzanine Loan.

(h) Events of Default

In addition to customary events of default, such as (amongst others) non-payment, breach of financial covenants, breach of other obligations /

undertakings or breach of representations and warranties (in each case, if not remedied within the applicable grace period specified in the Facility Agreements), cross-default on other financial indebtedness, insolvency and unlawfulness, there are events of default which may be triggered by certain events in connection with the Material Hotel Operating Documents³, including but not limited to:

- (i) any party to a Material Hotel Operating Document rescinds or purports to rescind or repudiates or purports to repudiate any of those agreements or instruments in whole or in part; or
- (ii) any Material Hotel Operating Document is terminated or the terms of any Material Hotel Operating Document are breached in any material respect.

If an event of default occurs, the respective lenders may exercise their acceleration rights and declare the principal amount outstanding under the Senior Loan and/or the Mezzanine Loan (together with accrued unpaid interest) to be immediately due and payable, and may initiate enforcement proceedings in respect of the security provided (including taking possession of the underlying property), and/or call upon any guarantees provided, unless such default is remedied (if the default is remediable) or waived, or parties agree to an amendment to the terms of the relevant facility agreement.

- (i) Governing laws

The Facility Agreements are governed by English law.

The governing law of the relevant security and guarantee-related documents vary, depending on the law of the jurisdiction in which the relevant security is located or the jurisdiction of incorporation of the relevant subsidiary, as the case may be.

3. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in this announcement and other than through their respective directorships and shareholdings in the Company, if any, none of the Directors or, to be best of the Directors' knowledge, controlling shareholders of the Company or their associates has any interest, direct or indirect, in the credit facilities or the Refinancing.

³ Material Hotel Operating Documents comprise the Hotel Franchise Agreements (as defined in the Facility Agreements) and other ancillary or related agreements relating to the operation of the Hotels as specified in the Facility Agreements.

4. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their shares. The credit facilities, including the Refinancing, remain subject to, amongst other things, fulfilment of the conditions precedent under the Facility Agreements. There is no certainty or assurance that such conditions precedent can be fulfilled, or that the Refinancing and/or the financing pursuant to the Facility Agreements will be undertaken at all. The Company will provide further details, where necessary, in subsequent announcements in accordance with the Catalist Rules of the SGX-ST at the appropriate junctures. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

PROSPERCAP CORPORATION LIMITED

Iqbal Jumabhoy
Chief Executive Officer and Executive Director
13 September 2024

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

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