

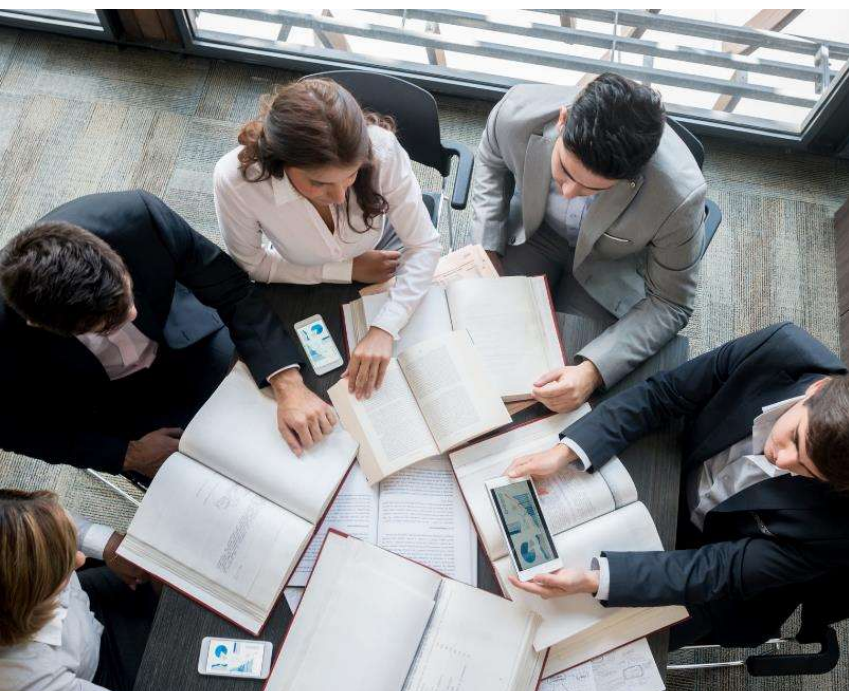
The background of the slide is a blurred, blue-tinted image of an office interior. Several people are visible, appearing to be in a meeting or working at desks. The overall atmosphere is professional and modern.

ProsperCap

1H FY24 Results Presentation

14 August 2024

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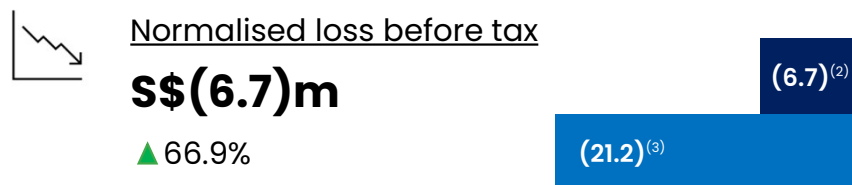
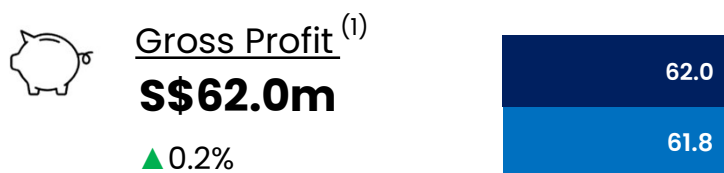
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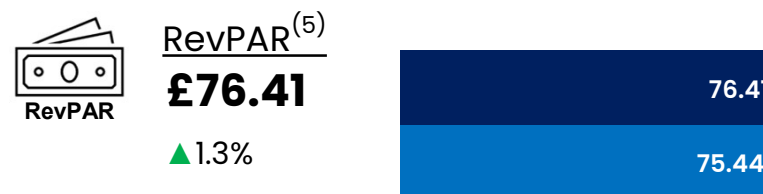
Key Highlights

1H FY24 Key Highlights

■ 1H FY24 ■ 1H FY23



■ 1H FY24 ■ 1H FY23



(1) Excludes insurance claims received for Crowne Plaza Stratford-Upon-Avon.

(2) Excludes one-off deemed listing expenses, insurance claims and fair value loss on derivative financial assets, at fair value through profit or loss amounting to \$13.0 million.

(3) Excludes reversal of impairment loss on land and buildings amounting to \$66.4 million.

(4) ADR refers to the average daily rate and can be calculated by dividing total room revenue by the total number of rooms sold.

(5) RevPAR refers to revenue per available room and can be calculated by dividing total room revenue by total number of rooms available.



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Financial Review

1H FY24 Financial Performance

	1H FY24 (S\$m)	1H FY23 (S\$m)	YoY Change (%)
Revenue	116.0	112.6	▲ 3.0%
Gross Profit	62.0	61.8	▲ 0.2%
Net finance costs	(20.5)	(29.9)	▲ 31.4%
(Loss)/profit before tax	(19.7)	46.1	N.M.
Normalised loss before tax (" Normalised LBT ")	(6.7)	(20.3)	▲ 66.9%

N.M. denotes not meaningful.

Expanded Notes

- An increase in revenue in 1H FY24 was mainly due to foreign exchange effects following the strengthening of Sterling Pound ("£" or "GBP") against Singapore Dollar ("S\$" or "SGD") in 1H FY24 (£1: S\$1.7077) as compared to 1H FY23 (£1: S\$1.6578).
- In 1H FY24, the Group recognised insurance income of S\$6.4 million in other operating income due to the insurance claims received, following the fire incident at Crowne Plaza Hotel Stratford-upon-Avon, offset by a fair value loss of S\$5.5 million on derivative financial assets, at fair value through profit or loss.
- Loss before tax of S\$19.7 million for 1H FY24 includes one-off deemed listing expenses of S\$10.0 million recognised by the Group for its Reverse-Take-Over ("RTO") transaction on 23 January 2024 while the profit before tax of S\$46.1 million in 1H FY23 includes a reversal of impairment loss of S\$66.4 million on land and buildings.
- Decrease in net finance costs in 1H FY24 were mainly due to (i) higher finance income from derivative financial assets of S\$3.8 million, and (ii) lower interest expenses on loan from the immediate holding company of S\$14.7 million. The effects of (i) and (ii) were offset by the increase in interest expenses on the Senior loan and Mezzanine Loan by S\$3.4 million in 1H FY24 due to higher interest rates of 8.1% and 11.8% respectively (1H FY23: 6.8% and 10.6% respectively).
- Excluding one-off income and expenses, the normalised loss before tax of S\$6.7 million for 1H FY24 is a 66.9% improvement over the normalised loss before tax of S\$20.3 million in 1H FY23.

1H FY24 Balance Sheet

	As at 30 June 2024 (S\$m)	As at 31 December 2023 (S\$m) Re-presented ⁽¹⁾
Property, plant and equipment	801.6	784.8
Other non-current assets	38.5	43.0
Current assets	41.9	47.5
Total Assets	882.0	875.3
Loans and Borrowings	492.9	488.2
Other liabilities	114.3	174.0
Total Liabilities	607.2	662.2
Net asset value (" NAV ") per ordinary share (S\$ cents)	17.11	15.84

Expanded Notes

- Total assets increased due to (i) addition of property, plant and equipment and right-of-use assets, (ii) higher trade and other receivables of S\$10.6 million, and (iii) foreign exchange effects due to the strengthening of £ against S\$⁽²⁾. The increases in (i) and (ii) were partially offset by the decrease in cash and cash equivalents of S\$16.3 million as at 30 June 2024.
- Increase in loans and borrowings due to the foreign exchange effects following the strengthening of £ against S\$⁽²⁾ offset by principal repayments of bank loans.

(1) Re-presented in S\$ due to change in presentation currency from £ to S\$, translated at the exchange rate of £1 : S\$1.6795 as at 31 December 2023.

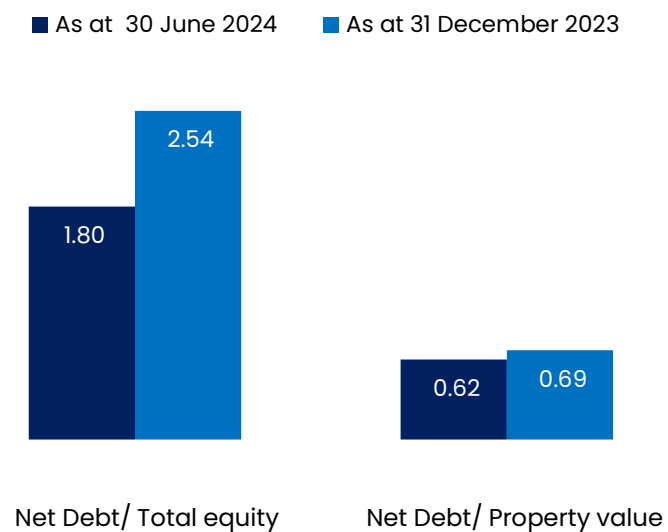
(2) Exchange rate of £1:S\$1.7157 as at 30 June 2024 compared to £1:S\$1.6795 as at 31 December 2023.

Capital Management

	As at 30 June 2024	As at 31 December 2023
Total equity (S\$'000)	274,858	213,043
Net Debt (S\$'000) ⁽¹⁾	495,009	541,048
Net Debt/ Total equity	1.80	2.54
Net Debt/ Property value ⁽²⁾	0.62	0.69

⁽¹⁾ Net debt is equal to interest-bearing debt, including bank loans and intercompany loans, minus cash and cash equivalents

⁽²⁾ Carrying values of property, plant, and equipment as at 30 June 2024 and 31 December 2023 respectively.



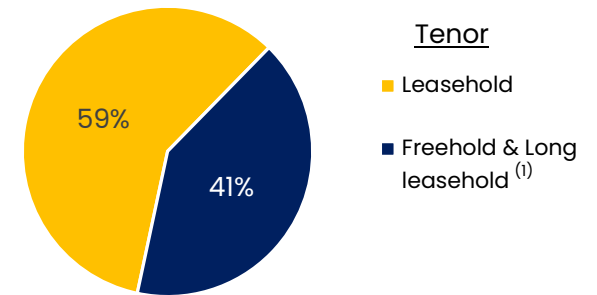
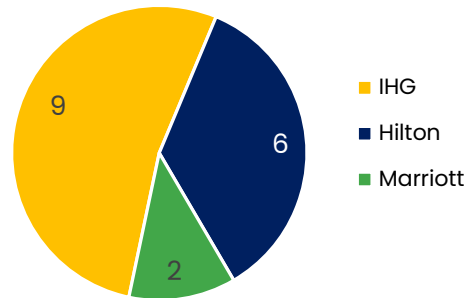
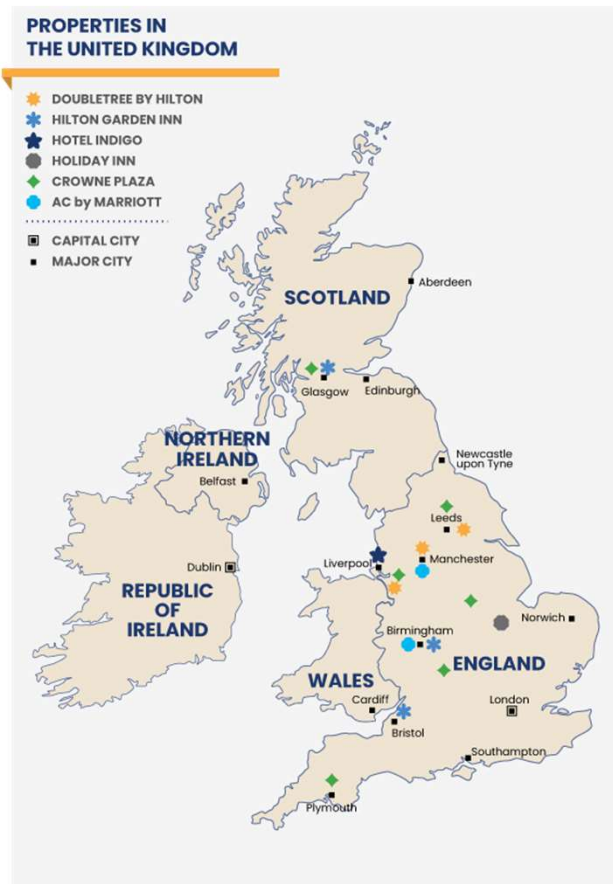
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Portfolio Review



Portfolio Review



Hotel Management Structure

- ProsperCap operates its 17 hotels under franchise agreements with renowned international hotel brands such as IHG, Hilton and Marriot, to leverage their brand equity, standards and distribution channels.
- The hotels are managed by Valor Hospitality Europe, which provides expertise in:
 - hotel operations management, including human resource management
 - revenue management
 - adherence to franchisor's branding standards

⁽¹⁾ Long leasehold refers to a lease term of 199 years or more.

Key Performance Indicators

	IH FY24 Actual	IH FY23 Actual	% Change	IH FY23 (w/o CPSF) ⁽¹⁾	% Change
Occupancy	76.5%	77.9%	(1.4%)	77.8%	(1.3%)
ADR (£)	99.90	96.85	3.1%	96.70	3.3%
RevPAR (£)	76.41	75.44	1.3%	75.19	1.6%
Revenue (£'000)	67,942	67,947	0.0%	65,632	3.5%
Gross Operating Income (GOI) (£'000)	36,446	36,958	(1.4%)	35,396	3.0%

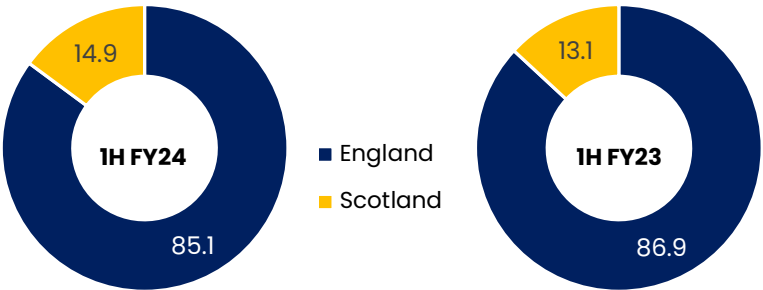
Expanded Notes

- A slight decline in occupancy rate in IH FY24 was predominantly due to room refurbishment works carried out at various hotels, and lower demand due to the reduced number of events held in various locations.
- Excluding the effects of Crown Plaza Stratford-upon-Avon ("CP Stratford" or "CPSF") temporary closure, Average Daily Rate ("ADR") and Revenue Per Available Room ("RevPAR") grew by 3.3% and 1.6% YoY, reaching £99.90 and £76.41 in IH FY24 respectively.
- Similarly, revenue and gross operating income rose by 3.5% and 3.0%, from £65.6 million and £35.4 million in IH FY23 to £67.9 million and £36.4 million in IH FY24.
- For IH FY24, ProsperCap recognised insurance income of S\$6.4 million in other operating income due to insurance claims received for CP Stratford, of which S\$3.9 million was for business interruption and S\$2.5 million was for compensation of damages relating to buildings, machinery and inventory.

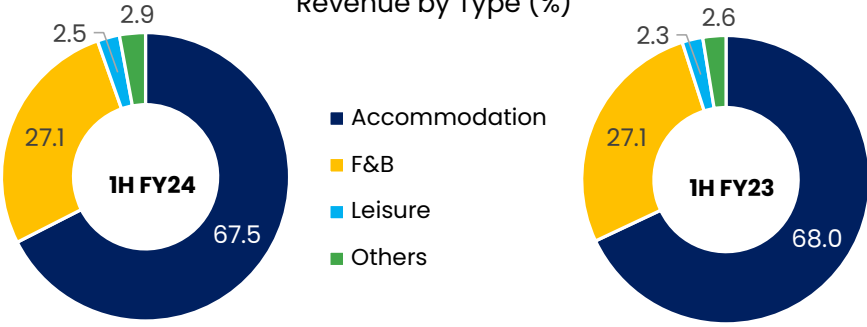
⁽¹⁾ Adjusted data of IH FY23 excluding contributions from CP Stratford for May and June 2023 is shown in this column, to set the basis for an analogous comparison against IH FY24 performance.

Portfolio Operating Performance

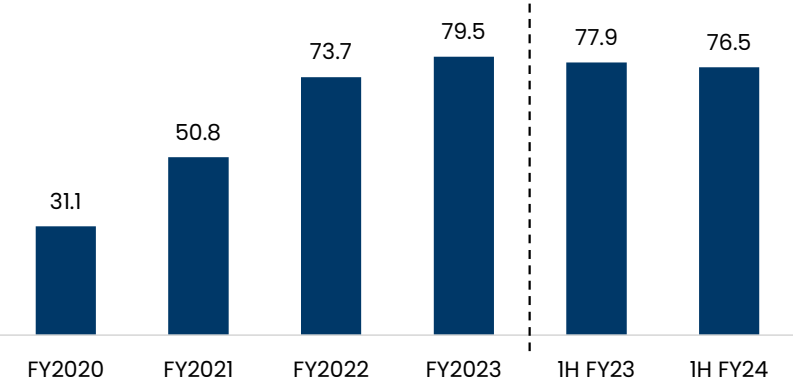
Revenue by Geography (%)



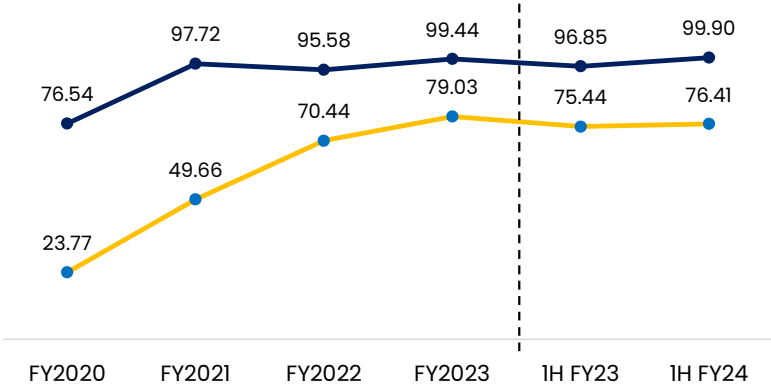
Revenue by Type (%)



Occupancy Rate (%)⁽¹⁾



ADR (£)⁽¹⁾ RevPAR (£)⁽¹⁾



⁽¹⁾ Refers to the average occupancy, ADR and RevPAR respectively

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Outlook & Growth Strategy



Operating Environment in the UK

Key Economic Indicators ⁽¹⁾

GDP growth

▲ **0.7% QoQ**
(vs 0.6% initial estimate)

Low unemployment rate

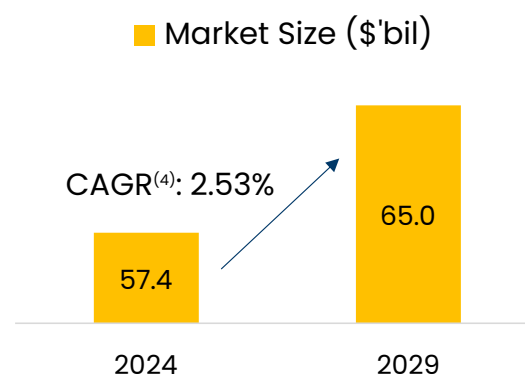
4.4% for 3 months to May 2024

UK consumer price index hits 2% target before US and Eurozone

▲ **2.0% YoY**

5.0% bank rate in August 2024⁽²⁾

UK Hospitality Market Outlook ⁽³⁾



Major players*:

- Travelodge
- IHG
- Accor
- Whitbread
- Marriott

**Major players sorted in no particular order*

- The UK hospitality industry is expected to experience growth, with an increase in investments and positive fundamental performance indicators
- Noticeable increase in the number of serviced apartments and shared spaces, making the UK an affordable destination for millennials and younger generations
- The growth of the economy and high disposable incomes domestically and internationally have also boosted demand for hotel rooms and other hospitality services

References as at 1 Aug 2024:

(1) [Office for National Statistics](#)

(2) [CNBC, UK lenders slash mortgages as Bank of England rate cut brings relief to homeowners](#)

(3) [Mordor Intelligence, Hospitality Industry in UK Size & Share Analysis - Growth Trends & Forecasts \(2024 - 2029\)](#)

(4) CAGR: Compound Annual Growth Rate

Growth Strategies

Investment Strategy

- **Focuses on investing in the hospitality industry**, at initial phase
- **Expand to other real estate asset classes** such as commercial, office, and etc.
- **Prioritises high-growth markets**, strategic locations, and attractive risk-adjusted returns
- Actively **drive the portfolio value** through focus on **ESG principles** either at acquisition or via post-acquisition enhancement

Capital Recycling and Monetisation Strategies

- Seeks to recycle capital to maximise returns and pursue new investment opportunities such as selling properties to institutional buyers, existing investments through **capital markets** or **strategic divestments** or **innovative financing** to unlock additional capital for new investments
- Asset-light approach enables quicker and more efficient capital recycling, allowing for **a higher deployment of capital towards new opportunities**



Capital Deployment

- Investments may include **acquiring existing assets with existing operating agreements or entering into partnerships with established operators or developers**
- Capital allocated to investments with the objective of generating **attractive returns and maximising capital efficiency**
- **Adopts an asset-efficient strategy**, emphasising investments that have potential for improvement of returns pre-monetisation
- To **optimise** the use of **best-in-class** operation partners

Value Creation and Asset Management

- **Actively manages portfolio of assets** to drive value creation and enhance investment performance
- **Optimising revenue generation, operational efficiency, and cost management** through effective asset management strategies
- Leverage **industry expertise** and **network** to provide operational guidance and support to portfolio companies or partners



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Thank You

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Appendix



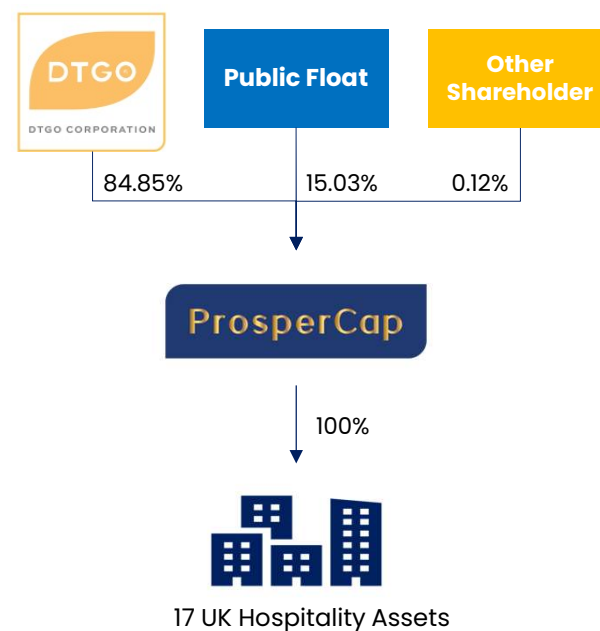
Overview

ProsperCap – a real estate investment and management platform based in Singapore and publicly listed on the Catalist of the Singapore Exchange (SGX). The company was established with the objective of building a portfolio of multiple real estate asset classes across different geographies and stages of operation, with a focus on ownership and management of global hospitality and lodging assets.

Core business focus – investing in and managing the operations of global hospitality and lodging-related business

Portfolio	17 Predominantly Upscale Hotels
Operated under franchise agreements with 3 international hotel brands	<ul style="list-style-type: none"> • Hilton • IHG • Marriott
Consisting of	<ul style="list-style-type: none"> • DoubleTree by Hilton • Hiton Garden Inn • Hotel Indigo • Holiday Inn • Crowne Plaza • AC Hotel by Marriott
Managed by	Valor Hospitality Europe Limited 

ProsperCap's Shareholding Structure⁽¹⁾



Note:
⁽¹⁾ As of 19 March 2024

Key Milestones

December 2019

DTGO's Acquisition

DTGO acquired a portfolio of 17 hotel assets from Bryant Park Funding Designated Activity Company.

Subsequently, DTGO also acquired DTP Management Limited, which holds 25% of the share capital of Valor, from Marathon European Credit Opportunity Master Fund II, Ltd. and Marathon European CRE Opportunity Fund, LP.



2020 – 2023

Asset Enhancement Programme

The Company initiated hotel upgrades to meet respective brand standards, implementing the Cladding Programme and Property Improvement Plan. It also allocated resources to marketing and promoting hotels, positioning itself advantageously for post-COVID-19 market recovery



Combined heat & power system implementation

January 2024

Listed on SGX

Changed name to ProsperCap and commenced trading on SGX Catalist board on 26 January

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Hotel Overview



	DoubleTree by Hilton Chester	DoubleTree by Hilton Leeds	DoubleTree by Hilton Manchester	Hilton Garden Inn Bristol	Hilton Garden Inn Birmingham
Tenor	Freehold	Long leasehold ⁽⁴⁾	Long leasehold ⁽⁴⁾	Leasehold	Leasehold
Unexpired Term (years) ⁽¹⁾	N/A	938	232	100	116
Franchisor	Hilton	Hilton	Hilton	Hilton	Hilton
Keys	219	333 ⁽²⁾	285	171	238
Gross Internal Area (sqft)	118,000	172,000 ⁽²⁾	154,000	63,000	130,000
Construction Year	18 th Century	2009	2007	1999	2001

(1) Unexpired lease term as of 2023.

(2) All of the keys and GIA of the Hotel are on the freehold title land of the property.

(3) All of the keys and GIA of the Hotel are on the leasehold title land of the property.

(4) Long leasehold refers to a lease term of 199 years or more.

Hotel Overview (cont'd)



	Hilton Garden Inn Glasgow	Crowne Plaza Chester	Crowne Plaza Glasgow	Crowne Plaza Harrogate
Tenor	Freehold	Leasehold	Leasehold	Leasehold
Unexpired Term (years) ⁽¹⁾	N/A	93	89	86
Franchisor	Hilton	IHG	IHG	IHG
Keys	164	160	283	214
Gross Internal Area (sqft)	68,000	199,000	200,000	122,000
Construction Year	2000	1988	1989	1984

(1) Unexpired lease term as of 2023.

(2) All of the keys and GIA of the Hotel are on the freehold title land of the property.

(3) All of the keys and GIA of the Hotel are on the leasehold title land of the property.

(4) Long leasehold refers to a lease term of 199 years or more.

Hotel Overview (cont'd)



	Crowne Plaza Nottingham	Crowne Plaza Plymouth	Crowne Plaza Solihull	Crowne Plaza Stratford-Upon-Avon
Tenor	Long leasehold ⁽⁴⁾	Freehold	Leasehold	Leasehold
Unexpired Term (years) ⁽¹⁾	960	N/A	92	75
Franchisor	IHG	IHG	IHG	IHG
Keys	210 ⁽³⁾	211	120	259
Gross Internal Area (sqft)	314,000 ⁽³⁾	257,000	124,000	173,000
Construction Year	1983	1972	1990	1972

(1) Unexpired lease term as of 2023.

(2) All of the keys and GIA of the Hotel are on the freehold title land of the property.

(3) All of the keys and GIA of the Hotel are on the leasehold title land of the property.

(4) Long leasehold refers to a lease term of 199 years or more.

Hotel Overview (cont'd)



	Holiday Inn Peterborough West	Hotel Indigo Liverpool	AC Hotel by Marriott Birmingham	AC Hotel by Marriott Manchester
Tenor	Leasehold	Freehold	Leasehold	Leasehold
Unexpired Term (years) ⁽¹⁾	117	N/A	107	130
Franchisor	IHG	IHG	Marriott	Marriott
Keys	133	151	90	142
Gross Internal Area (sqft)	89,000	71,000	47,000	61,000
Construction Year	1981	2011	2001	2008

(1) Unexpired lease term as of 2023.

(2) All of the keys and GIA of the Hotel are on the freehold title land of the property.

(3) All of the keys and GIA of the Hotel are on the leasehold title land of the property.

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