



Prosper Cap Corporation Limited (Formerly known as 3Cnergy Limited)
(Company Registration No.: 197300314D)
(Incorporated in the Republic of Singapore)

RESPONSES TO QUESTIONS FROM THE SECURITIES INVESTORS ASSOCIATION (SINGAPORE) IN RELATION TO THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The board of directors (the “**Board**” or “**Directors**”) of Prosper Cap Corporation Limited (the “**Company**” and together with its subsidiaries, the “**Group**” and reference to “we”, “our” and “us” means the Group) wishes to announce that it did not receive any questions from shareholders as at the cut-off timeline for submission of questions as at 5.00 p.m. on 23 April 2024.

The Board further refers to the questions raised by Securities Investors Association (Singapore) (“**SIAS**”) in relation to the Company’s Annual Report for the financial year ended 31 December 2023 (“**FY2023**”), and set out below the Company’s responses to the corresponding questions from SIAS:

SIAS Question 1: The company completed the reverse takeover on 23 January 2024 and the board was reconstituted on the same day. The board currently comprises:

- Mr Bunyong Visatemongkolchai (as chairman)
- Mr Hansa Susayan
- Mr Iqbal Jumabhoy
- Mrs Sasinan Allmand
- Mr Lee Kwai Seng
- Mr Christopher Tang Kok Kai
- Mr Chiew Chun Wee

At the annual general meeting scheduled to be held on 30 April 2024, Mr Bunyong Visatemongkolchai, Mr Hansa Susayan and Mr Iqbal Jumabhoy would be retiring pursuant to Article 94 of the company’s constitution and will be seeking re-election.

Additional information on directors seeking re-election can be found on pages 41 to 46 of the annual report.

- (i) **Can the chairman help shareholders better understand his experience with real estate, particularly in the hospitality sector in the United Kingdom?**

Company's Response:

Mr. Bunyong Visatemongkolchai's extensive experience in asset management positions him well to collaborate effectively with the Chief Executive Officer and Executive Director, Mr. Iqbal Jumabhoy, who brings a wealth of expertise in the hospitality and real estate development sectors. With his background as a director in various private and public companies, including Bangkok Commercial Asset Management Public Company Limited, Able Asset Company Limited, Thai Asset Management Corporation and JCK International Public Company Limited, Mr. Visatemongkolchai possesses valuable insights into strategic decision-making and financial management.

In working closely with Mr. Jumabhoy, Mr. Visatemongkolchai intends to leverage his skills in asset management to complement Mr. Jumabhoy's deep knowledge of the hospitality and real estate industries. By combining their respective strengths, they aim to enhance the company's asset management strategies, optimise investment decisions, and drive sustainable growth. Mr. Visatemongkolchai recognises the importance of collaboration and mutual respect in leveraging each other's expertise, ensuring that their partnership yields the best possible outcomes for the company and its stakeholders.

- (ii) **As a first-time director of a listed company in Singapore, how does the chairman perceive his role in guiding the board?**

Company's Response:

Mr. Bunyong Visatemongkolchai sees his role as facilitating board dynamics and fostering a culture of trust and accountability. He recognises that each director brings unique expertise and insights to the table, and he strives to harness this diversity to drive the Company forward. Mr. Visatemongkolchai actively engages with directors to understand their perspectives and concerns, fostering constructive dialogue and consensus-building. Additionally, he ensures that board meetings are conducted efficiently and effectively, maximising the use of time to address key strategic issues and monitor the Company's performance.

Overall, Mr. Visatemongkolchai views his role as instrumental in steering the Board towards achieving the Company's long-term objectives and delivering value to shareholders. He also recognises the importance of upholding regulatory compliance and transparency, working closely with fellow Directors to uphold the

highest standards of corporate governance. The Company's legal advisor, Allen & Gledhill, along with Catalist Sponsor Prime Partners Corporate Finance Pte. Ltd., have provided comprehensive briefings and advice to all Directors including regarding their responsibilities within the Singaporean regulatory framework. Furthermore, it is imperative to highlight that all Directors, including Mr. Visatemongkolchai will be undertaking the First-Time Director training program provided by the Singapore Institute of Directors within one (1) year from the date of their appointment.

Mr. Visatemongkolchai is unequivocally committed to fulfilling his duties as an independent director, ensuring equal representation of all shareholders, in addition to his other responsibilities as Chairman of the Board.

- (iii) **Can the company clarify whether all newly appointed directors to the company will have to retire at the first AGM following their appointment and seek shareholders' approval through re-election?**

Company's Response:

Pursuant to Article 100 of the constitution of Prosper Cap Corporation Limited ("**ProsperCap**"), any director appointed as a casual vacancy or additional director by the Board of Directors shall retire at the first AGM following his appointment. The current directors of the Company were all appointed by the shareholders at the extraordinary general meeting held on 26 December 2023, hence, they are not subject to retirement under Article 100. Instead, one-third of the current directors (the number nearest to but not less than one-third) are subject to the retirement by rotation at this forthcoming AGM in accordance with Article 94 of the constitution of ProsperCap.

SIAS Question 2: Resolutions 2 and 3 of the notice of annual general meeting seek shareholders' approval for the payment of directors' fees of up to \$605,229 and \$200,000 for the financial year ending 31 December 2024 and 3-month period ending 31 March 2025 respectively.

(i) To facilitate shareholders' informed voting at the AGM, can the board disclose the method used to calculate directors' fees?

(ii) Does the board have a defined fee structure for directors, and if so, could the board provide details on this structure?

Company's Response (For questions i/ii):

There are two portions of directors' fees for FY2024 as follows:

- i) Outstanding amount of 3Cnergy Limited's directors' fees for the period from 1 January 2024 to 23 January 2024; and
- ii) The payable amount of directors' fees of current board members until 31 December 2024.

For the current board of directors, the fee structure comprises two elements as set out below:

- i) Director based fee and
- ii) Position on each sub-committees, i.e. Audit Committee, Remuneration Committee and Nominating Committee.

- (iii) **Can the board disclose the fees received by each director for better transparency?**

Company's Response:

The annual compensation of each director is banded between S\$60,000 and S\$130,000. The bands have been disclosed in the RTO Circular (please refer to page A-151 of the RTO Circular dated 7 December 2023 under the section titled "Remuneration of the Proposed New Board and Proposed New Executive Officers.

- (iv) **What is the rationale behind the company proposing a resolution to pay directors' fee for the 3-month period ending 31 March 2025? This approach does not appear to be a common practice on SGX.**

Company's Response:

The Company proposes to pay directors' fees (during or soon after the period in which such fees are incurred) on a monthly or other periodic basis in arrears. This is explained in Explanatory Note 2 in the Notice of Annual General Meeting dated 15 April 2024 (the "AGM Notice") in respect of the financial period from 1 January 2025 to 30 April 2025 (the "Relevant Financial Period"). Therefore, to facilitate the payment of directors' fees as they are incurred during the Relevant Financial Period, shareholders' approval will be sought for passing the Ordinary Resolution 3 set out in the AGM Notice.

If Ordinary Resolution 3 is not passed, then the Company will not be able to pay the directors' fees during the Relevant Financial Period. If this were to occur, the directors will not be paid, during the Relevant Financial Period, any directors' fees, and such delay in payment of directors' fees would be contrary to the Company's proposal to pay directors' fees on a monthly or other periodic basis in arrears.

SIAS Question 3: The chairman and chief executive officer presented to shareholders in a short one-page letter in the annual report (page 105). An overview of the group's properties in the United Kingdom can be seen on pages 106 and 107. The portfolio of 17 hotels achieved occupancy of 79.5%, with average daily rate of £99.4.

(i) **What was the occupancy rate of the portfolio before COVID?**

Company's Response:

As the portfolio was only acquired in late 2019, the Group does not have information on occupancy rate before COVID.

(ii) **Has the travel industry in the United Kingdom returned to or surpassed pre-COVID levels?**

Company's Response:

According to reports and statistic¹ on UK Hotels, UK hospitality sector is showing signs of recovery after the challenges posed by the COVID-19 pandemic. While the sector faced significant downturns during the pandemic, recent data suggests a robust recovery trajectory. For example, by 2024 the projected revenue¹ for UK hotel industry is estimated to be US\$21.5 billion, indicating a strong recovery versus the 2019 level of US\$19.33 billion. Cities like Manchester, Birmingham, Liverpool, and Cardiff have experienced a strong rebound in group business, matching or even surpassing 2019 levels.

It is expected to show an annual growth rate¹ of 1.72% resulting in a projected market volume of US\$23.04 billion by 2028.

We are also witnessing the resurgence of both international and domestic travellers, along with a rebound in social and corporate events. This bodes well for our hospitality assets as reflected in our operating key performance indicators for the FY2023 as announced on 29 February 2024 via SGXNet. According to the European Real Estate Market Outlook Report², Europe's hotel and tourism sector is poised to gain further momentum in 2024, primarily driven by domestic and intra-regional leisure travel. The resumption of long-haul flights from Asia Pacific is also expected to support the improvement in international leisure demand.

Buoyed by the sustained demand and moderating inflation, we are optimistic that our hospitality assets will continue to see steady occupancy rates and moderate increases in average daily rates, benefitting from both the leisure and business segments.

¹ Sources:

<https://www.statista.com/outlook/mmo/travel-tourism/hotels/united-kingdom>

<https://www.linkedin.com/pulse/discovering-latest-trends-uk-worldwide-hospitality-june-keba-vinod/>

<https://www.knightfrank.com/research/article/2023-10-09-seasonality-patterns-return-but-with-continued-strong-recovery-for-the-uk-hotel-market>

²17 January 2024, CBRE Hotels – European real estate market outlook 2024 – hotel

[https://www.cbre.com/insights/books/european-real-estate-market-outlook-](https://www.cbre.com/insights/books/european-real-estate-market-outlook-2024/hotel#:~:text=Favourable%20supply%20and%20demand%20dynamics%20anticipated&text=From%202009%20to%202022%2C%20o)

[2024/hotel#:~:text=Favourable%20supply%20and%20demand%20dynamics%20anticipated&text=From%202009%20to%202022%2C%20overall,arrivals%20supporting%20further%20RevPAR%20gains.](https://www.cbre.com/insights/books/european-real-estate-market-outlook-2024/hotel#:~:text=Favourable%20supply%20and%20demand%20dynamics%20anticipated&text=From%202009%20to%202022%2C%20overall,arrivals%20supporting%20further%20RevPAR%20gains.)

(iii) Is it management’s strategy to maintain a geographical diverse portfolio franchised under various well-known international hotel brands?

Company’s Response:

One of our strategic growth pillars is to expand our portfolio and diversify geographically. We intend to leverage the extensive network of our controlling shareholder, DTGO Group as well as our relationships with third parties to acquire currently operational and revenue-generating hospitality or lodging assets such as hotels, serviced apartments or purpose-built student or worker dormitories. Our search will not be confined within the United Kingdom area, we will evaluate opportunities that are yield-accretive and provide sustainable long-term growth.

Besides portfolio growth, we are also looking at asset enhancement initiatives on selected properties, which will include adding new rooms, refurbishing existing rooms and enhancing spa facilities. These efforts will not only enhance guest experience but also maximise the value of our assets.

(iv) Can shareholders expect a presentation from management during the AGM to gain deeper insights into the group's operations?

Company’s Response:

Yes, there will be a presentation during the AGM by Management to provide insights into the Group's operations.

By Order of the Board

Iqbal Jumabhoy

Chief Executive Officer and Executive Director

30 April 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 "**Exchange**") and the Exchange 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.

The contact person for the Sponsor is Ms Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.